



# CABINET

<b>7.00 pm</b>	<b>Wednesday 5 February 2025</b>	<b>Council Chamber - Town Hall</b>
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Members 9: Quorum 3

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 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**  
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**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.**

**Please would all Members and officers attending ensure they sit in their allocated seats as this will enable correct identification of participants on the meeting webcast.**

***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.***

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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:-

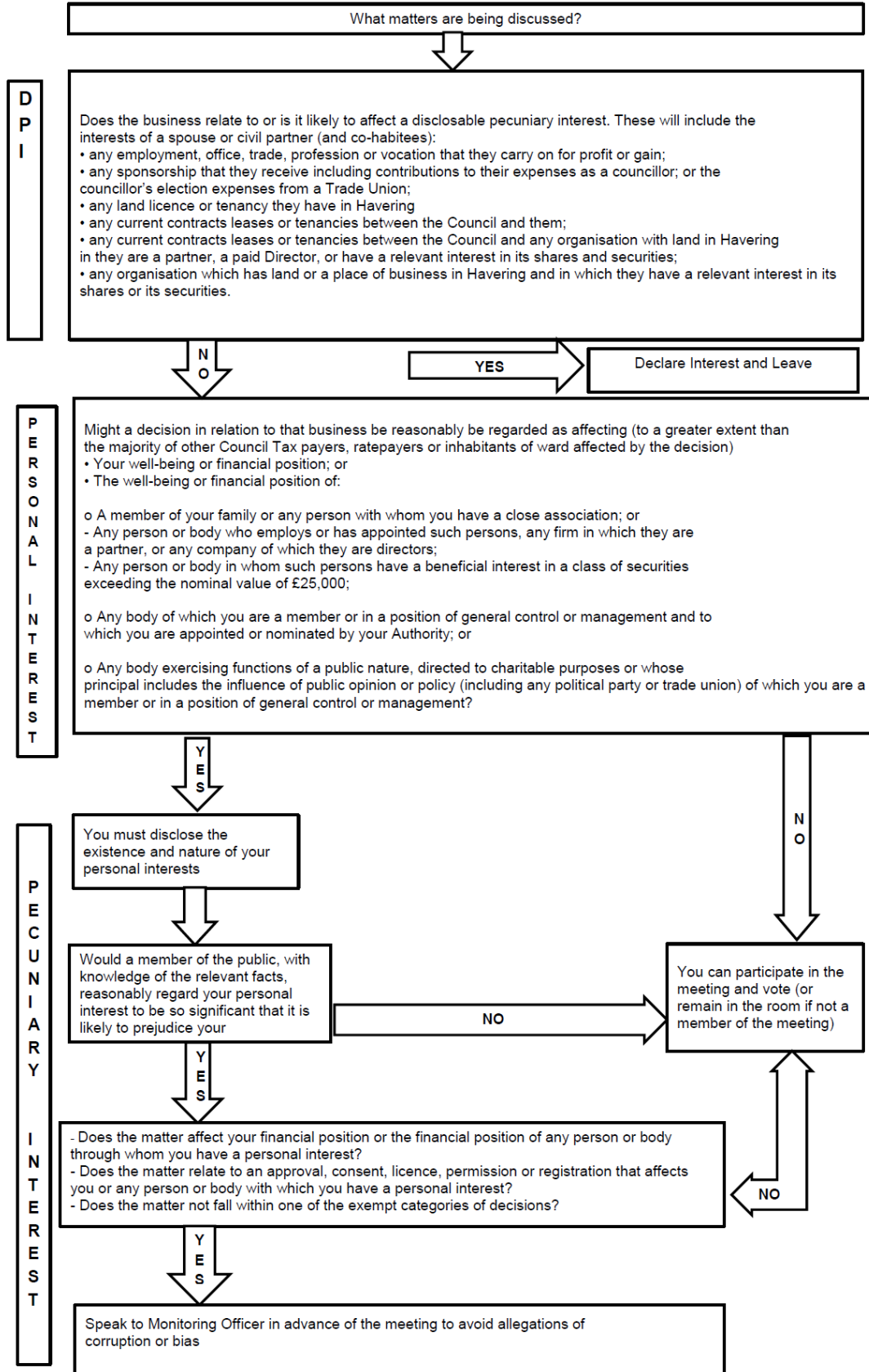
- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, 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 - 24)

To approve as a correct record, the minutes of the meeting held on **22<sup>nd</sup> January 2025** and to authorise the Chair to sign them.

### 5 HRA BUSINESS PLAN UPDATE, BUDGET 2025/26 & CAPITAL PROGRAMME 2025/26-2029/30. (Pages 25 - 64)

### 6 2025/26 BUDGET AND 2025-2029 MEDIUM TERM FINANCIAL STRATEGY (Pages 65 - 376)

### 7 5 YEAR CAPITAL PROGRAMME AND STRATEGY - 2025/26 TO 2029/30 (Pages 377 - 412)

### 8 TREASURY MANAGEMENT STRATEGY STATEMENT (TMSS) AND ANNUAL INVESTMENT STRATEGY 2025/26 (Pages 413 - 446)

### 9 BRIDGE CLOSE REGENERATION LLP BUSINESS PLAN UPDATE 2025-26 (Pages 447 - 844)

### 10 HAVERING WATES REGENERATION LLP - IN-YEAR REVIEW OF 2023/24 BUSINESS PLAN (Pages 845 - 872)

### 11 MERCURY LAND HOLDINGS BUSINESS PLAN UPDATE 2025/26 (Pages 873 - 942)

### 12 LIBRARIES CONSULTATION (Pages 943 - 1170)

### 13 EDUCATION FUNDING (Pages 1171 - 1186)

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**MINUTES OF A CABINET MEETING**  
**Council Chamber - Town Hall**  
**Wednesday, 22 January 2025**  
**(7.00 - 9.10 pm)**

**Present:**

Councillor Ray Morgon (Leader of the Council), Chair

Councillor Gillian Ford

Councillor Oscar Ford

Councillor Paul McGeary

Councillor Paul Middleton

Councillor Barry Mugglestone

Councillor Natasha Summers

Councillor Christopher Wilkins

Councillor Graham Williamson

**Cabinet Member responsibility:**

Lead Member for Adults & Wellbeing

Lead Member for Children & Young People

Lead Member for Housing & Property

Lead Member for Digital, Transformation & Customer Services

Lead Member for Environment

Lead Member for Housing Need & Climate Change

Lead Member for Finance

Lead Member for Regeneration

In attendance: Cllr Michael White (CON), Cllr Keith Darvill (Labour), Cllr Martin Goode (EHRG), Cllr David Taylor (CON)

Observers: Cllr Matt Stanton (LAB), Cllr Stephanie Nunn (HRA).

**31 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.

**32 APOLOGIES FOR ABSENCE**

No apologies received, full cabinet in attendance.

33 **DISCLOSURES OF INTEREST**

There were no declarations of interest.

34 **MINUTES**

The minutes of the meetings held on **11<sup>th</sup> December 2024**, were agreed as a correct record and the Chair signed them.

35 **PERMISSION TO DELEGATE PURCHASE OF FOOD WASTE CADDIES/FOOD WASTE VEHICLES**

**Report:** Decision to implement domestic food waste collections, and delegate purchasing.

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

**Summary:**

1. The Environment Act 2021 requires all local authorities to implement weekly collections of food waste from all households by 1<sup>st</sup> April 2026. This decision report seeks approval for the rollout of food waste collections to residents, and delegate the procurement of vehicles, containers and equipment to deliver the service to the Director for Environment. This will reduce the potential for service delays as vehicle lead times are expected to increase as the year progresses, and will also allow the allocation of as-yet unconfirmed amounts of revenue funding. The service is also currently analysing the results of a customer survey, and this report will enable the results of that survey to feed into the service design and communications planning.
  - 1.1. The initial purchasing of vehicles, containers and equipment is expected to cost £3.2m based on current market rates, however, will be subject to appropriate procurement procedures. Havering Council has received £1.894m of capital funding from DEFRA, with Havering including capital funding of up to £4.650m to cover any shortfall. Officers continue to lobby DEFRA to plug the funding gap accordingly, and any unspent internal capital funds will be released if not needed.
  - 1.2. A contract variation will be required for the Council's waste contractor, FCC to deliver the service, which is anticipated to commence in October 2025 at a cost of £2.7m per annum. This decision also seeks approval for the Director of Environment to carry out all necessary contractual arrangements with FCC to complete the contract variation.
  - 1.2. Whilst the food waste service is a mandatory requirement on the Council to deliver, residents have been surveyed to understand any barriers to participating in the service, and how communications will be



best received, with a summary provided in Appendix 8. The survey is based on proposals, laid out in Appendix 9.

**Cabinet:**

- 2.1. **Agreed** the draft proposals (Appendix 9 and paragraph 4 below) to implement weekly household food waste collections to all domestic properties in Havering, commencing rollout from October 2025.
- 2.2. **Authorised** delegation of capital spending and the commencement of a procurement process (at an estimated value of £3.2m) to the Director for Environment, to enable the purchase of vehicles, containers, and equipment. This will adhere to the relevant procurement rules as appropriate.
- 2.3. **Authorised** the Director of Environment to take all necessary steps to complete the contract variation with FCC for the delivery of the food waste collection service.
- 2.4. **Delegated** the acceptance of any further funding whether revenue or capital from DEFRA monies to the Director of Environment, in consultation with the Cabinet Member for Environment, Head of Finance and Director of Resources (s151).

36 **TENANCY POLICY**

**Report:** Housing Services – Tenancy Policy

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

**Summary:**

This policy outlines our approach to providing a fair and transparent tenancy management service, reflecting our commitment to provide secure, high-quality housing and ensure that our residents have a safe and comfortable home.

The need for a Tenancy Policy is a requirement of social housing reforms set out in the Localism Act 2011 and is a requirement of the Regulatory Framework for Social Housing.

The policy reforms include the introduction of the right to issue tenancies for a fixed length of time and changes to the rights of succession.

This aims to give social housing providers greater flexibility in making best use of their stock and Affordable Rent Tenure Options (affordable rent

means up to 80% of the local market rent) to increase rental income and in turn maximise the supply of homes.

This policy sets out how Havering Council ('the landlord') use the range of options available in the Localism Act to assist in meeting its strategic aims, outlining:

- the use of different tenancy types to ensure the best use of valuable social housing stock
- different tenancy types and the circumstances under which they will be offered
- tenancy management
- the process for starting and ending a tenancy
- ensuring tenancies are sustainable
- how we help our vulnerable tenants

**Cabinet:**

**Approved** the Housing Services – Tenancy policy.

**37 ACCESS TO HOMES POLICY (2025)**

**Report:** Access to Homes policy (2025)

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

**Summary:**

This policy explains Havering Council's (the Council) approach to obtaining necessary access to a Council property (including gardens, external storage areas and other outside areas) in order to fulfil its statutory and/or regulatory duties to protect the occupier and/or their neighbours.

It explains how necessary access will be requested and what action will be taken if access is, for whatever reason, denied.

**Cabinet:**

**Approved** the Access to Homes Policy (2025)

**38 OFFICE TO RESIDENTIAL CONVERSION TO ACCOMMODATE HOMELESS FAMILIES - EASTGATE HOUSE**

**Report:** Office to residential conversion to accommodate homeless families – Eastgate House

**Presented by:** Councillor Natasha Summers – Lead Portfolio Holder for Living Well Housing Demand

**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 Eastgate House, a 34-unit Office to Residential Conversion by 2026, to meet its Homeless Reduction Act 2017 duty to accommodate homeless families.
2. The scheme will enable the local authority to exit 34 households out of high cost hotel and nightly charged accommodation anticipating a net revenue cost avoidance of circa £1.8 million over the length of the term, as well as £5.3 million in capital receipts. The forecast for inflation is included.

**Cabinet:**

4.1 **Approved** the proposal to enter into an agreement for lease with National Housing Group for the sole use and occupation of Eastgate House, a 34 unit building in Basildon, under which the Council will be obliged to take a 10-year lease of Eastgate House upon completion by National Housing Group of agreed refurbishment works.

4.2 Upon completion of the lease referred to above, **approved** that the Council may either:

4.2.1 grant a sub-underlease of Eastgate 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 Eastgate House directly.

4.3 **Approved** deficit grant funding of up to £3.9m in total to QLM to cover the lease period.

4.4 **Delegated** 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.

3. **Noted** 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.

4. **Noted** Eastgate House is a permitted development scheme where from a planning perspective has already secured prior approval for office to residential conversion.
5. **Noted** the projected costs of leasing the property for the term outlined as well as the projected cost avoidance.

39 **OUTLINE PROPOSALS TO ADDRESS EARLY YEARS, PRIMARY, SECONDARY AND SEND RISING ROLLS – UPDATE TO PHASE 5 EXPANSION PROGRAMME**

**Report:** Outline Proposals to address Early Years, Primary, Secondary and SEND rising rolls – To implement Phase 5 expansion Programme

**Presented by:** Councillor Oscar Ford, Cabinet Member for Children & Young People

**Summary:**

1. The report seeks Cabinet's approval of the projects and associated capital funding to implement Phase 5 of the expansion programme to manage the forecast increase in early years, primary, secondary and SEND pupil numbers, as approved in the Outline Proposals to address Early Years, Primary, Secondary, SEND and AP rising rolls – Update to Phase 5 expansion Programme cabinet report in November 2023.
2. Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £66m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions.
3. This rise in demand in Primary, Secondary and SEND means that the Council needs to do two things:
  - Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which is already well underway.
  - Plan for a longer term growth in pupil numbers to meet demand from new housing and a growing population and establish new schools as and when required.
4. Approval will enable officers to implement the education projects detailed in this report as part of the Council's strategy of ensuring that there are sufficient school places to meet likely future demands.

**Cabinet:**

## 1 Agreed

### 1.1 An increase in Early Years and Childcare Places including

- 1.1.1 Approval of the spend of the £566,841 childcare capital expansion funding grant as set out at para 2.4 of the Report.

### 1.2 An increase in Primary Places including implementation of:

- 1.2.1 The establishment of one-off bulge classes as an interim measure to increase primary places between 2024/25 and 2027/28.
- 1.2.2 The permanent 1FE expansion of a primary school in the Romford planning area.

### 1.3 An increase in Secondary Places including implementation of:

- 1.3.1 One-off bulge classes as an interim measure to increase secondary places to meet demand
- 1.3.2 1 FE permanent expansion at one secondary school in the Central planning area in 2026/27

### 1.4 To increasing SEND Places

#### 1.4.1 Primary SEND places

- **Approved** SEND Units to be implemented for primary children at the following schools:

School name	Number of places	SEND need type	Due to open
Harrow Lodge Primary School	12	Communication and Interaction (C&I)	2026/27
Harold Wood Primary School	12	Communication and Interaction (C&I)	2026/27

- To expand the existing SEND provision at RJ Mitchell Primary School from 21 to 40 places.

#### 1.4.2 Secondary SEND places

**Supported** the implementation of temporary accommodation to provide SEND unit places at Royal Liberty School from January 2025 - 12 places for pupils (11-16 years) with Communication and Interaction needs.

Approved that the SEND Unit to be implemented for secondary pupils at the following school:

School name	Number of places	SEND need type	Due to open
The Brittons Academy	20	Communication and Interaction (C&I)	2026/27

#### 1.4.3 Special Schools

**Agreed** the funding to be transferred to Lime Trust in order to increase the capacity at Lime Academy Forest Approach so that the school can increase their pupil numbers from 120 to 150.

#### END Capital Grant Programme

**Agreed** to establish a SEND capital grants programme allowing schools and settings to apply for part of the fund that could be used to make adaptations to their building in order to promote better outcomes for children and young people with SEND.

#### 1.4.4 School Houses

**Agreed** that the net-capital receipts from the sale of the school houses at Scotts Primary School and Newtons Primary School be included in the capital programme to deliver the respective school improvement projects.

### 1.5 **Increasing Alternative Provision (AP) Places**

1.5.1 **Agreed** to implement a primary AP provision, to operate from the site of and to be run by Olive AP Academy Havering.

**2 Delegated** the power for Phase 5 of the Expansion Programme to the Cabinet Member for Children & Young People

- To take further decisions regarding the implementation of these projects and the approval of which schools/early years/childcare settings should be expanded including any amendments to the proposals above, such as a decision not to proceed or to expand a different school/early years/childcare setting, in the light of developing circumstances or the results of consultation (subject to the appropriate statutory processes).
- To approve the Executive decision to award the contract to construct and design the new special free school on Balgores Fields.

**3 Delegated** to the Assistant Director of Regeneration & Place Shaping authority to:

- Submit planning applications after consultation with planning officers, commission all associated surveys/investigations (including transport assessment, soils survey, environmental check etc.) and commence tender processes as required to support the development of options appraisals to deliver Phase 5 expansions required- noting that tender awards will remain the subject of separate Executive Decision(s).

**4 Delegated** to the Assistant Director of Education authority to:

- Select proposers for new schools and make recommendations to the Secretary of State for Education in respect of free school processes.
- Apply for grant funding opportunities from the DfE
- Accept grant funding from the DfE on behalf of the Local Authority
- Apply for free schools via future free school waves
- Determine that capital receipts from the future sale of school houses be returned to the respective school with funds used to enhance education provision at that school.
- To sign off any statutory proposals needed to implement the projects.

40 **CONTRACT AWARD FOR THE SUPPLY OF TEMPORARY WORKERS**

**Report:** Contract Award for the Supply of Temporary Workers

**Presented by:** Cllr Ray Morgon, Leader of the Council

**Summary:**

5. The report seeks Cabinet's approval of the projects and associated capital funding to implement Phase 5 of the expansion programme to manage the forecast increase in early years, primary, secondary and SEND pupil numbers, as approved in the Outline Proposals to address Early Years, Primary, Secondary, SEND and AP rising rolls – Update to Phase 5 expansion Programme cabinet report in November 2023.
6. Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £66m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions.
7. This rise in demand in Primary, Secondary and SEND means that the Council needs to do two things:

- Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which is already well underway.
  - Plan for a longer term growth in pupil numbers to meet demand from new housing and a growing population and establish new schools as and when required.
8. Approval will enable officers to implement the education projects detailed in this report as part of the Council's strategy of ensuring that there are sufficient school places to meet likely future demands.

**Cabinet:**

1. **Approved** a contract award for the supply of temporary workers to Adecco (Company number **00593232**) via the Eastern Shires Purchasing Organisation Mstar4 London Collaboration call-off for a duration of two years with the option to extend for two further periods of two years for a total duration of six years.

41 **APPROVAL TO COMMENCE PROCUREMENT FOR FROZEN FOOD AND GROCERY**

**Report:** Approval to commence procurement for Frozen Food and Grocery

**Presented by:** Councillor Oscar Ford, Cabinet Member for Children and Young People

**Summary:**

The current Frozen Food and Grocery Single-supplier framework expires on 31 August 2025. 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. 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 Tower Hamlets,
- London Borough of Waltham Forest,
- Thurrock Council



**Cabinet:**

**Approved** the commencement of a procurement process to set up a Procurement Across London (PAL) framework for Frozen Food and Grocery for a duration of three years plus 12-month extension (3+1).

The process will be via a Public Contracts Regulations 2015 compliant tender procedure as set out in this report. The indicative value of the new call-off contract across PAL members is c. £6.71m in year 1. The total framework value over the 4-year term of the contract (3 years + 1-year extension) is £28.91m across all PAL members. This includes an estimated 5% annual inflationary increase.

Havering's estimated annual contract value in Year 1 is £2.23m (£9.63m total contract value over the lifetime of the framework duration of four years).

42 **COUNCIL TAX BASE 2025/26**

**Report:** Council Tax base 2025/26

**Presented by:** Councillor Chris Wilkins, Cabinet Member for Finance

**Summary:**

This report is produced to enable the Council to fulfil its statutory role to set a council tax base for 2025/26. The Local Government Finance Act (LGFA) 1992, as amended by the LGFA 2003 & LGFA 2012 requires the Authority to formally calculate the council tax base for 2025/26 and pass this information to precepting authorities by 31 January 2025.

The tax base must be set between 1 December 2024 and 31 January 2025. The regulations stipulate that:

- The appropriate figure must be calculated using the Valuation List and Council Tax records as at 30 November 2024  
Calculation of the Tax Base
- The calculation of the Council Tax Base is by way of a statutory prescribed formula, which is set out at Appendix A.

**Cabinet:**

**Agreed** a taxbase of 90,151 band D equivalent for 2025/26

**Noted** the change in estimated collection rate set out in section 3.3 which is a prudent assumption and reflective of current collection levels.

43 **APPROVAL TO EXTEND WINDOWS AND DOORS CONTRACT**

**Report:** Approval to award 1-year extension of contract for Windows and Doors

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

**Summary:**

As part of the Council's responsibility as a landlord, the Council has a duty to undertake repairs and maintenance works to its HRA housing stock. The Council entered into contract with Equans Regeneration Limited to replace windows and doors. The original contract was for 3 years with 2 one-year optional extensions subject to performance.

The Council has been satisfied with the performance and would like to activate an additional one-year extension to the original contract at a value of £7m. Monies have been identified within the HRA 30-year business plan and contract spend will be aligned with business priorities and approved budgets.

**Cabinet:**

**Agreed** to extend the contract with Equans Regeneration Limited to deliver windows and doors including fire doors to HRA properties for a period of one year at a maximum value of £7 million.

44 **PROVISION OF TEMPORARY HOMES FOR THE WATERLOO ESTATE**

**Report:** Temporary Housing for Waterloo and Queen Street site - Meanwhile Use.

**Presented by:** Councillor Graham Williamson, Cabinet Member for Development & Regeneration.

**Summary:**

This report seeks Cabinet approval for the installation of 18 modular homes at the Waterloo and Queen Street site as a meanwhile use to address the acute housing shortage.

The modular units will provide temporary accommodation for households at risk of homelessness and help mitigate reliance on unsuitable temporary housing options such as hostels or hotels.

**Cabinet:**

**Approved** the installation of 18 modular homes and related accommodation works on part of the Waterloo and Queen Street site by the Havering/Wates Joint Venture Partnership.

**Approved** expenditure of £6,500,000 from the allocated budget.

**Delegated** authority to the Strategic Director of Place to progress and complete all relevant applications, consents, legal agreements and ancillary documentation necessary to deliver the project

45 **COMMENTS OF OVERVIEW AND SCRUTINY BOARD**

**Report:** Comments of Overview and Scrutiny Board

- A. Office to residential conversion to accommodate homeless families – Chesham House

**Presented by: Councillor Natasha Summers**

**Response:**

Councillor Summers responded to each of the 12 considerations:

1. **There are concerns over the financial position of National Housing Group with a lack of liquidity and low levels of cash at bank demonstrated in the Cabinet report. The recent departure of three directors of the company, without apparent replacement, is also of concern.**

These concerns are noted.

National Housing Group addresses liquidity concerns and recent director resignations. Last year, we managed three major projects, causing fluctuations in working capital. Now, our financial position is stable, with a consistent six-figure cash balance over the past 9 months and all properties fully let.

Only two directors have resigned, neither involved in daily operations. Duncan Kreeger remains a director of Bryan Lloyd Limited, the ultimate beneficial owner of NHG. The core operational team is intact, ensuring business continuity and stability.

2. **No agreement should be entered into for the site until more detail is known of the precise elements of the scheme or planning permission has been granted.**

This recommendation is accepted.

To guarantee the quality of the proposed development, a detailed minimum standards document will be appended to the Agreement for Lease (AFL). This

document will outline stringent build quality criteria and standards that the development must meet. All construction activities will comply with relevant building regulations and specifications to ensure that the completed project is fit for purpose.

Additionally, necessary collateral and structural warranties will be assigned to the London Borough of Havering. These warranties will provide assurance that the development meets the required standards and will mitigate risks associated with potential non-compliance or structural issues.

3. **More detail is required on whether the location of the development in an industrial estate is suitable and conducive to the quality of life of residents. In particular, more precise detail should be given of the noise mitigation measures to be taken to reduce disturbance from nearby industrial units. The Board is also concerned that the development may set an unwanted precedent for locating residential units in industrial areas.**

This recommendation is noted.

The location of the proposed development has been evaluated to ensure its suitability and maintain the quality of life for future residents. The detached building is situated at the edge of the industrial estate, near residential houses on Cedar Road and adjacent to the newly constructed residential development, merchant's yard.

To address potential concerns regarding noise and industrial disturbance, comprehensive noise assessments will be conducted. The findings will be reported transparently, and any identified issues will be addressed through mitigation strategies that comply with all necessary standards and regulations. These measures aim to minimize disturbances and ensure a high quality of life for residents. Additionally, the development has been planned to avoid setting an undesirable precedent for residential units in industrial areas by taking into account the specific characteristics and boundaries of the location.

4. **The Board is disappointed that it was not presented for scrutiny the legal advice received by Cabinet on this matter (this has since been provided) and feels that this significantly hindered the scrutiny process.**

This recommendation is noted.

This appears to have been an administrative error in the publication of the documents. The documents have been provided by Democratic Services on the 8 January 2025.

5. **Confirmation should be given that the scheme will be solely for Havering residents.**

This recommendation is noted.

The scheme will be used to fulfil the council's duty under the Housing Act 1996, Part VII. All occupants must demonstrate a local connection with Havering before moving in.

**6. Further detail should be given on the quality aspects of the scheme and the risk of not reaching these should be established.**

This recommendation is noted.

The council requires the conversion to meet detailed property standards before signing the lease agreement.

**7. A specific explanation is requested of why Mercury Land Holdings does not have Public Liability Insurance and hence cannot be considered as an option for this scheme.**

This recommendation is noted.

Mercury Land Holdings (MLH) has public liability insurance. However, MLH directors who are not council employees will not be covered for any reputational risk associated with housing homeless households.

**8. Clarity should be given over whether Stamp Duty needs to be paid for the Chesham House development as the report is unclear on this point.**

This recommendation is noted.

NHG must pay SDLT when signing the lease with the Council. According to the council's tax advisors, the sublease to Queens Lettings and Management will be exempt from SDLT, but specific exemption authorization from HMRC is required.

**9. It is essential that adequate security arrangements are in place to safeguard tenants at Chesham House, including external and internal CCTV cameras as required.**

This recommendation is accepted.

We intend to replicate the security arrangements for our other hostel schemes.

**10. The Board requests to see any pre-planning application discussions that may have taken place.**

This recommendation is noted.

The Cabinet is not aware of any pre-planning application discussions; however prior approval will be sought in the normal way as a permitted development scheme with all the risk borne by National Housing Group.

**11. Briefings on the development should be given as soon as possible to Strategic Planning Committee and to Places Overview and Scrutiny Committee (OSSC). The briefing to Places OSSC to cover compliance with housing law as part of the development.**

This recommendation is partially accepted.

Briefings to the Strategic Planning Committee will be carried out by the applicants, NHG, however officers will arrange for future briefing to the Places OSSC on the development, subject to the agreement of the Chair.

**12. Details should be provided on the impact of the scheme of the Council's Risk Register.**

This recommendation is accepted.

The Council has identified emergency bed and breakfast accommodation as a significant risk to children, families, reputation, and budgets. This scheme aims to mitigate these risks by providing good quality accommodation.

## **B. Citizens Advice Service and Budget Consultation Response presented by Councillor Chris Wilkins**

1. That it be investigated whether S 106 or Community Infrastructure Levy funding from the Angel Way or Como Street developments can be used to support the Citizens Advice Service – either as a replacement for existing grant funding or as a means to provide accommodation for the service on either of these sites.

**Cabinet Lead response:** This recommendation will be considered at the February Cabinet Budget meeting.

2. That next year's budget consultation be presented to the Overview and Scrutiny Board, in draft form, in order that this can be scrutinised and suggestions made, prior to its going live.

**Cabinet agreed to this recommendation**

- A. Comments of Overview and Scrutiny Board on Requisition of Cabinet Decision - Office to residential conversion to accommodate homeless families – Chesham House

**Cabinet:**

**Upheld** the original decision and responded to the comments of the Overview & Scrutiny Board

- B. Comments of Overview and Scrutiny Board on Citizens Advice Service and Budget Consultation

3. That it be investigated whether S 106 or Community Infrastructure Levy funding from the Angel Way or Como Street developments can be used to support the Citizens Advice Service – either as a replacement for existing grant funding or as a means to provide accommodation for the service on either of these sites.

**Cabinet response:** This recommendation will be considered at the February Cabinet Budget meeting.

4. That next year's budget consultation be presented to the Overview and Scrutiny Board, in draft form, in order that this can be scrutinised and suggestions made, prior to its going live.

**Cabinet agreed to this recommendation**

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**Chairman**

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## CABINET

5<sup>th</sup> February 2025

**Subject Heading:**

**HRA Business Plan update, Budget 2025/26 & Capital Programme 2025/26–2029/30.**

**Cabinet Member**

Councillor Paul McGeary  
Lead Member for Housing and Property

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**Policy context:**

This report presents the HRA Budget recommendations for agreement by Cabinet and recommendations on to Council for consideration and approval.

**Financial summary:**

The Council is required to set an annual HRA Revenue Budget for 2025/26. This report includes recommendations to agree the HRA revenue spend budget, the rents and other

	charges, the HRA Major Works Capital Programme, detailed in Appendix 1a and the Business Plan projections as outlined in Appendix 2a and 2b.
<b>Is this a Key Decision?</b>	<b>Yes</b>
<b>Is this a Strategic Decision?</b>	<b>Yes</b>
<b>When should this matter be reviewed?</b>	September 2025.
<b>Reviewing OSC</b>	Places.

**SUMMARY**

This report sets a budget for the Council's Housing Revenue Account (HRA) and HRA Major Works and Capital Programme. Cabinet approved the Housing Asset Management Plan 2021-2051 in October 2021 and the budgets and projections of expenditure required to maintain the stock to a good standard have been used in the preparation of the capital programme in this report. A summary is provided of the HRA Business Plan 2024/25-2053/54.

The HRA is a ring-fenced account that is used to manage and maintain the Council's own housing stock. The Council is legally required to not set a deficit budget. The proposed budget will enable the Council to manage and maintain the housing stock to a good standard and provide funding for a significant acquisition, new build and estate regeneration programme. It further sets rents, service charges and other charges for Council tenants and leaseholders for the year 2025/26.

As part of the new regulatory framework for local government housing services, councils are now subject to the Regulator of Social Housing's (RSH) Rent Standard. This has introduced the CPI + 1% increase arrangement, based on the published rate for September 2024 making an increase for 2025/26 of 2.7%.

In order to change any HRA rent liability, the local authority must notify tenants and give 28 days' notice of any change after the authority has made a properly constituted decision of that change. This means that, following a Cabinet decision on rent levels to be charged in any year, the local authority must write to all tenants to advise them of the new rent liability for the following 12 months.

Should the Cabinet adopt the recommendations, a notification will be sent to tenants in the first week of March 2025, to make the new charge effective from the first week of April 2025.

**RECOMMENDATIONS**

That Cabinet:

- 1 Approve the Housing Revenue Account Budget as detailed in paragraph 3.5.
- 2 Agree that the rents chargeable for tenants in general needs Council properties owned by the London Borough of Havering be increased by 2.7% from the week commencing 7<sup>th</sup> April 2025.
- 3 Agree that the rents chargeable for tenants in supported housing Council properties, such as sheltered housing and hostels, owned by the London Borough of Havering, are increased by 2.7% from the week commencing 7<sup>th</sup> April 2025.
- 4 To note the full annual rental charge will be billed over 48 weeks of the financial year and to agree the four weeks when rents will not be collected during 2025/26 are: the week commencing of 25<sup>th</sup> August 2025; 15<sup>th</sup> December 2025; 22<sup>nd</sup> December 2025 and the 30<sup>th</sup> March 2026.
- 5 Agree that service charges and heating and hot water charges for 2025/26 are as detailed in section 2.19 of this report.
- 6 Agree that charges for garages should be increased by 2.7% in 2025/26 as detailed in paragraph 2.9 of this report.
- 7 Agree that the service charge for the provision of intensive housing management support in sheltered housing for 2025/26 shall be as detailed in paragraph 20.24 of this report.
- 8 Agree the Supported Housing Charge for HRA Hostels as detailed in paragraph 2.28 of this report.
- 9 Agree that the rent charge to shared ownership leaseholders is increased in line with current lease conditions as detailed in paragraph 2.7 of this report.
- 10 Agree that the Care-line and Telecare support charge should be increased by 2.7% for 2025/26 as detailed in paragraph 2.27 of this report.
- 11 Approve the HRA Major Works Capital Programme, detailed in Appendix 1a of this report and refer it to full Council for final ratification.
- 12 Approve the HRA Capital expenditure and financing for the 12 Estates Joint Venture and other acquisition and regeneration opportunities detailed in section 4.4 – 4.12 and Appendix 1b of this report and refer it to Full Council for final ratification.

## **REPORT DETAIL**

### **1. BACKGROUND**

- 1.1 This report sets out what HRA income the Council has available to spend on housing, the current HRA financial position and the proposed spending plans for 2025/26.
- 1.2 The regulation of social housing has changed significantly with the implementation of the Social Housing (Regulation) Act 2023, particularly with the new Consumer Standard being applied to local authority landlords for the first time. All local authorities will be inspected by the RSH to assess how they are meeting the new standards. Havering has been taking some consultant advice on preparing for inspection.
- 1.3 The previous Government consulted on a new decent homes standard and the outcome of that consultation will affect the investment required for the stock in future years. The previous Government implemented a new rent standard for all social housing and issued guidance to local authorities on the implementation of this standard.
- 1.4 The Council recognises that there is a need for good quality affordable homes, especially for vulnerable residents such as the elderly, those on low income and first-time buyers, and has set out its ambition to meet these needs by using resources generated through the Housing Revenue Account Business Plan. The formula for setting social rent should enable registered providers, including councils, to set rents at a level that allows them to meet their obligations to their tenants, maintain their stock, to at least Decent Homes Standard, and continue to function as financially viable organisations.
- 1.5 There are many influences on the resources available to the HRA. These are all identified and quantified within the HRA Business Plan (HRA BP). The Business Plan is composed of various income and expenditure lines. Some of the lines are under the complete control of the Council, whilst some are affected by market conditions, government policy and legislation.
- 1.6 The lines in the business plan that have a direct impact on the income into the HRA Business Plan include:
- Rent policy including supported housing rents.
  - Service charge recovery.
- 1.7 The elements which affect the levels of expenditure in the HRA Business Plan include:
- Planned maintenance to existing stock.
  - Responsive repairs and compliance costs to existing stock.
  - Delivery of new build homes.
  - Staffing costs.
  - Financing costs of the borrowing in the HRA and interest rates.
  - Losses from bad debts, voids etc.
- 1.8 The Building Safety Act 2022 impacts on the HRA are:
- Building Safety and maintaining homes:
    - A strengthened role of the existing Regulator of Social Housing (RSH) in consumer regulation and safety with links to the new Building Safety Regulator.

## **Cabinet 5th February 2025**

- Social landlords must identify a ‘nominated person’ responsible for Health & Safety; the ‘nominated person’ is the London Borough of Havering.
- Requirement to register high rise blocks and have data relating to the construction and maintenance of buildings.
- New blocks over six storeys or 18m in height must have dual stair cores to facilitate means of escape and access for the fire brigade.

1.8 A separate report was presented to Cabinet in January 2022 setting out in detail the implications of the Act and the actions that the Council, as a landlord, was required to take to prepare for its implementation.

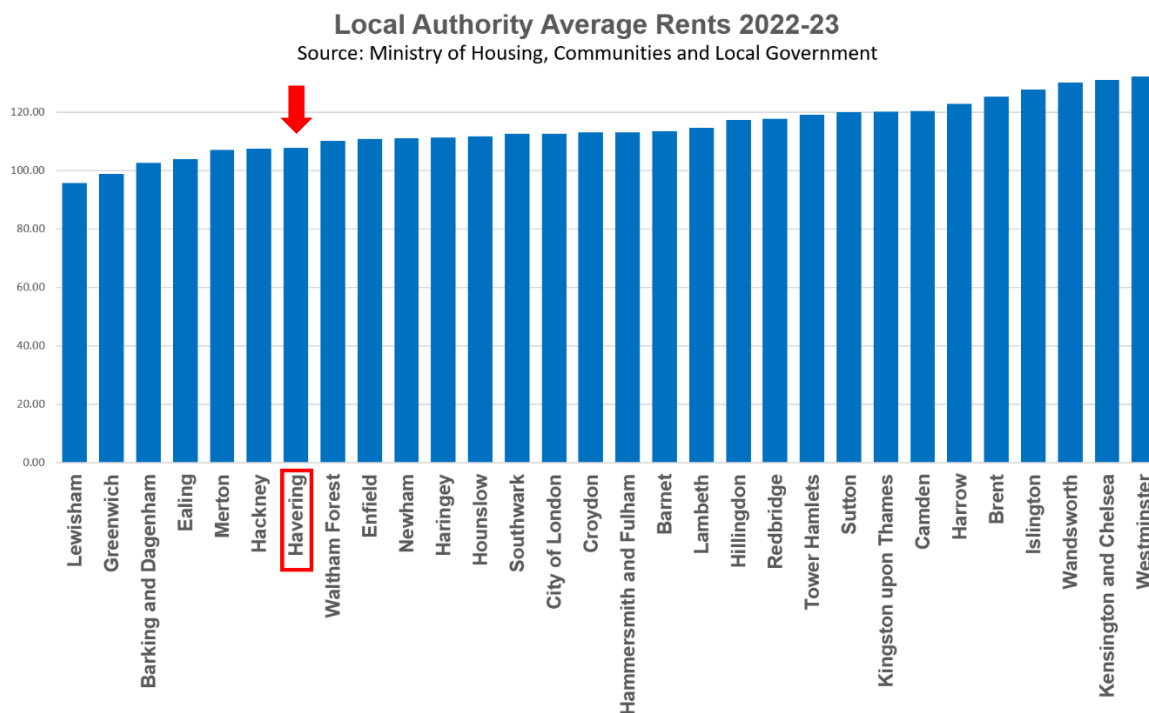
## **2. INCOME**

### **2.1 Rents**

2.2 From 2025/26 the Government is proposing that rents follow the rent setting formula of up to CPI +1%, which is intended to apply for 5 years. This provided certainty for rents in council housing up to 2030. The Council does have discretion to set a lower rent however, due to the significant strain on costs on the HRA next year it is recommended to implement the maximum increase allowed. The analysis of the Business Plan in Section 7 demonstrates that given the inflationary impact on building and maintenance costs, and the likely salaries increases, the proposed rent increase keeps the HRA in balance within the performance measures.

2.3 The four-year mandated 1% reduction (2016/17 to 2019/20), combined with the 7% cap on 2023/24 rent increases, has constrained annual rental income by 19.5% compared to a scenario where rents had continued to rise at CPI + 1%. This has resulted in an annual shortfall of £11.9 million, significantly limiting the HRA’s ability to maintain existing housing stock and expand new housing supply. To illustrate, this lost revenue could have funded at least 1,000 new affordable homes, alleviating homelessness pressures in the borough and General Fund finances.

2.4 Following the implementation of Universal Credit a new social housing rents cap at Local Housing Allowance (LHA) levels was introduced in 2019/20 to replace “limit rents”. In Havering, given the historically low level of council rents, the LHA levels for each bedroom size are above the proposed levels of the 2025/26 social rents and so there is no impact on the HRA BP. Future announcements on LHA levels may have a future impact and this will be kept under review and reported annually as part of the rent setting report. The table below shows the Havering rent levels compared to other London boroughs in 2022/23 (the latest year for which data is available).



2.5 The Table shows that Havering Council rents are some of the lowest in London compared to other councils as well as being significantly lower than housing associations rents.

2.6 The 2025/26 average weekly rent, applying the 2.7% increase to all General Needs properties and Sheltered Housing units is £136.31. Individually, the average weekly rent for the general needs properties is £137.57 and £118.50 for the sheltered housing.

2.7 The rent charged to hostel residents will be increased in line with new general needs rents for 2025/26 – 2.7%.

2.8 Shared ownership leaseholders pay rent for the proportion of the equity of the property that they do not own. The lease stipulates that the increase is in line with the retail price index plus 0.5% (RPI). Changes to the shared ownership lease introduced by the government, to limit the increase to CPI, will affect new leases only.

## 2.9 **Garages**

2.10 It is proposed to increase the level of charges for garages in 2025/26 by 2.7%. There are a range of charges for garages within the high, medium and low demand bands. We have recently made investment to improve the quality and letability of nearly 500 of our garages. They are now letting well and we are increasing the revenue generated from these assets. The average charge for a high-demand garage will be £19.19 per week, £17.87 per week, for a medium demand garage and £13.90 per week for a low-demand garage.

**2.11 Service charges**

<b>Service Charges</b>	<b>2024/25 Weekly charge (£)</b>	<b>2025/26 Weekly charge (£)</b>
Caretaking	4.62	4.72
Internal Block Cleaning	4.90	5.02
Bulk Refuse Collection	0.90	1.02
Housing Enforcement Services	0.00	1.23
Door Entry	0.39	0.40
Grounds Maintenance	5.72	5.25
TV access	2.18	2.09

**2.12 Caretaking, Internal Block Cleaning & Bulk Refuse Collection**

2.13 There is an increase in the cost-of-service charges payable for the provision of this service of just over 3%, This is because of the increase in service delivery costs. The weekly increase in the cost of all three services combined is £0.34.

**2.14 Enforcement Services**

2.15 The Housing Enforcement costs will be added to Service Charges this year. These charges have been held down for the previous two years, but it is no longer justifiable to continue with this approach as these costs are rechargeable.

Tenants and leaseholders will still benefit from not paying the CCTV Service charge, which was previously charged at £1.70 per week (Static) and £0.70 per week (Mobile)

**2.16 Grounds Maintenance**

2.17 A proportion of this service will be completed in-house by our Estate Management Team, which will significantly reduce the cost of this contract. It is anticipated that this will lead to an 8% reduction in service delivery costs.

**2.18 Communal Electricity**

2.19 Charges from April 2025 will be made based on the consumption at individual blocks in the previous calendar year. The price charged per kWh will be in line with the price cap set by OFGEM. The communal electricity charge is fully recoverable through Housing Benefit and Universal Credit.

**2.20 Heating & Hot Water Charges**

2.21 LBH is part of a consortium of 25 local authorities which enables the Council to continue to deliver considerable efficiencies and cost savings for our residents in the current volatile market conditions.

2.22 Where communal heating systems are in place, charges for heating and hot water will be made based on the consumption at individual blocks and schemes in the

## **Cabinet 5th February 2025**

previous calendar year. From April 2025, prices per kWh will be calculated in accordance with the domestic price cap set by OFGEM.

2.23 LBH has been successful in its application to the Department for Trade & Industry for relief on behalf of tenants and leaseholders with a communal heating or communal heating and hot water supply. The relief granted under the Energy Bill Discount Scheme will mean that all tenants & leaseholders, with a communal supply, will receive the backdated discount in their heating and heating and hot water service charge for the year 25/26.

### **2.24 Sheltered Cleaning and Intensive Housing Management Charge**

2.25 Charges for cleaning sheltered schemes reflect the actual costs of providing the cleaning service at each scheme. The average charge of £11.70 per week, for 2024/25, will change to between £7.30 and £13.04, depending in which scheme the tenant is resident.

2.26 The cost of providing a consistent level of intensive housing management (IHMS) across all schemes will be £21.65 per week, an increase of £0.65.

2.27 The charge for cleaning and IHMS is fully recoverable through Housing Benefit and Universal Credit.

### **2.28 Service charges – Careline and Telecare support**

2.29 It is proposed that the Careline and Telecare service charges will be increased by 2.7%, for 2025/26 as detailed below:

<b>Service</b>	<b>2024/25 Weekly charge (£)</b>	<b>2025/26 Weekly charge (£)</b>
Careline – sheltered tenants	6.09	6.26
Careline – community users	6.51	6.69

<b>Service</b>	<b>2024/25 Weekly charge (£)</b>	<b>2025/26 Weekly charge (£)</b>
Telecare – base unit plus two sensors	9.45	9.71
Additional Telecare sensor	1.56	1.60

2.28 The number of Telecare users has declined due to Adult Social Care charging policy changes, which has increased the number of social care clients being asked to meet the full cost.

2.29 Through the national, digital switchover the existing Telecare machines are being replaced with digital ones. It was agreed that any costs incurred for this capital outlay will be recovered from the service users over a 5.5 year period, at £1 per week.



### **2.30 Hostels in the HRA**

2.31 Abercrombie House closed in April 2023 and a temporary hostel provision opened in Maygreen pending the redevelopment of the Harold Hill site. Due to the current cost of living crisis and the impact it has had on homelessness, an additional interim provision was made at Royal Jubilee Court to meet the increasing homeless demand, which includes families.

2.30 The service provides security and facilities across three sites with 24-hour coverage. The service charges are fully recoverable through Housing Benefit and Universal Credit.

#### **Additional Hostel Support**

<b>Service</b>	<b>2024/25 Weekly Charge (£)</b>	<b>2025/26 Weekly Charge (£)</b>
Hostels - Additional Staffing Support (ASS)	42.79	43.95
Hostels – Service Charges (HSC)	77.87	79.97

### **3. THE HRA BUDGET 2025/26**

3.1 The major expenditure from the HRA Business Plan is the investment in existing stock or the capital programme. The level of expenditure is controlled by each local authority and is dependent on the investment levels in the Asset Management Strategy (AMS). During 2020/21, the council carried out a number of stock condition surveys. Whilst new surveys have continued to be undertaken by the in-house team, we have engaged external consultants to undertake approximately 5,000 new stock condition surveys including Housing Health and Safety Rating System (HHSRS) inspections. These inspections will continue in 2025/26 as part of the regular tenancy audits. This will help us to meet our ongoing regulatory obligations.

3.2 As detailed in the AMS, this level of expenditure allows decent homes levels to be maintained and health and safety requirements to be met. In order to meet the decent homes target, planned expenditure on new kitchens, bathrooms and electrical systems broadly remain at previous levels.

3.3 The level of expenditure also begins to address the zero-carbon journey, bring the worst performing stock up to EPC C and maximising available grant where available. The government expects all social landlords to meet the EPC C standard by the end of 2030.

3.4 As the main source of income to the HRA BP is from rents, it is important that the number of rental properties is maximised. The current HRA BP expects to lose on average 30 properties per year through RTB, although this number has reduced in recent years in part due to the cost-of-living crisis, and other stock has been lost temporarily due to regeneration. Central government's Autumn budget, announced that the maximum RTB discount will be reduced from £137,000 to £38,000 in Havering. This change took place on 21<sup>st</sup> November 2024. As a result, we saw an influx of applications, over 170 in total. However, it is too soon to say how many will

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actually progress to completion. We estimate that around a half of these applications may carry forward into completions of this financial year, which is something that we will carefully monitor going forward. There may be a significant decrease in right to buy applications in 2025-26. It is too earlier to give an accurate number, but we estimate that this will equate to fewer than 20 properties per year going forward, compared to an assumed 50 per year in last year's business plan.

### 3.5 Proposed HRA Budget 2025/26.

	2024-25 Budget	2025-26 Budget	Variance
Income and Expenditure	£	£	£
<b>Income</b>			
Dwelling rents	(57,797,270)	(60,922,950)	(3,125,680)
Garages	(362,300)	(372,080)	(9,780)
Charges for services and facilities - Tenants	(7,990,910)	(7,954,670)	36,240
Charges for services and facilities - Leaseholders	(3,442,790)	(3,482,590)	(39,800)
Shared ownership	(485,380)	(894,400)	(409,020)
Other	(780,440)	(848,750)	(68,310)
<b>Total Income</b>	<b>(70,859,090)</b>	<b>(74,475,440)</b>	<b>(3,616,350)</b>
<b>Expenditure</b>			
Repairs and maintenance	14,527,050	14,875,840	348,790
Supervision and management plus recharges	28,651,850	29,466,870	815,020
Depreciation and impairment	16,590,400	16,590,400	0
Debt management costs	0	0	0
Bad debt	665,080	665,080	0
<b>Total Expenditure</b>	<b>60,434,380</b>	<b>61,598,190</b>	<b>1,163,810</b>
<b>Net cost of HRA services</b>	<b>(10,424,710)</b>	<b>(12,877,250)</b>	<b>(2,452,540)</b>
Interest payable and similar charges	15,853,190	17,032,760	1,179,570
<b>Surplus or deficit for the year on HRA services</b>	<b>5,428,480</b>	<b>4,155,510</b>	<b>(1,272,970)</b>
<b>Statement on movement of HRA balances</b>			
<b>Surplus or deficit for the year on HRA services</b>	<b>5,428,480</b>	<b>4,155,510</b>	<b>(1,272,970)</b>
Capital expenditure funded by the HRA	0	0	0
Reversal of impairment charge	(5,713,780)	(5,713,780)	0
<b>Net (income)/Expenditure</b>	<b>(285,300)</b>	<b>(1,558,270)</b>	<b>(1,272,970)</b>

### 3.6 Depreciation & Impairment

3.7 Depreciation is the decline in the value of assets over time due to wear and tear. The Housing Revenue Account receives an annual charge, but an adjustment is also made for the same amount to the Major Repairs Reserve. This can be used to fund capital expenditure, or to pay off debt.

- 3.8 Impairments are reductions/increases in the book value of capital assets, compared with their market value. In accounting for these annual entries, the Housing Revenue Account is allowed to reverse these amounts out to the Capital Adjustment Account, removing the impact on the HRA. The impairment is only realised if the asset is sold.

#### **4. Capital Programme**

- 4.1 There have been significant changes to the regeneration programme, in response to the current challenging economic situation, some of which include the following:

- Inflationary pressures, driven by the factors below have led to a rise in costs across the economy impacting on developers where costs have risen and households, which have experienced a rise in the cost of living, reducing disposable incomes. There are two main drivers behind the rise in prices.
- The ongoing war in Ukraine and tensions in the Middle East continue to have an adverse impact on the supply chain and energy markets.
- The Bank of England have, in response to the inflationary pressures in the economy, raised the base rate several times, driving up the cost of borrowing for households and businesses. Although there have been recent reductions in the base rate, it still remains much higher than in previous years.
- The new Building Safety Act, which includes a requirement for new high-risk residential buildings to incorporate a second stair core, which has impacted the regeneration programme in Havering and elsewhere.

- 4.2 In general, the impact of both rising interest rates and costs, have extended the payback of the various schemes, to the Council HRA, resulting in higher level of borrowing over the long-term 30-year forecasts.

#### **4.3 12 Sites Joint Venture Funding (Including Farnham & Hilldene)**

- 4.4 The remaining provisions for expenditure below relate to the 12 sites joint venture proposals. An update report on the Havering and Wates Regeneration Joint Venture (HWR JVLLP) Business Plan and Budget 2025/26, is to be presented at March Cabinet

- 4.5 The proposal is to retain the current capital approval, meaning any modifications to the programme would need to be managed within the existing funding limits. An initial evaluation of the programme, considering possible significant changes, suggests that a gross capital requirement of £664 million is necessary to deliver 1,240 units of affordable housing. The HRA borrowing for the scheme is expected to reach its highest at £400 million. Upon the completion of the scheme, the borrowing is projected to decrease to £372 million.

- 4.6 The following summarises the potential key changes that have been included in the latest refresh of the HWR JVLLP Business Plan and Opportunity Site Assessments:

- Farnham & Hilldene: Phase 1 and full Masterplan for redevelopment of Farnham Hilldene estate.

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- Chippenham Road: Incorporate output from the design and pre-planning work.
- Waterloo & Queen Street: Re-phasing of the development to bring forward lower rise housing ahead of buildings over 6 storeys.
- Waterloo & Queen Street: Modular Temporary Housing scheme.
- Park Rise: Review of prospective purchase offer and amended acquisition budget.
- Review of risks and project contingency.

### **4.7 Bridge Close – Council Direct Delivery**

4.8 Cabinet approved the provision of a gross HRA capital budget of £449 million to progress the scheme, to fund site assembly and construction activities.

- HRA Borrowing for the scheme is set to peak at £223 million. At scheme completion, scheme borrowing is projected to fall to £109 million.
- The proposed budget incorporates the outputs from the latest refresh of the Bridge Close Business Plan, reflecting the following changes:
  - Update of costs reflecting latest estimates from external advisors.
  - Review of site assembly commitments.
  - Re-profiling of cash flows to optimise Council borrowing exposure.

### **4.9 Quarles**

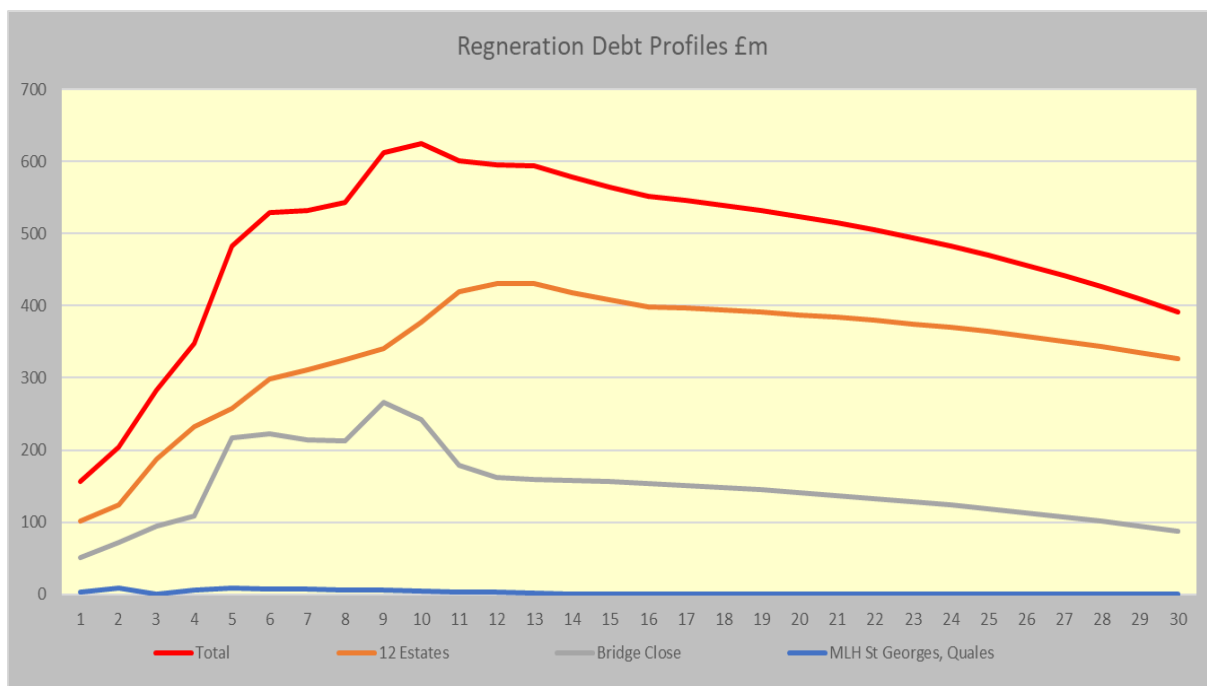
4.10 Following Cabinet approval of the purchase of 47 units at a cost of approximately £13m, work continues on site and the new homes should start to come on stream at the end of 2025. The scheme at St Georges has been completed and the remaining units are in the process of being sold (shared ownership).

### **4.11 Regeneration Programme**

4.12 The table below sets out the peak borrowing requirement along the number of homes for the regeneration programme.

<b>Scheme Name</b>	<b>Years of delivery</b>	<b>No. of units</b>	<b>Total HRA (peak) borrowing requirements</b>
12 Estates (including Farnham Hilldene)	2022-2036	1,240	£400m
Family Welcome Centre	2023-2026	74	£17m
Bridge Close	2027-2036	487	£223m
Quarles	2024-2028	47	£8m

4.13 The graph below shows the financial impact of the various regeneration schemes to the HRA in isolation, incorporating the latest assumptions on borrowing rates and inflation. This includes the updated 12 estates programme covering work packages 1&2 with Oldchurch Gardens, Maygreen Crescent, Royal Jubilee Court, Dell Court, Delderfield, Brunswick Court paused.



4.14 In overall terms it is contributing to the wider HRA business plan with overhanging debt balances continuing to reduce over the life of the HRA Business plan but would require significant capital investment in the early years to deliver the long-term benefits to the HRA.

**5.0 Major Works Budget – HRA 2025/26 – 2030/31 major works resources and proposed spend.**

5.1 Appendix 1a sets out proposed the investment needs for the stock over the next 5 years. In principle, the investment in existing stock should be funded through revenue contributions to capital rather than borrowing as the investment maintains the value of the asset rather than creating an asset.

5.2 This 30-year plan has been updated to reflect the Housing Asset Management strategy which will include our continued approach to Decent Homes, our continued programme of asset improvement across our estates, the continued focus on building safety and compliance programmes.

5.3 The Table shows spend broken down by some core themes including our statutory requirements in maintaining the current Decent Homes standard for both internal elements (kitchens, bathrooms, heating etc.) and external elements (roofs, wall finishes, and windows and doors), this level of spend will maintain our near 100% decent home compliance position.

5.4 We have included funding to carry out fire safety improvement works to a number of our high rise blocks as well as to our low to medium rise blocks. This includes funding for the retrofitting of sprinkler systems in a number of our high rise buildings.

5.5 We acknowledge that our housing stock does not always match the demand profile of our residents, especially in regard to larger family properties. As part of the Asset Management Strategy, we will develop approaches to how we can better match the

## **Cabinet 5th February 2025**

need through active asset management and have therefore included some funding to undertake extensions, infills, rooftop development or loft conversions where feasible.

- 5.6 Also included, are the ongoing projects such as the environmental works and a number of replacement lifts across the estate, including the addition of a number of lifts to sheltered properties, both improving accessibility for residents and improving desirability to support lettings.
- 5.7 Budgets have been included for the provision of additional cyclical programmes of work, including gutter and drain clearance. These programmes will allow us to proactively manage our stock and move from a predominantly responsive service to a more planned approach, which will improve the service for our customers, and provide better long-term value for money. A 7-year cyclical decorating programme has now been approved by Cabinet and included within the latest business plan, which should improve the look and feel of our estates, both internally and externally.
- 5.8 The addition of pro-active cyclical programmes will also ensure we minimise legal disrepair claims, however we have seen an increasing trend across the sector of claims and are working to manage these effectively.
- 5.9 The Regulator for Social Housing, in its consultation on the new Consumer standards, said that;  
  
‘Registered providers must have an accurate record at an individual property level of the condition of their stock, based on a physical assessment of all homes, and keep this up to date’.
- 5.10 Accordingly, our in-house stock surveying team, supplemented by external consultants, undertake a rolling 5-year cyclical programme of stock condition surveys, which will inform of the HRA Asset management plan.
- 5.11 During 2020/21, the Council carried out a number of stock condition surveys. Whilst new surveys have continued to be undertaken by the in-house team, we have engaged external consultants to undertake approximately 5,000 new stock condition surveys including Housing Health and Safety Rating System (HHSRS) inspections. These inspections will continue in 2025/26 as part of the regular tenancy audits. This will help us to meet our ongoing regulatory obligations.

## **6.0 Repairs, Maintenance and Compliance Budgets**

- 6.1 We have undertaken a comprehensive review of our repairs, voids, maintenance and compliance budgets to ensure they adequately reflect current and future needs. This reflects a reduction in budget requirement despite the impacts of inflation as we have been able to continue to hone our service to ensure accurate forecasting of needs.
- 6.2 The Social Housing (Regulation) Act 2023 is now in force and we have ensured that our budgets allow for the proactive approach to the regulation of social housing landlords on consumer issues - such as safety, transparency and tenant engagement.
- 6.3 Cabinet will be aware of the tragic death of Awaab Ishak. Like all landlords we have been reflecting on our approach to tackling mould in our properties and have included

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sufficient monies to support residents with solutions, including longer term approaches to addressing inherent, as built, issues through our zero carbon approaches. We will monitor the governments legislative programme to ensure that we continue to meet the relevant regulatory requirements going forward.

- 6.4 We have included sufficient monies to continue to address our compliance regimes, both to support our current approaches and to address the new requirements flowing from the Fire Safety Act 2021, and the Building Safety Act and Regulatory Reform (Fire Safety) Order 2005, including the likely need for an annual check of all fire doors and improved building safety information.
- 6.5 We have also included specific budgets for other compliance areas, over and above the core six areas which will help ensure we meet all of our statutory duties as a landlord and comply with the Regulator of Social Housing consumer standards. Included is the budget required for a full asbestos survey of our domestic properties which will help us with improved risk management of homes. Additionally, monies are allocated to provide third party assurance on compliance going forward.
- 6.6 The Mears repairs and maintenance contract, this continues to work well, delivering above KPI performance. This is evidenced by a reduced number of complaints across the service. The new Call Centre arrangements continue to perform well. Average call waiting times have been further reduced and are now only 9 seconds. The increased use of technology has also helped to improve the diagnosis of issues and the overall customer experience.
- 6.7 The new K&T contract has also been mobilised and is showing improved performance delivering above the target KPI performance in many areas. The new Call Centre arrangements continue to perform well. Average call waiting times have been greatly reduced and are now only 13 seconds.
- 6.8 Mears, K&T and the LBH repairs service are now co-located at CEME. This has improved performance across all areas and has enabled a far greater level of cooperation and joint working across the teams, the benefits of which are still beginning to be fully realised.

## **7.0 30-year Business Plan 2024/25 to 2053/5**

- 7.1 Attached at Appendix 2a and 2b are extracts from the HRA 30-year Business Plan financial model. Year 21 of the business plan is based on the 2025/26 budget.
- 7.2 Savills have worked with officers to update the last iteration of the HRA business plan that was produced commencing in financial year 2024/25. There have, however, been significant external factors affecting the social housing sector as a whole since this last plan namely:
- Increased repair and capital costs due to high levels of inflation and shortages in the labour sector
  - increased development costs in respect of the estate regeneration schemes that are currently being undertaken due to the same reasons as above

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- Interest rates likely to remain at elevated levels for an extended period, adding revenue pressure.
- An increase to utility costs due to rising gas and electricity prices, which may not be fully recovered by service charges.
- The costs of increased regulation.

7.3 Savills have confirmed that the HRA Business Plan is based on a relatively sound foundation. However, they advised that due to potential fluctuations in rent increases, inflation, and interest rates, which may exceed normal levels, it's important to conduct regular assessments of the plan. This approach is appropriate in the context of the current economic volatility. By periodically reviewing the plan, any emerging issues can be identified and addressed in a timely manner, ensuring that the strategy stays in line with the evolving economic environment.

7.4 The plan for the HRA is based on keeping a minimum equivalent to 10% of annual operating income in working balances and using current reserves above this figure to invest in the major works programme. It has been assumed that all available resources over and above those required for revenue spend, payment of interest on debt and maintaining reserves at £10m, are available for major works, for as long as the Asset Management Strategy requires it.

7.5 The Business Plan projections are based on the following assumptions:

- **Rents, Voids and bad debts**

Rents, follow current guidance, with an assumed increase of 2.7% for April 2025, and re-lets to new tenancies at the property's formula rent (rather than the outgoing rent). An increase of 3.3% for April 2026 (CPI only + 1%), followed by CPI +1% for the following eight years then 2.0% (parity with CPI for prudence) thereafter. Void rates set at 2.0% and Bad Debt provision of 1% have been modelled throughout the plan.

- **Inflation**

The CPI forecasts are based the assumptions which underpinned the Autumn Budget, as set out below.

- o 2.6% for 2025.26
- o 2.3% for 2026.27
- o 2.1% for 2027.28

- **Stock Numbers**

As at 31st March 2024, the stock numbers were 9,259 tenanted properties. The level of sales is modelled at 50 per annum for 2025/26 and 15 per annum thereafter which accounts for a stock loss of 5.2% over the plan period (excluding the regeneration schemes). Increase in stock due to regeneration and acquisitions are based on the numbers set out elsewhere in this report.

- **Interest rates**

All new borrowing for development and refinancing of existing loans if they cannot be fully repaid within the plan has been set at the following blended rates:

- 4.6% for loans drawn down in 2024/25.



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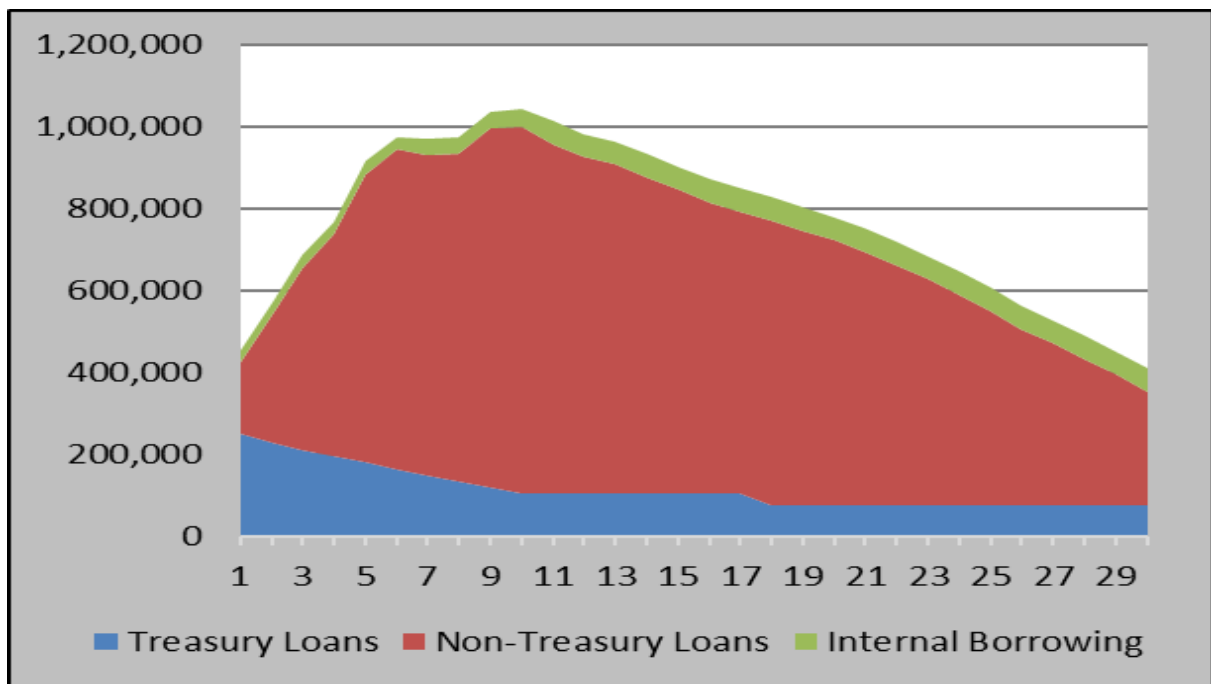
- 4.3% for loans drawn down in 2025/26.
- 4.1% for loans drawn down in 2026/27.
- 3.7% for loans drawn down in 2027/28 and thereafter.

These projections are underpinned by an assumption that future borrowing will be drawn down on the basis of a mix of short and long term borrowing, which aligns with the underlying activities. If existing loans cannot be repaid, then they are refinanced at the above rates and the model is set to demonstrate repayment of loans where surpluses allow.

7.6 The HRA Business Plan forecasts borrowing to peak at £1.041 billion in year ten (2033.34), down £31 million. The borrowing is against the following projects, some of which is funded by HRA reserves, land, and reinvestment of capital receipts:

- Waterloo & Queen Street
- Bridge Close
- Chippenham Road
- Farnham & Hilldene
- Acquisitions Programme.

**HRA Debt Analysis 2025/26**



7.7 As set out above, debt is expected to reach its highest point at £1.041 billion in year 10 (2033/34), compared to £1.072 billion in year 7 (2029.30). In contrast to the 2024/25 forecast, however, debt is forecast to decrease more rapidly, resulting in a balance of £477 million in Year 29 (2052/53). This figure is £175 million lower than the previous projection of £652 million.

7.8 The provisional debt capacity, also known as prudential borrowing, does not adhere in all years to the established "golden rule" where the interest cover ratio should not fall below 1.25, as previously agreed upon. The most significant strain on this capacity is

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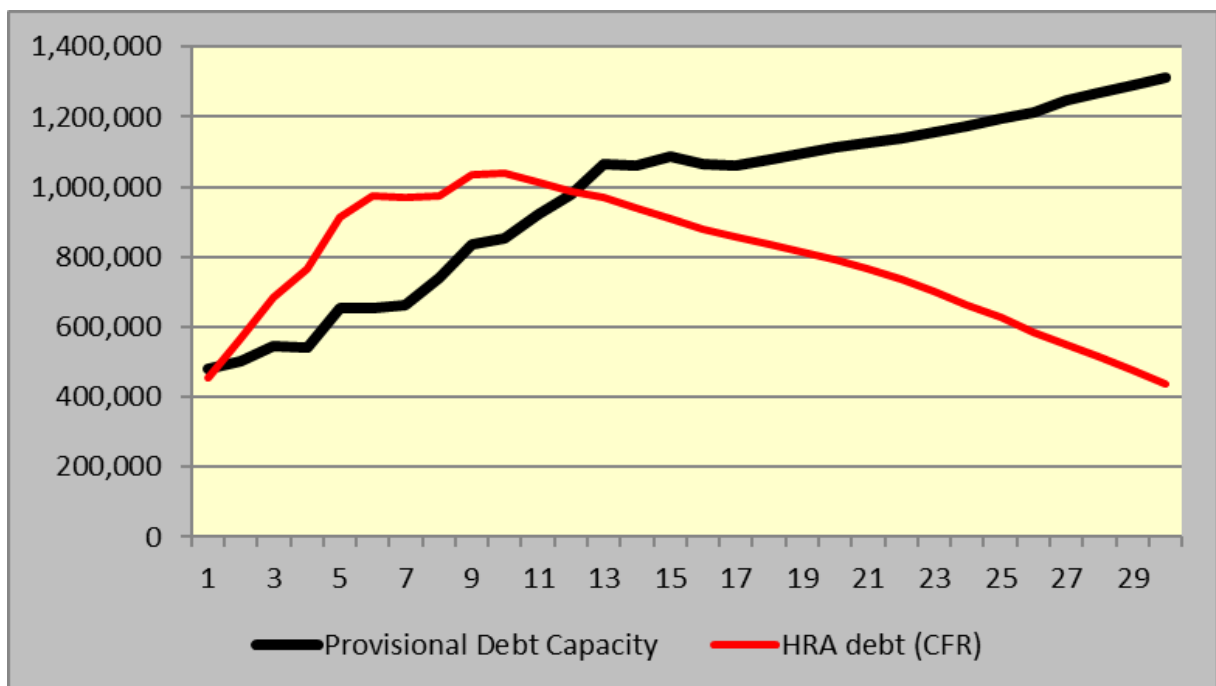
projected to occur in year 6 (2029/30), where the minimum level of borrowing headroom reaches a deficit of minus £321 million.

7.9 The Interest Cover Ratio (ICR) is calculated as the operating surplus divided by interest costs, and it indicates the Housing Revenue Account's (HRA) ability to cover its interest cost liabilities in any given year. Setting the ICR to a minimum ensures that there is adequate buffer to continue covering debt interest, even if there is a sudden decrease in income or an increase in operating costs. In the 2021/22 period, the average ICR for the housing association sector was around 1.8. The typical lending covenants for housing associations range between 1.10 and 1.50, depending on their size and nature, with 1.25 being a common expectation. This level of 1.25 was the one agreed upon by Cabinet in 2021.

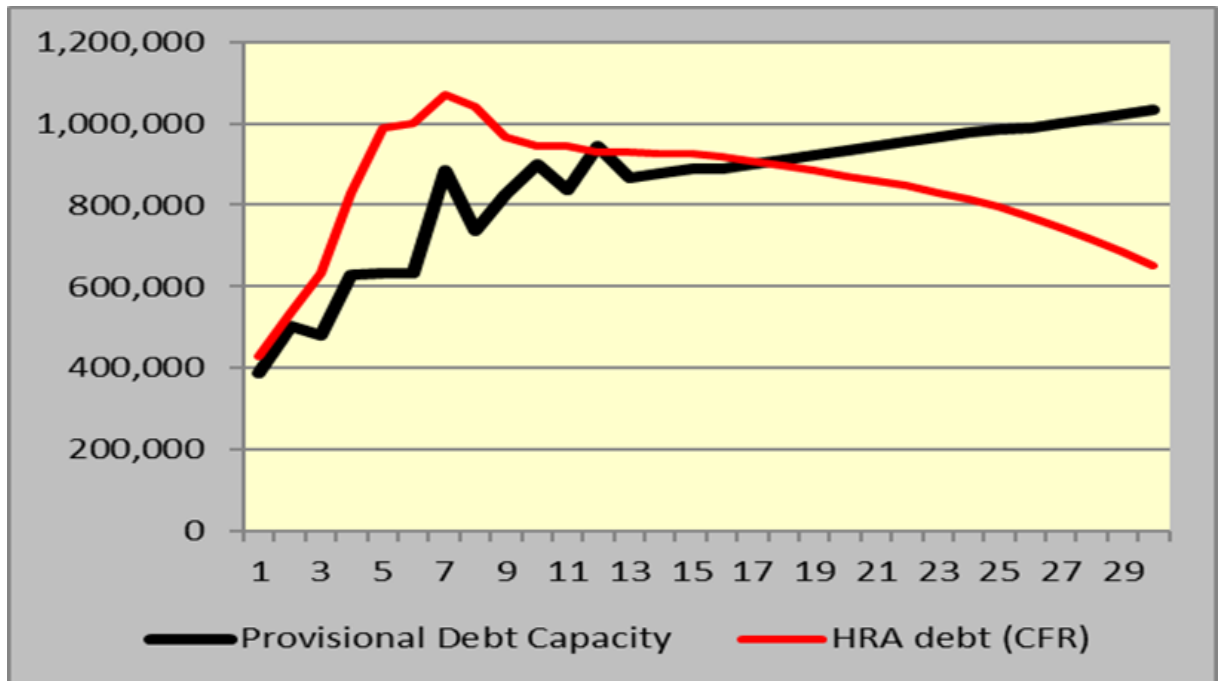
7.10 The debt gap reflects the significant capital investment required for the Council's regeneration programme. Generally, there is a 2 to 3-year gap between the start of construction and the delivery of new homes. In this period, the Council allocates capital, funded by borrowing, to support construction efforts. As a result, the Council bears financing costs prior to the completion of the new homes. The completion of these homes is anticipated to generate increased revenue (rent and charges) and enhance the Council's ability to service its debt.

7.11 In the early years of the plan, it is difficult to mitigate against a significant debt gap. As a result, it is necessary to apply an additional financial safeguard.

**7.12 HRA Debt Profile 2025/26**

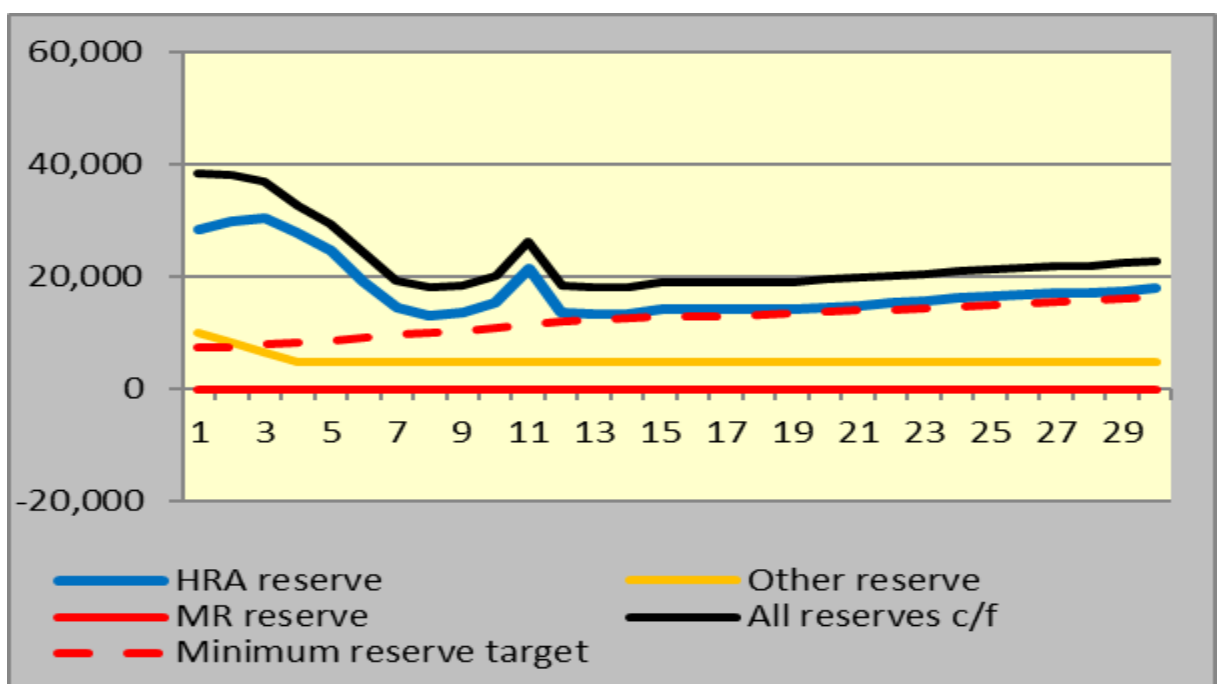


**7.13 HRA Debt Profile 2024/25**



7.14 Future borrowing would be drawn down on a fixed rate basis, with the rates effectively locked in at the point of drawdown. On that basis, the HRA exposure to variable rates risk is low as such provided schemes are progressed on sound Value for Money criteria, the key financing risk is on the sustainability of the net operating incomes derived from the existing asset base. To mitigate this risk, a target has been set to maintain a working reserve balance of at least 10% of operating income for the life of the plan.

**7.15 HRA Working Balance 2025/26**



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- 7.16 As set out above, in all years the minimum balance exceeds the 10% target, which indicates that the Council is forecast to maintain an adequate reserve to manage revenue risks and sustain the projected borrowing profile.
- 7.17 The Business Plan makes provision for the repayment of some of treasury debt. It would be prudent, in future Business Plans, once projects have been completed, to make provision to reduce debt levels. This level of debt needs to be sustainable in the long term and supported through the Council's Treasury Management policy.
- 7.18 Furthermore, the Council can refinance some of the debt portfolio later, when rates are lower, reducing the long-term financing costs on the HRA. No assumptions about this have been made.
- 7.19 The plan demonstrates a broadly similar outcome to the previous iteration, reflecting ongoing economic uncertainty and regulatory changes. While the debt gap has narrowed, it remains significant. Adequate reserves are forecast to be maintained to manage risk on operating income and the ability to service the associated debt. Although debt is forecast to peak at a broadly similar level, it is forecast to fall more rapidly the plan's duration than in the previous forecast.
- 7.20 In respect of the regeneration programme, the Council maintains a significant degree of control over both the timing and commitment of capital spend. Aside from Park Rise, the remaining sites are still in the pre-construction phase, with the bulk of the capital commitment linked to construction is dependent on future decisions. Any decision to proceed would be based on sound Value for Money considerations, taking account of the general economic outlook and the sustainable and long-term interest of the HRA and Council. In practice, the Council retains significant control here as it has the ability, as necessary and appropriate, to direct the shape, extent, phasing and pace of the regeneration programme.
- 7.21 The HRA business plan forecast has set out the modelling and shows both forecasts for reserve balances, forecast debt (HRACFR) and future potential borrowing capacity. The plan is based on a relatively sound financial basis but given the potential for greater than normal variances in respect of rent increases, inflation and interest rates this could be considered an "initial" plan. Therefore, this must be seen as a position statement rather than something on which to make firm strategic decisions.

### **REASONS AND OPTIONS**

#### **Reasons for the Decision**

The Council is required to set the housing rent, service charges and a budget in accordance with the Local Government and Housing Act 1989 and set a budget that is not in deficit.

#### **Alternative Options Considered**

There are no alternative options in so far as setting a budget is concerned. There are however options in respect of the various elements of the budget. These are considered in preparing the budget and cover such things as the rent and service charge increases, budget growth and major works programme proposals. The rationale for the levels of investment and levels of charges are contained within the body of this report.

## **IMPLICATIONS AND RISKS**

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

#### **HRA Revenue**

This report largely concerns the financial implications and risks concerning the setting of the HRA budget for 2025/26 and the revision of the figures for the 30-year Business Plan. The HRA is sufficiently robust to generate a minimum estimated annual working balance reserve of £28.4m at the end of 2024/25 and is projected to increase over the next two years.

In addition to £28.4m reserves on the HRA, there is a capital reserve balance of £5.2m alongside a bad and doubtful debt provision of £5.0m.

The key economic indicators underpinning the updated projections for the 30-year HRA Business Plan remain broadly unchanged. But it is likely the reversal of the negative shifts in the economic situation will take longer to reverse. These factors are expected to continue to exert cost pressures on the capital and revenue budgets in the short to medium term.

The forecast for council borrowing rates indicates they will stay elevated for an extended period, with the anticipated long-term borrowing cost rising from 3.5% to 3.7% throughout the plan's duration. This increase is particularly noteworthy considering the extensive scale of the Council's Regeneration program. During the construction phase, this situation becomes especially pertinent, as the Council will need to commit substantial capital and bear the related financing expenses until the new homes are finished and ready to be let.

The economic situation continues to have a broadly negative impact on the Regeneration Programme, mainly due to the need to include a second staircase in buildings over 18 metres and persistent inflationary pressures within the construction industry. As a result, additional expenses are expected to materialise across the entire programme. The cost increases will increase reliance on securing capital subsidy from the GLA. In addition, the changes to the 'Right to Buy' are likely to significantly dampen demand resulting in a lower level of usable receipts, albeit with a higher level of retained homes.

Moreover, the review underscores the necessity to align the budget with the updated timelines for programme delivery. In recognition of the pressures faced by the Council, the phasing of the regeneration programme has been reviewed to extend the delivery period, and thereby reduce the peak borrowing exposure.

These factors, alongside the continued revenue pressures, highlighted in the main report result in a challenging financial outlook, with notable implications for both the Debt Gap and Minimum Reserve estimates. While the base plan sets out a sustainable financial position, a small adverse movement in the assumptions would render the plan unviable unless correction action is put in place.

The sensitivity analysis sets out the potential financial risks, particularly around the level of reserves. But the Council has the levers in place to adjust and recalibrate to head off the significant risk. The key lever is a potential rephasing of the regeneration programme,

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designed to reduce the level of borrowing exposure, if in sufficient capacity is available to service the debt.

As such, it is necessary to implement a series of measures to bring one of both key financial metrics back within target. These include:

### Review of the core stock capital programme

Analysis of the Core Stock Capital Programme: The core capital maintenance and replacement programmes are experiencing a structural financing deficit of approximately £30 million annually for the first 5 years, and falls to an average of £18 million over the life of the plan. This deficit arises because the capital maintenance and replacement budgets surpass the designated revenue contributions, leading to an ongoing borrowing need. While this investment is needed to maintain existing revenues, and therefore would be applied against an ever-increasing level of associated borrowing.

Following a recent review of this programme, there have been some reductions identified which total £21million (today's prices), spread over 30 years of the plan and these have been factored into the revised baseline position.

The largest saving relates to rooftop developments and infill sites. The revised model retains funding for these up until 2028. However, beyond this point, the funding for these schemes has been removed, which will result in a £25 million saving. Although this will reduce the number of additional properties being developed through this particular route, it will be offset by the planned regeneration programme and the acquisition of street properties contained elsewhere within the overall programme.

The second largest saving relates to energy efficiency measures. The overall budget for this has been reduced from £96 million to £75 million. There are government targets to improve the energy efficiency by 2030 and beyond. In addition to this, the Council has stated its intention to become net zero carbon by 2040. This may need to be further reviewed in the longer term in order to ensure that these targets are met.

In addition to the above a 7.5% saving has been made in relation to planned Decent Homes and Environmental Improvement works. These elements are based on our 2020 stock condition data, which is currently being updated and may require further review, once this exercise has been completed.

### Rent Rises

Over the past five years, rent increases have adhered to a formula of CPI (Consumer Price Index) plus 1%. The Government recently confirmed rents will be uplifted by CPI + 1% for a further 5 years and is consulting on extending this to 10 years. For the purposes of the projection, it is assumed that rents will be increase by CPI + 1% for 10 years.

If rents are uplifted for five years, instead of ten, revenue resources would be further constrained, adding c. £5 million of pressure on HRA revenue resources over the ten years. Sufficient reserves are available to manage risk and mitigations would be deployed to restore the HRA back into balance.

### Interest Rates

Recent volatility in bond markets has driven an increase in PWLB rates. While rates have begun to fall following better-than-expected inflation news, borrowing costs remain a key risk to the plan's sustainability. A one-year, 25 basis point increase above assumed

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borrowing rates would add £5m in revenue pressure over ten years. Sufficient reserves are available to manage risk and mitigations would be deployed to restore the HRA back into balance.

Borrowing costs will continue to be closely monitored, with mitigations in place to optimise and reduce exposure, including:

1. Re-profiling capital spend – Delaying or pausing major investments, including regeneration projects.
2. Optimising the treasury position – Using a mix of short- and long-term debt to take advantage of lower rates when available.

### **Impairment risk – Building Regulations**

The Council has invested in advancing regeneration at the Waterloo and Queen Street site. Design and planning costs were incurred in developing a single-stair design for Phase 1; however, recent changes in building safety legislation and construction market volatility has delayed delivery. As a result, Phase 1 now falls under new building regulations requiring a dual-stair design for residential buildings over 18 metres.

To comply with these regulations, the phase must be redesigned, and a provision has been earmarked to manage potential impairment risks associated with the current investment. Efforts are underway to mitigate this risk, including discussions with the GLA to secure additional funding.

### **Risk Provisions / Reserves**

The risk reserves are earmarked for replenishment to manage potential impairment and matters in relation to water charges and other risks.

### **Projection**

The Debt Gap will remain substantial in the early stages, reflecting the significant investment in estate regeneration. As the new homes are delivered, this gap is expected to narrow. Nonetheless, during the investment phase, it will be crucial to closely manage the delivery of the regeneration programme and its associated risks. This careful management is essential to ensure the sustainability of the HRA position until the new homes are completed and delivered.

### **Other options considered**

The possibility of halting all regeneration activities after fulfilling current contractual commitments was considered. In this scenario, all further regeneration efforts beyond the year 2024/25 would be paused. This would allow for the completion of Park Rise but would result in the suspension of projects on other sites, including Waterloo & Queen Street, Bridge Close, Chippenham Road, and Farnham Hildene.

Ceasing progress on these projects would jeopardise the investment in planning, masterplan and design work on regeneration sites, which amounts to c. £17 million. Additionally, halting the new regeneration programme would likely have a substantial negative impact on the General Fund, leading to increased homeless pressures and a lost opportunity to increase the Council Tax revenue base.

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Given the reduction in RTB discounts, it is likely the HRA would lose fewer homes to RTB, increasing the likelihood of a sustainable financial position if regeneration activities were to cease. But doing so would not alleviate the growing need for affordable housing.

### **TABLE – KEY MOVEMENTS**

	<b>2024.25 Plan Approved</b>	<b>2025.26 Plan</b>
Debt Gap	£367m 2028.29	£321m 2029.30
Ratio Revenue Reserves to Operating Income (Minimum) – Target 10%	11.39% 2034.35	10.5% 2038.39
<b>Key Assumptions</b>		
Regeneration Schemes	Review Reflecting effect of building regulations and re-profiling	Review Reflecting effect of building regulations and re-profiling
Rent Increase 2025.26	3.5%	2.70%
Rent Increases Post 2024.25	CPI + 1% for 1 year, CPI thereafter	CPI + 1% for 9 years, CPI thereafter
PWLB long term borrowing cost	3.50%	3.70%
Internal Financing Rates	4.00% 2 years and 2.50% thereafter	Prevailing PWLB rates
Core Stock Capital Programme	Savings of £82.7 million over 29 years	Savings of £21 million over 30 years

### **Risks**

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

Under Part VI of the Local Government and Housing Act 1989 (“the 1989 Act”), any local authority that owns more than 200 units of housing stock is obliged to maintain a Housing Revenue Account. The HRA is a record of revenue expenditure and income in relation to an authority’s own housing stock. It is a ring-fenced account within the authority’s General Fund, which means that local authorities have no general discretion to transfer sums into or out of the HRA.

Under section 74 of the 1989 Act, the Council is required to keep a separate Housing Revenue Account of sums falling to be credited or debited in respect of its housing stock. Sections 75 and 76 of the 1989 Act set out the rules for establishing and maintaining that account.

By section 76 of the 1989 Act, the Council is required in January and February each year to prepare, and make available for public inspection, proposals relating to the income of the authority from rents and other charges, expenditure in respect of repair, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be made on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance. The report sets out information relevant to these considerations.



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Section 76 of the 1989 Act also places a duty on local housing authorities: (a) to ensure that the annual budget for their HRA avoids a deficit; (b) to review and if necessary, revise that budget from time to time and (c) if it seems that an end-of-year deficit may occur, to take all reasonably practicable steps to avoid it. The proposed HRA budget fulfils these requirements. Putting it simply, the Housing Revenue Account must be maintained in balance throughout the year and the Council is under a duty to prevent a debit balance in the HRA pursuant to Section 76 of the Act 1989.

The report seeks approval for major investment estimates in relation to a variety of schemes. In compliance with Section 151 of the Local Government Act 1972, the Council has in place Financial Regulations and Financial Procedures that provide appropriate arrangements for the approval of major works estimates. The various major works schemes must be capable of being carried out within the Council's statutory powers. To the extent that the details of the schemes appear from the body of the report, it does appear that the proposed works meet this requirement. In particular, the maintenance and repair of dwellings may be considered consistent with the Council's repairing obligations under Sections 9A and 11 of the Landlord and Tenant Act 1985.

The Regulator of Social Housing may under section 194(2A) of the Housing and Regeneration Act 2008 set standards for registered providers requiring them to comply with specified rules about their levels of rent (and the rules may, in particular, include provision for minimum or maximum levels of rent or levels of increase or decrease of rent). The current Rent Standard allows for a rent increase of CPI +1% and so the proposed rent increase as set out within in this paper is in line with the Rent Standard.

Once Cabinet decides on the setting of the rents in respect of the Council's housing stock, notices of variation will be served on the tenants pursuant to section 103 of the Housing Act 1985 to give them notification of the changes in rent which will come into effect from 7 April 2025.

The Equality Act 2010 requires the Council to have due regard to the public sector equality duty when carrying out its functions and have due regard to the need to eliminate discrimination and advance equality of opportunity. They must also show they have carried out an Equality Impact Assessment in reaching such decisions as introducing charges to tenants.

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

There are no HR implications arising from this report.

### **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.

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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.

An equalities impact assessment has been carried out and is attached as Appendix 3. Of note, central government influences rent levels and the rent increases proposed within this report will be affordable to households on welfare benefits. Furthermore, best practice and guidance dictates that service charges should be set at a level that covers the cost of providing the service to which the charge relates. Therefore, the Council cannot operate in an unfettered way within regard to the rents and service charges it sets. That said, the Council has examined the proposals in this report from an equalities perspective.

68% of council tenants are in receipt of welfare benefits and this rises to 75% for tenants over 65 years old. The proposed rents and service charges eligible for housing benefit, or universal credit, are within the benefit caps for Havering, therefore those in most financial hardship, which can include particular minority groups, will be protected.

The investment in new homes through the HRA will benefit those in housing need in the borough and will therefore have a positive impact on households with protected characteristics. With the higher percentage of people with disabilities and disadvantages, the ongoing partnership working and future opportunities for engaging with those groups to improve overall health and wellbeing is essential.

The Council will monitor the impact of the increase across protected characteristics. We will ensure that anyone affected by the increase has equal access to advice and information in relation to income maximisation should they be unable to meet their rent/service charge liabilities. We will follow the guidelines set out in the income maximisation policy. The EqHIA will be updated in 6 months with information provided through the monitoring process and if required further activity will be undertaken to mitigate any adverse impact.

### **Health and Well-being implications and risks**

Good quality, affordable and safe housing is vital in supporting good physical and mental health.

This report proposes increases in charges to social housing tenants to ensure the continuing financial sustainability of the HRA. The HRA funds a range of activities that directly benefit the health and wellbeing of local residents. It funds the delivery of new high quality affordable housing and thereby alleviates levels of overcrowding and households living in poor housing. It also funds the maintenance of existing stock to ensure that properties do not fall into disrepair and expose tenants to consequent risks to health e.g. associated with damp and mould. Ensuring that the HRA continues to be sufficiently funded through increased tenant charges is therefore important step to sustaining the associated health and wellbeing benefits.

Rents charged in Havering are relatively low and will remain so after the proposed increases. Nonetheless, any increase in charges is likely to put additional financial stress on residents given the ongoing cost of living crisis. Vulnerable residents such as the elderly and those on low incomes make up the majority of tenants. Most will be shielded from the impact of the

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proposed increase in charges by a proportionate increase in benefits. Residents with incomes and or savings marginally above the threshold for housing benefits are most likely to struggle to cover the additional charges. These residents will be proactively signposted to available support and advice to ensure they receive any benefits available to them.

**BACKGROUND PAPERS**

- Appendix 1a** Draft 2025/26– 2029/30 HRA Major Works.
- Appendix 1b** Draft 2025/26– 2029/30 HRA Regeneration and Acquisition Programme.
- Appendix 2a:** Draft HRA Projections from Business Plan - Years 1-10.
- Appendix 3** Equalities & Health Impact Assessment.

**APPENDICES**

**Appendix 1a – Draft 2025/26 – 2030/31 HRA Major Works Capital**

<b>Capital</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2029/30</b>	<b>2030/31</b>
Decent Homes Works - Internals	£ 7,359,500	£ 8,209,500	£ 8,718,833	£ 8,873,833	£ 8,935,834
Decent Homes Works - External	£ 7,907,000	£ 9,267,000	£ 10,226,000	£ 10,424,000	£ 11,081,000
Environment Improvement Works	£ 7,385,000	£ 2,262,000	£ 1,862,000	£ 1,825,000	£ 1,824,000
Energy Saving works	£ 5,000,000	£ 5,000,000	£ 5,000,000	£ 6,000,000	£ 6,000,000
Garages and garage site Work	£ 118,000	£ 118,000	£ 118,000	£ 118,000	£ 121,000
Residents Safety Related Works	£ 12,200,000	£ 9,150,000	£ 6,150,000	£ 3,695,000	£ 3,095,000
Stock alignment	£ 1,150,000	£ 5,150,000	£ 2,150,000	£ 1,150,000	£ 1,150,000
Professional Support Services	£ 1,837,000	£ 1,101,000	£ 1,101,000	£ 325,000	£ 325,000
Unidentified Asset Works	£ 573,700	£ 573,700	£ 673,700	£ 673,700	£ 673,700
<b>Totals</b>	<b>£ 43,530,200</b>	<b>£ 40,831,200</b>	<b>£ 35,999,533</b>	<b>£ 33,084,533</b>	<b>£ 33,205,534</b>

**Appendix 1b - 2025/26– 2029/30 HRA Regeneration and Acquisition Programme.**

<b>12 ESTATES</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
Affordable Housing	50,119,450	62,959,300	60,235,050	35,420,500	29,689,000
Partner Loans	500,000	500,000	500,000	500,000	2,307,100
Demolition & contingency	3,072,625	13,072,625	3,072,625	3,072,625	3,072,625
Site Assembly	5,709,000	5,580,000	4,760,000	5,550,000	3,550,000
<b>12 Estates Total Budget</b>	<b>59,401,075</b>	<b>82,111,925</b>	<b>68,567,675</b>	<b>44,543,125</b>	<b>38,618,725</b>
<b>BRIDGE CLOSE</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
Forward Funding	1,532,950	0	0	0	0
Partner Loans	16,915,363	18,853,648	167,275	0	0
Site Assembly	750,000	750,000	19,834,045	104,458,898	41,005,684
<b>Bridge Close Total Budget</b>	<b>19,198,313</b>	<b>19,603,648</b>	<b>20,001,319</b>	<b>104,458,898</b>	<b>41,005,684</b>
<b>OTHER REGENERATION</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
MLH Schemes	5,672,000	2,838,000	5,421,000	5,150,000	0
HRA Acquisitions	46,450,000	20,000,000	0	0	0
Welcome Centre	13,114,000	911,000	0	0	0
<b>Other Total Budget</b>	<b>65,236,000</b>	<b>23,749,000</b>	<b>5,421,000</b>	<b>5,150,000</b>	<b>0</b>
<b>TOTALS</b>	<b>143,835,388</b>	<b>125,464,573</b>	<b>93,989,994</b>	<b>154,152,023</b>	<b>79,624,409</b>

## Appendix 2: Draft HRA Projections from Business Plan - Years 1-10.

Year		1	2	3	4	5	6	7	8	9	10
Financial Year		2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34
<b>HRA 30 YEAR SUMMARY</b>											
Dwelling rents	3,002,596,847	59,783,870	60,922,947	64,411,589	67,102,711	71,103,158	75,302,903	78,501,491	82,622,860	85,343,425	87,959,907
Non-dwelling rents	14,876,718	362,300	372,080	380,638	388,631	396,792	405,125	413,228	421,492	429,922	438,520
Service charge income	457,588,312	11,433,700	11,437,260	11,700,317	11,946,024	12,196,890	12,453,025	12,702,085	12,956,127	13,215,250	13,479,555
Other income and contributions	200,587,236	1,608,214	1,743,154	1,969,552	2,296,593	2,584,848	3,190,924	4,125,056	4,305,897	4,944,969	6,866,559
<b>Total income</b>	<b>3,675,649,114</b>	<b>73,188,084</b>	<b>74,475,441</b>	<b>78,462,096</b>	<b>81,733,959</b>	<b>86,281,689</b>	<b>91,351,977</b>	<b>95,741,860</b>	<b>100,306,376</b>	<b>103,933,565</b>	<b>108,744,542</b>
Repairs & maintenance	593,521,341	14,527,950	14,875,840	15,084,814	15,472,883	15,872,093	16,283,862	16,538,460	16,932,551	17,262,905	17,557,783
Management (incl RRT)	1,189,705,997	28,651,850	29,466,873	30,004,469	30,792,526	31,491,359	32,222,610	32,919,534	33,623,717	34,322,747	35,020,750
Bad debts	32,620,721	666,718	665,080	702,148	735,631	777,123	821,400	855,447	898,948	928,192	956,414
Dwelling Depreciation	483,186,213	10,462,240	10,876,622	11,222,324	11,678,064	12,248,804	12,720,560	13,169,760	13,558,301	13,809,728	14,322,164
Debt management	0	0	0	0	0	0	0	0	0	0	0
<b>Total costs</b>	<b>2,299,034,272</b>	<b>54,308,758</b>	<b>55,884,415</b>	<b>57,013,753</b>	<b>58,679,104</b>	<b>60,389,379</b>	<b>62,048,432</b>	<b>63,483,202</b>	<b>65,013,518</b>	<b>66,323,572</b>	<b>67,857,111</b>
<b>Net income from services</b>	<b>1,376,614,842</b>	<b>18,879,326</b>	<b>18,591,026</b>	<b>21,448,343</b>	<b>23,054,855</b>	<b>25,892,310</b>	<b>29,303,545</b>	<b>32,258,659</b>	<b>35,292,859</b>	<b>37,609,994</b>	<b>40,887,431</b>
Interest payable	-885,230,661	-14,212,741	-17,032,762	-22,098,420	-26,842,365	-30,069,809	-35,503,887	-37,669,133	-37,260,295	-37,602,078	-39,852,476
Interest income	18,670,971	0	0	1,146,245	1,109,140	976,799	880,778	721,191	580,512	538,904	555,309
<b>Net income/expenditure before appropriations</b>	<b>510,055,152</b>	<b>4,666,585</b>	<b>1,558,265</b>	<b>496,167</b>	<b>-2,678,370</b>	<b>-3,200,701</b>	<b>-5,319,564</b>	<b>-4,689,284</b>	<b>-1,386,924</b>	<b>546,820</b>	<b>1,590,264</b>
Set aside for debt repayment	-494,468,886	0	0	0	0	0	0	0	0	0	0
Revenue contributions to capital	-21,456,139	0	0	0	0	0	0	0	0	0	0
Allocation to other reserves	-4,803,500	-4,803,500	0	0	0	0	0	0	0	0	0
Other appropriations	0	0	0	0	0	0	0	0	0	0	0
<b>Net HRA Surplus/Deficit</b>	<b>-10,673,373</b>	<b>-136,915</b>	<b>1,558,265</b>	<b>496,167</b>	<b>-2,678,370</b>	<b>-3,200,701</b>	<b>-5,319,564</b>	<b>-4,689,284</b>	<b>-1,386,924</b>	<b>546,820</b>	<b>1,590,264</b>
<b>HRA Balance brought forward</b>	<b>28,517,308</b>	<b>28,517,308</b>	<b>28,380,393</b>	<b>29,938,658</b>	<b>30,434,825</b>	<b>27,756,454</b>	<b>24,555,753</b>	<b>19,236,189</b>	<b>14,546,905</b>	<b>13,159,981</b>	<b>13,706,801</b>
HRA surplus/(deficit)	-10,673,373	-136,915	1,558,265	496,167	-2,678,370	-3,200,701	-5,319,564	-4,689,284	-1,386,924	546,820	1,590,264
<b>HRA Balance carried forward</b>	<b>17,843,935</b>	<b>28,380,393</b>	<b>29,938,658</b>	<b>30,434,825</b>	<b>27,756,454</b>	<b>24,555,753</b>	<b>19,236,189</b>	<b>14,546,905</b>	<b>13,159,981</b>	<b>13,706,801</b>	<b>15,297,065</b>
<i>Alert</i>											
<b>Other reserves brought forward</b>	<b>5,199,000</b>	<b>5,199,000</b>	<b>10,002,500</b>	<b>8,269,500</b>	<b>6,536,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>
Appropriation from HRA	4,803,500	4,803,500	0	0	0	0	0	0	0	0	0
Release of reserve (direct to capital)	-5,199,000	0	-1,733,000	-1,733,000	-1,733,000	0	0	0	0	0	0
<b>Other reserves carried forward</b>	<b>4,803,500</b>	<b>10,002,500</b>	<b>8,269,500</b>	<b>6,536,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>	<b>4,803,500</b>

## Cabinet 5th February 2025

### Appendix 2b: Draft HRA Capital Investment Requirement Projection from Business Plan

Year Financial Year		1	2	3	4	5	6	7	8	9	10
		2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34
<b>HRA CAPITAL PROGRAMME</b>											
Stock capital investment	839,239,669	41,687,019	45,239,047	43,270,109	39,139,287	36,849,080	37,747,394	17,332,419	17,869,524	18,418,810	19,054,263
Other	0	0	0	0	0	0	0	0	0	0	0
Development/Acquisition	156,419,471	27,081,521	72,477,950	29,329,000	10,181,000	10,700,000	3,550,000	2,300,000	800,000	0	0
Demolition & Forward Funding	754,459,371	10,906,751	53,942,075	76,781,925	83,141,720	142,952,023	73,767,309	57,777,279	36,927,251	87,097,638	57,434,495
Other Regeneration	102,739,718	6,860,433	17,415,363	19,353,648	667,275	500,000	2,307,100	4,614,200	8,914,600	10,907,900	9,780,900
<b>Capital programme</b>	<b>1,852,858,230</b>	<b>86,535,723</b>	<b>189,074,435</b>	<b>168,734,682</b>	<b>133,129,281</b>	<b>191,001,103</b>	<b>117,371,804</b>	<b>82,023,897</b>	<b>64,511,375</b>	<b>116,424,348</b>	<b>86,269,657</b>
<b>Scheduled Debt Repayment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Financed by...</i>											
Major Repairs Reserve	-378,086,151	-18,656,410	-10,876,622	-11,222,324	-11,678,064	-12,248,804	-12,720,560	-8,596,828	-13,558,301	-13,809,728	-14,322,164
RTB receipts	-10,778,243	-1,472,230	-1,515,757	-232,212	-240,770	-249,544	-258,540	-267,159	-269,831	-270,457	-270,033
1-4-1 receipts	-29,560,321	-3,988,499	-8,284,856	-782,200	-2,656,238	-3,868,899	-2,423,127	-2,033,185	-2,023,736	-2,566,861	-845,363
Other receipts, Reserves and grants	-759,247,524	-4,897,652	-52,388,761	-39,089,595	-35,148,824	-26,715,315	-43,286,543	-71,126,726	-43,128,873	-38,376,282	-64,978,581
Revenue contributions	-21,456,139	0	0	0	0	0	0	0	0	0	0
Release of revenue reserve	-5,199,000	0	-1,733,000	-1,733,000	-1,733,000	0	0	0	0	0	0
HRA borrowing	-648,530,851	-57,520,931	-114,275,439	-115,675,351	-81,672,386	-147,918,540	-58,683,034	0	-5,530,634	-61,401,020	-5,853,516
<b>Capital financing</b>	<b>-1,852,858,230</b>	<b>-86,535,723</b>	<b>-189,074,435</b>	<b>-168,734,682</b>	<b>-133,129,281</b>	<b>-191,001,103</b>	<b>-117,371,804</b>	<b>-82,023,897</b>	<b>-64,511,375</b>	<b>-116,424,348</b>	<b>-86,269,657</b>
<b>Net balance on capital programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Alert</i>											
<b>Major Repairs Reserve b/fwd</b>	<b>8,194,170</b>	<b>8,194,170</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
HRA depreciation (net)	483,186,213	10,462,240	10,876,622	11,222,324	11,678,064	12,248,804	12,720,560	13,169,760	13,558,301	13,809,728	14,322,164
Financing for capital programme	-378,086,151	-18,656,410	-10,876,622	-11,222,324	-11,678,064	-12,248,804	-12,720,560	-8,596,828	-13,558,301	-13,809,728	-14,322,164
Debt Repayment	0	0	0	0	0	0	0	0	0	0	0
Debt Repayment (Max)	-113,294,232	0	0	0	0	0	0	-4,572,932	0	0	0
<b>Major Repairs Reserve c/fwd</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Appendix 3: Equality & Health Impact Assessment (EqHIA)  
(See attached)



## Equality & Health Impact Assessment (EqHIA)

### Document control

<b>Title of activity:</b>	<b>Housing Revenue Account (HRA) Business Plan update, Budget 2025/26 &amp; Capital Programme 2025/26–2030/31</b>
<b>Lead officer:</b>	Ian Saxby – Assistant Director of Housing, Property and Assets
<b>Approved by:</b>	Paul Walker - Director of Housing and Property
<b>Date completed:</b>	December 2024
<b>Scheduled date for review:</b>	December 2026

<b>Did you seek advice from the Corporate Policy &amp; Diversity team?</b>	Yes
<b>Did you seek advice from the Public Health team?</b>	Yes
<b>Does the EqHIA contain any confidential or exempt information that would prevent it from being published on the Council's website?</b>	No

## 1. About the activity

1	<b>Title of activity</b>	Housing Revenue Account (HRA) Budget & Business Plan 2025/26		
2	<b>Type of activity</b>	This report sets out what HRA income the Council has available to spend on housing, the current HRA financial position and the proposed spending plans for 2025/26.		
3	<b>Scope of activity</b>	This activity applies to all residents, regardless of any protected characteristics that may apply.		
4a	<b>Are you changing, introducing a new, or removing a service, policy, strategy or function?</b>	No		
4b	<b>Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?</b>	Yes		
4c	<b>Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?</b>	Yes		

<b>Completed by:</b>	Joe Agius, Strategy & Policy officer (LBH)
<b>Date:</b>	December, 2024

## 2. Background/Context

<b>Background/context:</b>
<p>The Housing Revenue Account (HRA) remains a ring-fenced account that is used to manage the Council's own housing stock.</p> <p>The proposed budget will enable the Council to manage the stock to a good standard, maintain the existing stock to the Decent Homes standard and provide funding for a significant new build and estate regeneration programme. It further sets rents, service charges and other charges for Council tenants and leaseholders.</p> <p>The Council recognises that there is a need for good quality affordable homes, especially for vulnerable residents such as the elderly, those on low income and first time buyers. Thus it</p>

has set out its ambition to meet these needs by using resources generated through the Council's HRA Business Plan.

The formula for setting social rent should enable registered providers to set rents at a level that allows them to meet their obligations to their tenants; maintain their stock to, at least, the Decent Homes standard and continue to function as a financially viable organisation.

Consultation with tenants and leaseholders took place in January 2024. Formal notification was sent out to tenants, giving a four-week notice of the increases.

Tenants on Housing Benefit had their payment adjusted automatically, while those on Universal Credit (UC) were notified to the Department of Work and Pensions (DWP) to increase their payments. Separate letters were sent to tenants on UC.

Financial and welfare benefits advice was made available to all tenants.

### Who will be affected by the activity?

Tenants, leaseholders and all other users of Council stock, including the occupants of temporary accommodation owned or leased by the Council.

### Protected Characteristic - AGE

		<b>Overall impact:</b> We recognise that any increase in costs, such as service charges, would adversely impact on elderly tenants not in receipt of support (e.g. Housing Benefit) as would all tenants, regardless of protected characteristic.  Housing Services has a dedicated resource in our Financial Inclusion and Welfare Benefit team who can provide advice and support to assist tenants to manage this increase in service charges. This applies to all tenants whether in general needs or sheltered housing accommodation.
<b>Positive</b>		
<b>Neutral</b>	<b>X</b>	
<b>Negative</b>		

### Protected Characteristic - DISABILITY

		<b>Overall impact:</b> There will be some disabled people on low incomes who may find that the rent and service charge increases may cause them financial difficulties, particularly those who may have income or savings which are just above the threshold to qualify for Housing Benefit.  Housing Services has a dedicated resource in our Financial Inclusion and Welfare Benefit team who can provide advice and support to assist tenants to manage this increase in service charges. This applies to all tenants whether in general needs or sheltered housing accommodation.
<b>Positive</b>		
<b>Neutral</b>	<b>X</b>	
<b>Negative</b>		

Protected Characteristic – SEX/GENDER		
		<p><b>Overall impact:</b> The demographic profile of Havering council tenants indicates that an increase in service charges is more likely to affect woman rather than men.</p>
<b>Positive</b>		
<b>Neutral</b>	<b>x</b>	<p>Many of these tenants will be the heads of single parent families who may be in lower paid/lower income jobs.</p>
<b>Negative</b>		<p>The decision to increase rent and service charges might cause an increased financial burden on some of our vulnerable tenants, regardless of gender, when considered alongside other elements of welfare reform.</p> <p>Tenants within this protected characteristic who receive a full or partial award of Housing Benefit or UC may find that this covers or reduces the impact of the increase in rent and service charges. While they will still be responsible for meeting the service charges for heating and water charges.</p> <p>Tenants will be paying a fuller contribution towards the costs of these services and the increase genuinely reflects, and is required to meet, the actual cost of providing this service.</p> <p>We recognise that any increase in rent and service charges could potentially impact negatively on tenants who are not in receipt of Housing Benefit or UC.</p> <p>Property and Housing Services has a dedicated resource in our Financial Inclusion and Welfare Benefit team who can provide advice and support to assist tenants to manage this increase in service charges. This applies to all tenants whether in general needs or sheltered housing accommodation.</p> <p>To this end, details of the increase in rent and service charges will be included in the end of year rent statement sent out to tenants. We will also include information on Housing Services' pages on the Havering website, the tenant magazine 'At the Heart' and in any direct contact our officers have with tenants.</p> <p>However, the delivery of new homes through the regeneration programme will benefit households in housing need in the borough, and homeless households, the majority of which are of single female headed households.</p>

Protected Characteristic – ETHNICITY/RACE		
		<b>Overall impact:</b> Around 20% of Havering’s population comes from an ethnic minority or non-Christian belief/race.  This budget applies to all members of the community, regardless of belief background.
Positive		
Neutral	X	
Negative		

Protected Characteristic – RELIGION/FAITH		
		<b>Overall impact:</b> There is insufficient data to suggest that an increase in rent and service charges will have any greater or lesser effect on the grounds of a tenant’s faith or religious beliefs.
Positive		
Neutral	X	
Negative		

Protected Characteristic - Sexual orientation		
		<b>Overall impact:</b> There is insufficient data to suggest that an increase in rent and service charges will have any greater or lesser effect on the grounds of a tenant’s sexual orientation.
Positive		
Neutral	X	
Negative		

Protected Characteristic - Gender reassignment		
		<b>Overall impact:</b> There is insufficient data to suggest that an increase in rent and service charges will have any greater or lesser effect on the grounds of a tenant’s gender reassignment.  Housing Services has a dedicated resource in our Financial Inclusion and Welfare Benefit team who can provide advice and support to assist all affected tenants to manage this increase in service charges. This applies to all tenants whether in general needs or sheltered housing accommodation.
Positive		
Neutral	X	
Negative		

Protected Characteristic - Marriage/Civil partnership		
		<b>Overall impact:</b> There is no qualitative or quantitative data to suggest that the policy would have a greater or lesser effect on people on account of their marital status
Positive		
Neutral	X	The marital status of residents does not have any impact on the management and delivery of Havering's housing services.
Negative		

Protected Characteristic - Pregnancy, maternity and paternity		
		<b>Overall impact:</b> There is no qualitative or quantitative data to suggest that the policy would have a greater or lesser effect on people on account of their maternity/paternity status.
Positive		
Neutral	X	
Negative		The parental status of residents does not have any impact on the management and delivery of Havering's housing services.

Socio-economic status		
		<b>Overall impact:</b> The increase in rent and service charges may have a disproportionate effect on those with a lower income, as they may have a lower level of disposable income available to cover this increase.
Positive		
Neutral	X	An increase in rent and service charges will have a negative impact upon the finance of residents not currently in receipt of full Housing Benefit, or for those tenants who are working in lower paid employment. It could affect tenants of pension age whose income and savings fall just above the threshold to qualify for Housing Benefit.
Negative		We recognise that the increase in service charges could potentially impact negatively on tenants who are not in receipt of Housing Benefit. Housing Services has a dedicated resource in our Financial Inclusion and Welfare Benefit team who can provide advice and support to assist tenants to manage this increase in service charges.

## Health & Wellbeing

		<p><b>Overall impact:</b>  <a href="#">Section 210(1)</a> of the Housing Act (1996) requires a housing authority to have regard to the following provisions when assessing the suitability of accommodation for an applicant:</p> <ol style="list-style-type: none"> <li>(a) <a href="#">Parts 9 and 10 of the Housing Act 1985</a> (the '1985 Act') (slum clearance and overcrowding); and</li> <li>(b) <a href="#">Parts 1 to 4 of the Housing Act 2004</a> (the '2004 Act') (housing conditions, licensing of houses in multiple occupation, selective licensing of other residential accommodation, additional control provisions in relation to residential accommodation).</li> </ol> <p>Any rent increase and increase in service charges will provide the resources to fund the development programme to deliver new high quality affordable housing in the borough through the regeneration programme. This will alleviate levels of overcrowding and households living in poor housing in the borough thereby improving the health outcomes.</p>
<b>Positive</b>		
<b>Neutral</b>	<b>X</b>	
<b>Negative</b>		

## Review

The assessment will be reviewed on an annual basis.

**Scheduled date of review:** December, 2025

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## CABINET

**Subject Heading:**

**2025/26 Budget and 2025-2029 Medium Term Financial Strategy**

**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  
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**Policy context:**

This report sets out the Council's revenue budget requirement for 2025/26 and MTFS for the following three years. It makes proposals regarding the level of Council Tax required to meet the budget requirement. The report also provides an update on the outcome of the 2025/26 local government financial settlement.

**Financial summary:**

This report includes:

- The approach to setting the Council's 2025/26 budget and MTFS for the following three years
- The outcome of the local government finance settlement
- The recommended Council Tax level for 2025/26.
- The proposal to set a balanced budget

**Is this a Key Decision?**

Yes

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	[ ]
Resource – A well run Council that delivers for People and Place	[ X ]

## 1. EXECUTIVE SUMMARY

This report consists of the following sections:

- Introduction (Section 1)
- Background and Strategic Context (Section 2)
- The budget process and Medium Term Financial Strategy update (Section 3)
  - Update on the Medium Term Financial Strategy
  - Savings process and budget consultation
  - Fees and charges
  - Review of Corporate and Service pressures assumptions
  - Local Government Provisional Finance update
  - Council Tax Requirement
- Proposal for balancing the budget (Section 4)
- Balances, Reserves and Contingencies (Section 5)
- Dedicated Schools Budget (Section 6)
- Housing Revenue Account and 30-year business plan (Section 7)
- Five-year Capital Programme and Flexible use of receipts (Section 8)
- Robustness of the Council's Budget (Section 9)
- Council Tax policies (Section 10)
- Equality Impact Assessment (Section 11)
- Implications (Section 12 onwards)

## 2. RECOMMENDATIONS

**Cabinet is asked to:**

1. Note the requirements of Section 106 of the LGA 1992 Act as set out in Section 1 of this report
2. Note the Medium Term Financial Position and the Budget setting process of the Council as set out in Section 3 of this report
3. Note the key assumptions and risks to the 2025/26 budget as set out in **Appendix A** of this report
4. Note the provisional local government finance settlement outcome as set out in **Appendix B** of this report;

5. **Agree** the savings proposals as set out in Sections 3.15 and **Appendix C** of this report and of this report.
6. Agree the proposed Fees and Charges schedule as set out in paragraph 3.16 and **Appendix D** and for officers to proceed with implementation of the proposed fees and charges, subject to consultation where required.
7. Agree the proposed 2.99% increase in core Council Tax for 2025/26 as set out in paragraph 3.18;
8. Agree the proposed additional 2% Council tax increase for the Adult Social Care Precept as set out in paragraph 3.18;
9. Agree the proposed Council Band D basic amount of Council Tax for 2025/26 of £1823.17 being the amount calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax excluding the GLA precept for the year (as set out in section 3.17 of this report
10. Agree the proposed Council Tax requirement for 2025/26 to be set at £164.361m as set out **Appendix E** of the report
11. Agree the budgets proposed in this report and as set out in **Appendix F**
12. Note the outcomes from the Public Consultation response as set out in **Appendix G** (*to follow*)
13. To note the Schools budget and DSG as set out in Section 6 of this report which is presented as a separate paper to this cabinet but is an integral part of the budget process
14. Note the S25 Statement of Robustness as set out in **Appendix H** of this report.
15. Agree the Council Tax Support Scheme for 2025/26 as set out in **Appendix I** to this report (unchanged from 2024/25).
16. Agree Council Tax discounts for early payment to be given at a rate of 1.5% as set out in **Appendix J** of this report.
17. Agree to direct officers to disregard War Pension income in the assessment of Housing Benefit as detailed in see Section 11 and **Appendix J** and authorises the Chief Executive to approve any policy required to effect the same.
18. Note the Equalities Impact Assessment in respect of the Council Tax Support Scheme as set out in **Appendix K** to this report and the overall Equalities impact assessment for the Council report set out in **Appendix L**
19. Note that in the event the Capitalisation Direction is not awarded to the value requested before the emergency Full Council meeting on the 5th March, the

Strategic Director of Resources (S151 Officer) will be required to issue a S114 report.

20. Agree the recommendations made in the Treasury Management strategy statement which is presented as a separate paper to this cabinet but is an integral part of the budget process
21. Agree the recommendations made in the Capital Strategy which is presented as a separate paper to this cabinet but is an integral part of the budget process

**Cabinet is asked to make the following recommendation to Full Council**

- That Full Council approves the proposals at 5 - 17 and 20-21 above
- That Full Council notes the proposals at 1 -4 and 18- 19 above
- That full Council resolves to authorise officers to proceed with the implementation of the fees and charges proposal once agreed by Full Council, subject to consultation where required.
- Adopt the Council Tax Support Scheme for 2025/26 as set out in **Appendix I** of this report (unchanged from 2024/25);
- Agree Council Tax discounts for early payment to be given at a rate of 1.5% as set out in **Appendix J** of this report.
- To direct officers to disregard War Pension income in the assessment of Housing Benefit as detailed in see Section 10 and **Appendix J** and authorises the Chief Executive to approve any policy required to effect the same.

Cabinet is asked to delegate the following decisions:

- To delegate to the Strategic Director of Resources (S151 Officer) the power to make further changes to the budget prior to full Council to reflect the final local government finance settlement and confirmation of final figures from the levying bodies
- Delegate to the Strategic Director of Resources (S151 Officer) the power to accept on behalf of the Council all grant funding allocated to the Council by external bodies, including central government (but provided that any new application for grant funding shall be in accordance with the Council's scheme of delegations).
- Delegate to the Strategic Director of Resources (S151 Officer) in consultation with Service Directors the authority to make any necessary changes to service and the associated budgets relating to any subsequent specific grant funding announcements up to the value of £500k, to administer funding where delays may otherwise adversely impact on service delivery and/or budgetary control, subject to consultation with Cabinet Members as appropriate.

- Delegate authority to the Cabinet Member for Adult Social Services and Health and the Leader to approve an annual expenditure plan for the Public Health grant, in consultation with the Strategic Director of Resources and the Director of Public Health.
- Delegate to the Strategic Director of People and the Director of Starting Well authority to agree uplift / inflation increases with relevant social care providers for 2025/2026.

## **1. Introduction**

- 1.1 This report presents the proposed 2025/26 budget and also an update of the Medium Term Financial Strategy (MTFS) between 2025/26 and 2028/29 that will support the delivery of the Council's objectives and priorities. The report includes a recommendation to increase the Havering element of Council Tax by 4.99% (including the Adult Social Care precept) in order to meet the new budget requirement whilst maintaining tight financial control and ensuring prudent levels of reserves and balances are maintained.
- 1.2 Councillors are reminded that Section 106 of the Local Government Finance Act 1992 requires any Member who is two months or more in arrears on their Council Tax to declare their position and not to vote on any issue that could affect the calculation of the budget or the Council Tax. Any Member affected by Section 106 who fails to declare could be subject to prosecution.

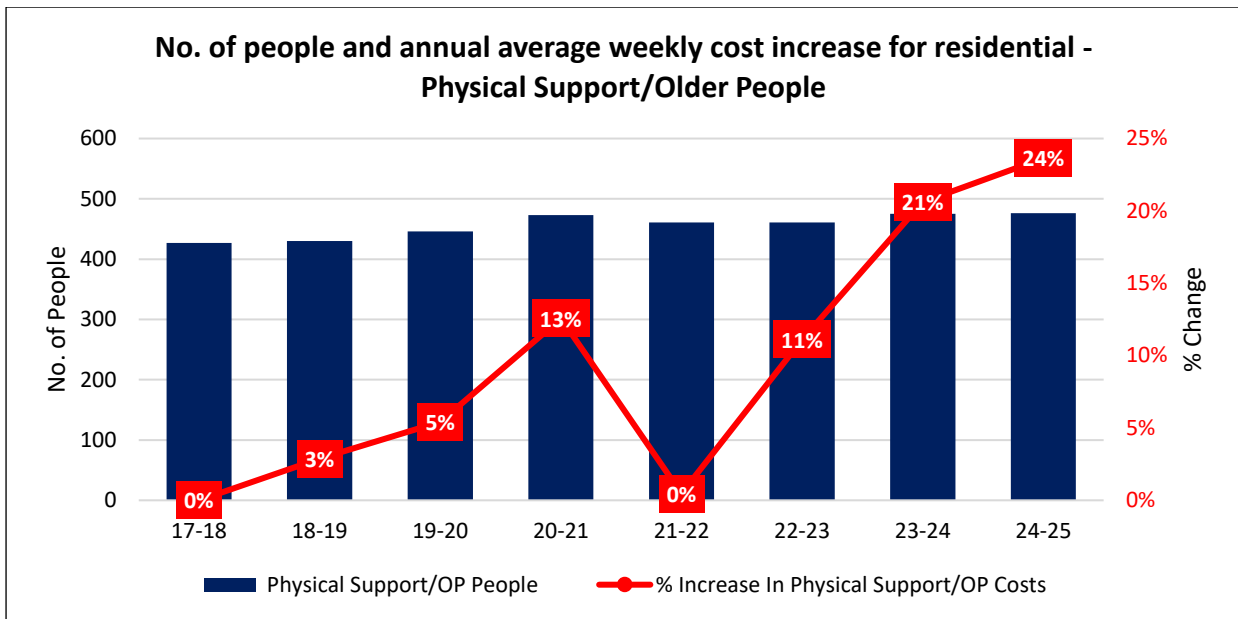
## **2. Background and Strategic Context**

- 2.1 The 2025/26 budget process has been one of the most difficult to date. For years Havering has made representation to the Government about its persistent underfunding position and yet the funding formula despite a new government being in place remains unchanged. This report sets out the steps that have been taken to develop and balance the 2025/26 budget.
- 2.2 The development of the 2024/25 budget identified that in order to meet the demand pressures the Council was facing at that time it would need to make an application for exceptional financial support from the Government. On a worst case scenario the Council was facing around £66m of pressures for 2024/25 which despite £15m of savings proposals, increased Council Tax yield of £8m and additional grant support of £10m left the Council with a shortfall of £32.5m to balance the budget.
- 2.3 The Government provisionally agreed a £32.5m capitalisation direction with the Council allowing it to legally balance the budget but with a recognition that revenue spend to that value would need to be charged to Capital. Moving forward the forecast demand and unit cost pressures along with the increased cost of temporary accommodation has meant that the Council is currently forecasting that it will need all of the £32.5m capitalisation direction in order to balance the budget in 2024/25
- 2.4 This gap is a structural deficit and in preparing the 2025/26 budget and 2025 to 2029 medium term financial strategy, the Council firstly has to recognise this is ongoing spend which will need to be included in addition to further pressures identified for future years.

- 2.5 Havering has experienced large increases in demand for its social care services in recent years driven by a rapidly increasing young population and the 2<sup>nd</sup> highest proportion of older people in London. The increases in the cost of living coupled with a reduction in available Housing has also led to a significant increase in temporary accommodation costs. These pressures are being experienced by many boroughs but the changes in Havering's demographic profile is proportionally higher than most other London Boroughs. The previous Government froze the grant distribution formula over 10 years ago, resulting in these demographic changes not being matched to the funding the Council receives.
- 2.6 The new Government have proposed a reform of the funding system and multi-year financial settlements but the work on this is only just commencing for implementation in 2026/27. For 2025/26 the Government has provided extra grant funding but has not updated its formulae resulting in a poor financial settlement for Havering. The Council also did not receive any of the £600m Recovery grant which has instead been allocated to high deprivation, low taxbase authorities.
- 2.7 The Local Government finance settlement has therefore failed to address Havering's financial situation in any meaningful way. The autumn budget also introduced higher employer NI costs and whilst the Council is likely to receive a grant to mitigate its own costs, this will not apply to providers. The Council will negotiate the best rates possible with providers but it is inevitable that a proportion of the NI increase will be reflected in future rates. The expectation will be for providers to fund the NI increases directly as this is a tax change introduced by the government.
- 2.8 This report presents the budget process undertaken to balance the 2025/26 budget, includes £10.3m of savings proposals and recommends a 4.99% increase in Council Tax for 2025/26. The budget position will be balanced by requesting a Capitalisation Direction from the Government and the report explains why the Council has no alternative to setting a legally balanced budget.
- 2.9 The Council continues to experience significantly increasing costs across Adult Social Care, Childrens Social Care, Education and Housing Demand.

***Adult Social Care:***

The biggest drivers of cost pressure areas on Adult services are nursing and residential placements. The graph below show the significant increase in unit costs in residential placements. Average weekly rates have risen by 45% in cost since 2022/23. The average cost of new packages is also significantly exceeding the cost of ending packages due to a combination of market conditions and increased complexity of cases. On average, new packages are costing around £400 per week more than ending packages.



2.10 These trends are likely to continue and when combined with a National Living Wage increase of 6.4% next April and the National Insurance increase will result in significant future pressures on Adult services. The Council has around £100m of provider contracted costs and so these increases will have a material impact on the Council’s budget. There are also pressures on the service through transition cases from Children reaching Adulthood. These users frequently require significant support as they leave the Education system resulting in additional costs to the Council.

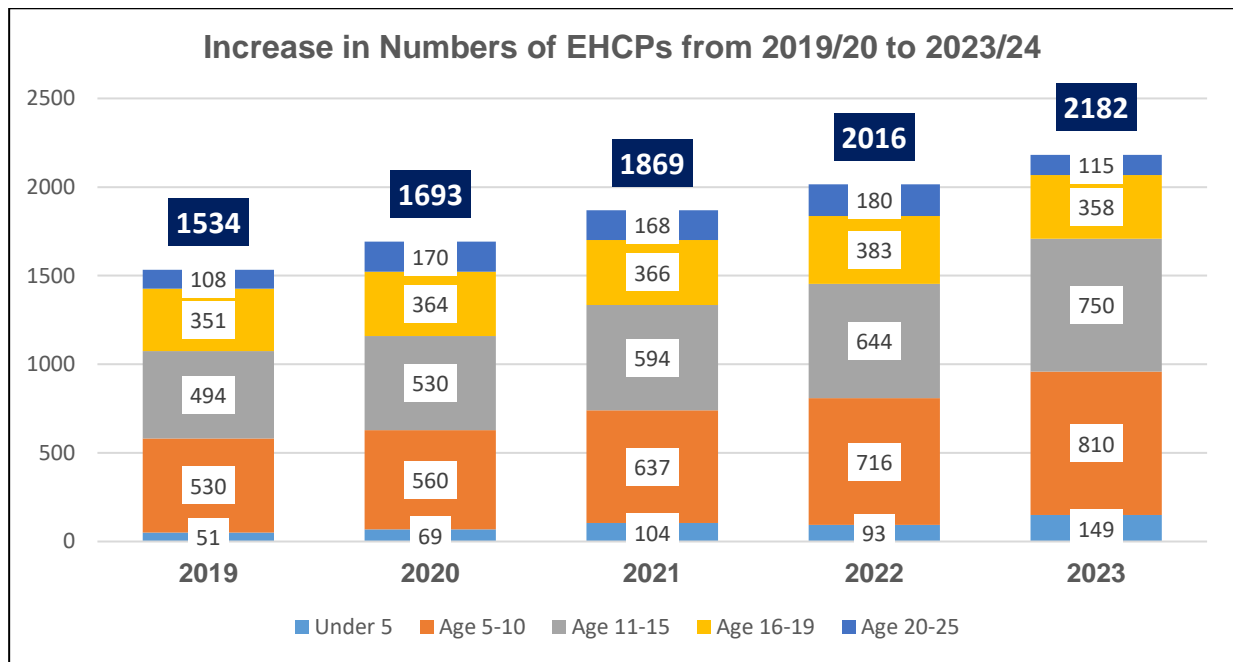
2.11 A proportion of the Council’s costs in this area have previously been met by support from Health but there is currently uncertainty as to whether this funding (around £5m in 2024/25) will be continued into future years. The Council continues to work closely with Health colleagues to ensure Havering gets as much support as possible for the Council

**Starting Well:**

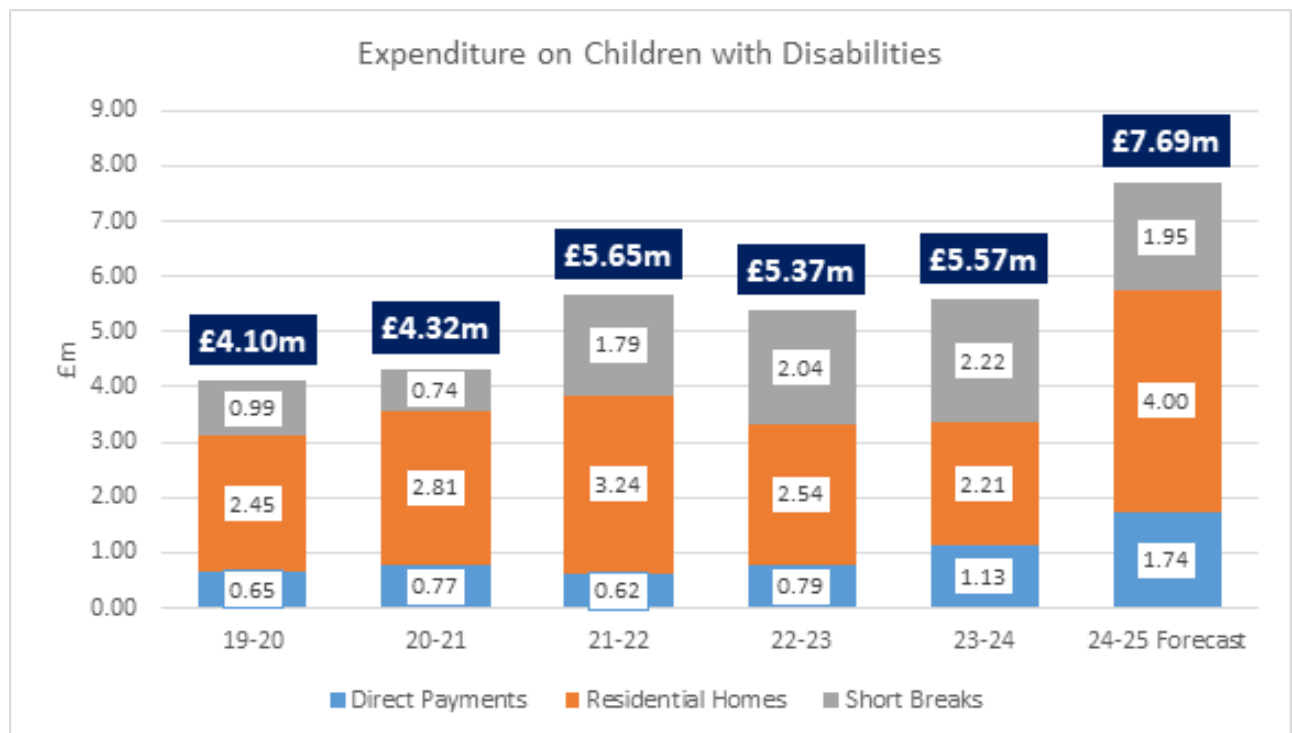
2.12 Within Starting Well the Council is facing continued pressures on its Social Care budgets partially due to implementing the recommendations of the recent OFSTED judgement and partially through increased unit costs of Looked After Children (LAC) provision. The Council increased its staffing base in accordance with the recommendations of the OFSTED report and is currently working hard to reduce dependency on agency cover and recruit on a permanent basis. At the time of the OFSTED inspection, Havering’s social worker caseload was 20.4-1 compared to 14-1 in London, and was the 5<sup>th</sup> highest caseload nationally. The numbers of looked after children in Havering has stabilised over the last year but unit costs of placements continue to rise driven by market conditions, inflation and the complexity of some placements

2.13 The Council is also receiving significant increases in Children with Education Healthcare Plans (EHCP) which has a resultant impact on demand for home to school transport support. The Council has implemented new policies in this area recently but demand continues to rise significantly. There has been a 40% increase in EHCPs since 2019/20 from 1,534 in total to 2,182 in 2023/24. The increase has been particularly strong in Early Years. The costs of an EHCP will vary depending on need – from £10k for additional support in

mainstream school to £50k or more for a special school place. Social Care support also varies – from a small Direct Payment package of £10k a year to a residential home for complex needs at £400k a year.



2.14 The Council has experienced continued increased costs of Children with Disabilities - Expenditure on Social Care for Children with Disabilities has been steadily rising due to both increased demand and complexity. There has been a particularly big increase in placement costs in 2024-25 and if this trend were to continue this would place further pressure on the Councils budget.





### **Housing Demand:**

2.15 The Council is also facing pressures from the cost of providing temporary accommodation to meet increased Housing demand. The numbers of people presenting as homeless continues to rise and whilst the Council has identified new units to help mitigate this demand the numbers in temporary accommodation continue to rise as shown in the table below. The budget pressures are caused in part from the increasing numbers in temporary accommodation which is driven by the unaffordability of the private rented sector and the increased cost to the council caused by the temporary accommodation housing benefit subsidy cap.

**Table 1: Rising Numbers in Hotels/ Nightly Let Accommodation**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25 (Projected*)</b>	<b>Total</b>
Singles	90	82	131	235	243	<b>781</b>
Families	3	43	257	434	492	<b>1229</b>
<b>Total</b>	<b>93</b>	<b>125</b>	<b>388</b>	<b>669</b>	<b>735</b>	<b>2010</b>

\* Figures based on April to Jan figures extrapolated for full year

### **New Projects and Initiatives**

2.16 Despite these pressures the Council has continued to provide high quality services to the public and meet all its statutory obligations. The Council will also be delivering key projects in the near future including:

- Two schemes will be coming on-line next year providing several units for care leavers and learning disability service users. The Council is looking to build on these schemes and explore its own provision of care in the Adults and Children’s social care arena and beyond.
- The Council continues to address the Housing shortfall and has been working closely with the Greater London Authority (GLA) to secure funding to acquire new homes. In 2024/25 the Council secured £24m in GLA grant funding toward the acquisition of 160 homes, match funded by £32.5m of HRA funding. Of this 45 homes will be in 2024/25 with 115 to follow in 2025/26. In the last 4 years, the Council has successfully acquired 144 affordable homes using a combination of GLA funding and match-funding from the Housing Revenue Account.
- The Council is working closely with our waste collection provider FCC Environment to deliver the roll out of food waste collection required by law by April 2026. The Council is lobbying the Government for funding for this project but is planning to go live with collections in October 2025, 6 months ahead of the statutory deadline. The cost of food waste collection is likely to cost the Council over £4m in capital costs. Currently the Government has provided a grant of £1.9m towards this cost. Going forward, the cost of collection will be an additional £3.8m in a full year, (£2.1m in 2025/26), and we await details of the new burdens funding.

In order to maximise the take up of the new government food waste initiative, costs will be incurred where necessary. Successful roll out of the food waste collection will ultimately be better for the environment and reduce residual waste. If this can be achieved, there will be greater savings through the future waste levy. The roll out of the new service will be subject to a review at the end of year one.

As the Council is seeking exceptional financial support, the figures provided above are the worst-case position and does not assume any new burdens funding. When the new burdens funding is announced, the Council will make every effort to reduce the operating costs proportionate to the grant made available. This will have the impact of potentially reducing the exceptional financial support requested but it must be stressed there is no flexibility in the budget and the Council must take every step possible to reduce the exceptional financial support needed moving forward

- Work has begun on the construction of the new Family Welcome Centre in Harold Hill town centre which will have 74 affordable rent accommodation and include emergency accommodation designed for families in need. The scheme will open in 2025.
- Mercury Land Holdings will provide 47 affordable homes for families at Roe Wood Park in Harold Hill (formerly Quarles) in 2026.
- Havering is building a new 300 place special school to meet the needs of pupils with severe and complex learning disabilities and mental health needs. This will enable Havering Young People to receive a high quality education that is nearer home rather than having to travel elsewhere to expensive independent sector schools. It is expected to provide significant savings to both the Dedicated Schools Grant and also to the Council's General fund budget through reduced travel distances. This will open in 2027.
- The Council is exploring the use of AI through the roll out of a product that supports social care practitioners by populating relevant templates (assessments, support plans, reviews) from a recording of interventions/visits with residents. Early indications are that it could reduce casework administration tasks by up to 50%, released capacity to be more productive enabling workers to process case work more quickly, bring down waiting lists and engage more effectively with vulnerable residents.

### **3. The Budget Process and Medium Term Financial Strategy update**

3.1 The process to set the budget and medium term financial strategy is an ongoing one and in effect starts at the beginning of the financial year. The process is robust and developing the budget gap takes account of the following factors:

- The underlying gap from 2024/25 as set out in paragraph 2.2
- Inflation Rates
- Demographic Assumptions
- Interest Rates and the cost of borrowing
- Current in-year pressures
- Implications of the future Capital programme
- The need to establish prudent levels of balances and reserves

- Proposed fees and charges
- Levels of Government Funding

- 3.2 The Council has been fully aware throughout the year of the significant gap in the budget for 2025/26 and have regularly updated Councillors on both the budget position and steps the Council has taken to help control spend and mitigate the budget position moving forward. An updated budget position was presented to cabinet on November 6<sup>th</sup> 2024.
- 3.3 Currently the forecast budget gap for 2025/26 is £71.2m based on a mid-case scenario. On a worst-case scenario, the Council is forecasting a gap of £89m as seen in table 7 below. The gap comprises:

**Table 2: Pressures on the budget**

<b>Pressures on MTFS</b>	<b>(m)</b>
Underlying Pressures brought forward from 24/25	34.5
Demographic unit costs and inflation including the additional cost of NI	21.3
Other Service Pressures	4.1
Corporate pressures including Pay inflation, ELWA concessionary fares, insurance and capital financing	24.3
New Growth and Investment	4.4
One offs in 24/25 budget (Savings and collection fund surplus)	7.4
<b>Total Pressures</b>	<b>96.0</b>
Government Grant increase	(5.9)
Savings Proposals	(10.3)
Fees and Charges (2.7%)	(0.7)
Assumed Council Tax yield (4.99%)	(7.9)
<b>Net Budget Gap</b>	<b>71.2</b>

**Underlying Budget Pressure from 2024/25 £34.5m**

- 3.4 The Council is currently forecasting to spend £34.5m over a balanced budget in 2024/25. This was a largely expected position which has been forecasted throughout the year and will be financed using the £32.5m exceptional financial support agreed with the Government. The pressures causing this spend however are ongoing and therefore will need to be included in establishing the budget position for 2025/26.

**Demographic and Unit Cost pressures £21.3m**

- 3.5 The Council continues to face significant demographic and unit cost pressures across Children’s and Adult Social Care and also to meet Housing Demand. The Council has put significant growth of £48m into these areas over the last two years but demand and complexity alongside increases in cost of care, is still rising so the budget position prudently assumes the current trends will continue. The demographic and unit cost pressures have required additional funding to be built into the Medium-Term Financial Strategy to cover both the underlying impact of the 2024/25 overspend but also further projected demand

for 2025/26. A total of £21.3m has been added to the MTFS for 2025/26 to meet these pressures

The analysis of demographic pressures moving into 2025/26 has been robust, using metrics measuring both unit costs and service user numbers and considering the sharp increases in the cost of living and inflation rates. The pressures also include the estimated costs from providers due to the 6.4% increase in National Living Wage and the change in thresholds for employer National insurance contributions. The detail behind these assumptions and an assessment of the risks can be found at **Appendix A** of this report.

#### **Other Service Pressures £4.1m**

- 3.6 There are also pressures across other services totalling £4.1m for 2025/26. Within this figure is contractual inflationary pressures on the contracts and an assumed pressure relating to the introduction of food waste collection. The Government requires all Councils to collect food waste by April 2026. Havering is planning to roll out the service commencing in October 2025 but there is an anticipated revenue cost of £2.1m for 2025/26 to achieve this. As set out in paragraph 2.16 if grant were to partly or fully mitigate this cost this would reduce the amount of exceptional financial support needed to balance the budget. The Council must take this option to reduce the structural budget gap wherever possible. This also applies to a £1m provision which is set aside to invest in key Public realm services in order to maintain a high level of service delivery

#### **Corporate Pressures £24.3m**

- 3.7 The Council also has a number of Corporate pressures within the 2025/26 budget totalling £24.3m. These include the increased cost of inflation and pay awards, concessionary fares, the additional costs of disposal of waste, additional insurance costs and coroners costs. The Corporate pressures also include the interest and repayment costs of financing the Capital programme. These financing costs include the assumed financing cost of the £32.5m exceptional financial support in 2024/25 and an assumed part year cost of financing interest for further support in 2025/26

#### **Growth and Investment £4.4m**

- 3.8 The Council is facing financial difficulties and is trying to cut costs and achieve value for money wherever possible. In some areas however vital investment is needed to improve and modernise processes which ultimately will lead to better services for the public and also enable future efficiencies to be made. These proposals, totalling £4.4m are set out in summary in the table below.

**Table 3: Growth and Investment**

<b>Growth and Investment</b>	<b>(M)</b>
Investment in Information technology including the setting up of a digital team, procurement of a new booking system for registrars, other procurement initiatives, investment to improve Council Tax collection transformational projects and further development of cloud solutions	2.2
Investment following the recent OFSTED judgement including greater capacity in Education attendance, SEN and support functions. Investment in Adult Social Care to meet current demand.	1.2
Investment in property to enhance security, continued support for S92 officers, develop the local plan, the Hornchurch BID and invest in emergency planning and Health and Safety	1.0
<b>Total Investment</b>	<b>4.4</b>

#### **One-Offs in the budget £7.4m**

- 3.9 The 2024/25 budget included £7.4m of items which were one off and so have been reversed out in the 2025/26 budget. These include the Corporate savings relating to the business rate pool, agency levy and Insurance which were initially put in the budget as one off items in 2024/25. The budget in 2024/25 also benefitted from a one off surplus in the Collection fund of £3.6m following a reduction in the business rate appeals provision.
- 3.10 These Pressures total £96m for 2025/26 of which £34.5m is from the underlying budget gap in 2024/25 and £61.5m are new pressures. The pressures have been partially mitigated by a combination of new Government grant, savings proposals, an increase in fees and charges and an assumed 4.99% increase in Council Tax.

#### **The Local Government Provisional Finance Settlement**

- 3.11 On 18th December 2024 the Government published the 2025/26 Provisional Local Government Finance Settlement. The settlement included over £3.7bn of additional funding nationally but continued to use the historic distribution formulae which results in inequitable settlements for Havering. The Government did include a new £0.6bn recovery grant in the settlement but allocated this to authorities with high deprivation and relatively low tax bases. This meant the allocation did not address the relative change in need since the funding formula was frozen in 2014 and as a result Havering received no recovery grant at all. Of the 19 authorities who had to request exceptional financial support in 2024 only 12 received any funding through this process.
- 3.12 The settlement did provide some good news with £233m additional funding for homelessness, a new £250m childrens grant to support early help and an additional £880m nationally for Adult Social Care. These funds were all welcome news but the allocation of

funds for the Adult Social Care funding continued to use historic 2014 relative need data which does not reflect Havering’s changing demographic need. A proportion of both the Childrens and Adults grant was also allocated based on Council Tax equalisation which results in reductions in grant for authorities such as Havering with high Council Tax levels. The Settlement also included one further year of New Homes Bonus and the roll out of Extended Producer Responsibility (EPR) grants to local authorities to support the cost of waste collection.

3.13 These new grants are all welcomed but significantly have only provided enough funds to mitigate the additional costs of the National Insurance and National Living Wage increases announced in the Autumn Budget statement. Both these increases will significantly increase staffing costs for our providers and it is inevitable that a proportion of that additional cost will be reflected in future fee increases to the Council. The Council’s commissioning teams will work hard to minimise these costs when agreeing fee rates with providers but with the Council currently commissioning around £100m of Adult Social Care provider costs alone even a small percentage increase is likely to be significant. Further details of the settlement and the Schools settlement can be found in section 6 of this report and **Appendix B**.

**Savings Proposals (£10.3m)**

3.14 The Council has also identified a number of savings proposals to help close the financial Gap. These proposals when put together with the full year effect of previous savings total £10.3m and are included in the budget. It should be noted that the Council has made over £160m of savings since austerity began in 2010 and the scope to identify significant new savings is extremely limited. The Council has low unit costs compared to its neighbours and further cuts would directly impact on service delivery.

3.15 The proposed savings are summarised in the table below and are set out in more detail in **Appendix C** to this report.

**Table 4: Total Proposed Savings 2025-2029**

<b>Saving Area</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>TOTAL £m</b>
Place	-0.100	-0.030	0.000	0.000	<b>-0.130</b>
People	-5.410	-4.170	0.000	0.000	<b>-9.580</b>
Resources and O/S	-0.800	-0.120	0.000	0.000	<b>-0.920</b>
Corporate	-3.940	1.550	-1.100	-1.100	<b>-4.590</b>
<b>TOTAL</b>	<b>-10.250</b>	<b>-2.770</b>	<b>-1.100</b>	<b>-1.100</b>	<b>-15.220</b>

The Council will need exceptional financial support to balance the budget in 2025/26. MHCLG recognises the difficult financial position the Council is facing but expects the Council to fully deliver its savings proposals as part of the financial support agreement

### Discretionary Fees and Charges (£0.7m)

3.16 The Council annually reviews its fees and charges to customers. **Appendix D** sets out the proposed fees and charges for 2025/26. It should be noted that some fees are set nationally and the Council has not control over those rates. In setting the fees and charges the Council takes account of:

- Full cost recovery where appropriate
- Statutory fees rates
- Inflation
- Benchmarking and other market comparators
- Delivery costs for social care providers.
- Current market conditions for any increase

3.17 For 2025/26 the Council has uplifted discretionary fees by 2.7% except for fees where local market conditions have either resulted in a larger increase being applied or a fee increase if the Council is already at a high rate compared to the benchmark.

### Proposed Council Tax levels and Council Tax Requirement

3.18 The Government settlement assumes the Council will increase Council Tax by the maximum permitted being 2% for the ASC Precept and a further 2.99% for a general Council tax increase. Given the financial situation set out in this report the Council has little alternative but to recommend the maximum 4.99% increase in Council Tax. The table below sets out the implications of this rise for taxpayers.

**Table 5: Proposed Council Tax Levels**

	Haverling Base Council Tax (2.99% Inc)	ASC Precept (2% inc)	Total Haverling Council Tax (4.99% inc)	GLA Precept	Total Council Tax
BAND A	1,022.08	193.36	1,215.45	326.92	1542.37
BAND B	1,192.43	225.59	1,418.03	381.41	1799.44
BAND C	1,362.78	257.81	1,620.59	435.89	2056.48
BAND D	1,533.13	290.04	1,823.17	490.38	2313.55
BAND E	1,873.83	354.49	2,228.32	599.35	2827.67
BAND F	2,214.52	418.95	2,633.47	708.33	3341.80
BAND G	2,555.22	483.40	3,038.62	817.30	3855.92
BAND H	3,066.26	580.08	3,646.34	980.76	4627.10

3.19 The Council is required to set out its statutory budget calculations as required by Sections 30 to 36 of the Local Government Finance Act 1992 (“the Act”). The proposed Council Tax requirement is calculated, as set out below: £723.262m\* being the aggregate of the expenditure, allowances, reserves and amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act; (b) £559.401m being the aggregate of the income and amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act; (c) £164.361m being the amount by which the aggregate at 2.6(a) above exceeds the aggregate at 2.6(b) above, calculated by the Council, in accordance with

Section 31A(4) of the Act, as its council tax requirement for the year. This is set out in further detail in **Appendix E** of this report.

### **Summary Medium Term Strategy Position (assuming most likely scenario)**

3.20 The Medium Term financial strategy (MTFS) has been updated to take account of the assumptions set out in this report and appendices. The resultant plan shows an underlying gap of £71.2m for 2025/26 based on the most likely scenario. At this stage the MTFS assumes that the pressure is all ongoing and so future years assume both the carried forward budget gap and the potential financing of this gap through further exceptional financial support

**Table 6 Updated Medium Term Financial Strategy**

<b>2025-2029 MTFS</b>	<b>2025/26 (£m)</b>	<b>2026/27 (£m)</b>	<b>2027/28 (£m)</b>	<b>2028/29 (£m)</b>
Underlying 24/25 base budget position	34.5			
Demographic and unit cost pressures	21.3	14.0	14.5	15.0
Other service pressures	4.1	5.9	1.0	1.0
Inflation and Pay award	5.2	5.2	5.2	5.2
Investment and Growth	4.4	-0.8	0.0	0.0
Capital Financing	10.6	5.9	2.2	0.9
Other Corporate Pressures	8.5	2.8	2.3	5.1
One off items in 2024/25 budget	7.4	0.0	0.0	0.0
<b>TOTAL PRESSURES</b>	<b>96.0</b>	<b>33.0</b>	<b>25.2</b>	<b>27.2</b>
Savings	-10.3	-2.8	-1.1	-1.1
Government funding	-5.9	5.1	-2.1	-2.3
Fees and Charges	-0.7	-0.7	-0.7	-0.7
Council Tax 4.99%	-7.9			
Underlying Budget gap		71.2	113.1	145.7
Financing costs of Underlying Budget Gap		7.3	11.3	14.6
<b>TOTAL GAP before EFS</b>	<b>71.2</b>	<b>113.1</b>	<b>145.7</b>	<b>183.4</b>

3.21 It is very difficult to project the potential impact of future funding reform until the Government produce exemplifications as part of their forthcoming consultation on new methodology. At this early stage the MTFS takes a prudent view and includes a pressure in 2026/27 based on the original exemplifications of the previous government's fair funding review. At that stage it was projected that funding reform would re-distribute funding away from London. The Council will participate fully in future funding discussions to ensure that in future the Council receives a fairer funding settlement than at present.

3.22 The financial gap shown above is based on a most likely scenario and is £71.2m for 2025/26 before exceptional financial support. The Council however has produced a worst case scenario for the budget as well as part of its planning. This is set out in the table below with the assumptions presented in more detail in **Appendix A** of this report.



**Table 7: Budget Gap based on most likely and worst case scenarios**

<b>MTFS Based on Most Likely and Worst Case</b>	<b>Most Likely ( £m)</b>	<b>Worst (£m)</b>
Underlying Pressures from 24/25 (P8 Monitor)	34.5	36.0
New Growth and Investment	4.4	4.4
Pay and other inflation	5.2	6.7
25/26 Demographic unit cost and additional cost of NI	21.3	35.0
Other Service Pressures	4.1	4.1
Capital financing costs (inc 24/25 Cap Direction)	10.6	11.4
Other Pressures (inc ELWA, Freedom pass, Insurance)	8.5	8.8
One offs in 24/25 budget (Savings and collection fund surplus)	7.4	7.4
Fees and Charges (2.7%)	-0.7	-0.7
Government provisional finance settlement	-5.9	-5.9
Savings proposals	-10.3	-10.3
Council Tax at 4.99%	-7.9	-7.9
<b>Total Budget Gap 2025/26</b>	<b>71.2</b>	<b>89.0</b>

3.23 The assumptions included in the budget are best estimates based on all known information. The budgets however are subject to change and the table below shows the impact of change through a sensitivity analysis of the key areas

**Table 8: Sensitivities in the budget**

<b>Sensitivity</b>	<b>Approximate Budget</b>	<b>1% change</b>
Adult Social Care provider costs	100m	1m
Childrens Social Care Placement Costs	20m	0.2m
Discretionary fees and charges	(27m)	0.3m
Council Tax yield	(164m)	1.6m
Pay inflation	100m	1.0m

### ***Budget Consultation***

3.24 The Council ran a Budget Consultation exercise to both illustrate the Council's financial position and also to seek views on Council Tax increases and ways the Council could save money. The consultation was conducted for 6 weeks commencing in November and requested all interested parties to fill in an online form. Hard copies of the consultation were

available at all the libraries and the Council held an open question and answer session on the 18<sup>th</sup> December to further brief the public and key stakeholders.

3.25 The Council received 608 responses to the budget consultation. The key outcomes have been presented to members for consideration and are summarised in **Appendix G** of this report. The Council also asked members of the public to sign a petition on the budget asking to grant Havering Council Tax Payers a fair share of Government Funding. The Council has had 2,288 signatures to the petition to date. The petition closes on 31<sup>st</sup> January and will be submitted to central Government by the Council

#### **4. Proposal to balance the 2025/26 Budget**

- 4.1 The Council is still facing a £71.2m budget gap as set out in section 3 of this report even after all the proposed savings have been taken and a 4.99% Council Tax increase has been applied. The Council has been fully aware of the budget situation throughout the year and has met MHCLG officials and ministers on a number of occasions to discuss our position.
- 4.2 The Council had hoped that the Local Government Finance Settlement would at least partially close the budget gap but the benefits of the new grant funding announced has largely been negated by the anticipated additional costs of the NI and NLW increases announced in the autumn statement. The settlement also failed to address the long standing issue of historic data being used to apportion funds between authorities.
- 4.3 The Government have promised full funding reforms in 2025 leading to a multi-year settlement from 2026/27 onwards. Havering will lobby hard to get its point across in the development of the new funding system but unless the Government radically increase the amount of money in the system many authorities will struggle to balance their budgets each year
- 4.4 The Government have recognised that the 2025/26 financial settlement would not fully address the budget situation for many authorities and so indicated in December that authorities could apply once again for Exceptional Financial Support to balance their budgets. Havering submitted an application which has now been updated to reflect the local Government Finance Settlement and requests £71.2m to balance the budget on a most likely scenario. The Council has also made it clear to the Government that our worst case scenario is now £89m and that the exceptional financial support should be extended to meet this potential gap.
- 4.5 The Government have indicated that they will not issue letters to authorities regarding exceptional financial support until late February. The Government do however recognise the need to issue communication before Councils have their full tax setting meetings and so are aware of Havering's proposed Council meeting on 26<sup>TH</sup> February 2025.
- 4.6 This report assumes that exceptional financial support will be made available to balance the budget. It should be noted that this support comes at a cost as currently legislation requires the Council to borrow at current interest rates and set aside minimum revenue provision (MRP) at 5% for repayment of the debt. The new Government however have removed the previous requirement to borrow at 1% above base rate which is welcomed but Havering

along with other Councils is pushing for the requirement to set aside MRP to be waived as well.

- 4.7 The Council has no viable alternative to requesting exceptional financial support. Were the request not to be granted then the Council would need to issue a Section 114 notice through its inability to balance its budget. This position has been discussed with MHCLG and they are fully aware of the situation. S114 legislation was originally introduced to provide senior officers power to regulate excessive spending in an authority. Havering is not spending excessively and so would still be unable to set a balanced budget without exceptional financial support even if the S114 report were issued.
- 4.8 This cabinet report is based on the current information available. The final local government finance settlement is yet to be confirmed and there will also be variances as the final levies are confirmed. Variations to the final income and expenditure levels will directly impact on Havering's exceptional financial support request to the Government. Any additional grants or reductions in expenditure will be used to directly reduce the level of exceptional financial support the Council applies for.

### **Closing the Budget Gap in Future Years**

- 4.9 The Council has an underlying budget gap which will need to be resolved. The Government have promised funding reform which it is hoped will in part address both the quantum and distribution of the central funding amount allocated to Havering moving forward. This alone however will not balance the budget. Major change is needed to allow authorities to build and acquire additional Housing to reduce temporary accommodation and mitigate Housing demand. The Government have already changed the right to buy rules and it is hoped that they will provide more incentives and finance to allow authorities to increase their housing provision
- 4.10 Housing Demand could also be eased if the Government, reduced the inequity in Local Housing Allowance. Currently, the most significant costs of homelessness are borne by local authorities, rather than the DWP, due to housing benefit subsidy loss rules. These rules cap the rates of subsidy claimed by local government for housing households requiring temporary accommodation at Local Housing Allowance (LHA) rates set over a decade ago. The cap should be aligned with wider DWP LHA rates, increasing subsidies to local authorities while maintaining controls to ensure value for money in placements.
- 4.11 The Government will also need to act to help address the national social care funding situation. Legislation is needed to help regulate the providers of childrens homes many of which are financed by hedge funds. It is hoped the Government will also provide capital financing to enable authorities to develop in-house solutions to childrens care placements to reduce costs in the medium term
- 4.12 The Government have recently announced an independent commission to review the provision of Adult Social Care. The commission, reporting to the Prime Minister, will work with people drawing on care and support, families, staff, politicians and the public, private and third sector to make clear recommendations for how to rebuild the adult social care system to meet the current and future needs of the population. The first phase of the review

is scheduled to make medium term recommendations in 2026 with recommended longer term solutions not due to be announced until 2028. Havering welcomes this review but hopes the Government recognise additional funding is needed now on a national scale to reduce the immediate pressures on Council budgets.

**5. Balances, Reserves and Contingencies**

- 5.1 Havering recognises the need to have adequate reserves and balances and maintains a £1m corporate contingency for unforeseen in year pressures. Havering’s general balances and earmarked reserves have been depleted in recent years through the pressures on services and are amongst the lowest in London. In setting the budget Havering has recognised the need to build up general balances to a target level of £20m. Contributions to balances have been built into the General Fund budget to achieve this target.
- 5.2 The table below shows the forecast position for reserves at the end of 2024/25 together with projected balances for the next two years. The Council has discussed its reserves position with the Government as part of its applications for exceptional financial support and the Government fully recognises the need to maintain and build up reserves moving forward

**Table 9 Reserves and Balances**

<b>EARMARKED RESERVES</b>	<b>Opening 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	14.5	19.5	20.0
Risk Mitigation Reserves	13.5	10.0	8.1	8.1
Contractual Reserves	12.2	8.0	8.0	8.0
Internally Earmarked Projects	9.4	7.1	5.8	5.7
<b>TOTAL</b>	<b>45.3</b>	<b>39.6</b>	<b>41.4</b>	<b>41.8</b>

- 5.3 The Council also has a £1m General contingency in its annual budget. This is held for unforeseen in year circumstances but if not required is released to support that years budget position

**6. Schools budget and DSG**

- 6.1 The Dedicated Schools Grant (DSG) is a ring-fenced grant that is allocated to local authorities to meet their responsibilities for early years’ education, the funding of schools and for provision and support for pupils with special educational needs and disabilities and for pupils requiring alternative provision.
- 6.2 There has been a large increase in the overall DSG for 2025/26 of £38.2m. The overall DSG budget will be £355.5m compared to £317.3m. The table below sets out the increase in comparison to 2024/25

**Table 10: Havering Dedicated Schools Grant 2025/26**

<b>Financial year</b>	<b>Schools Block £m</b>	<b>High Needs Block £m</b>	<b>Central Services To Schools £m</b>	<b>Early Years Block £m</b>	<b>TOTAL £m</b>
2025-26	258.180	47.602	1.912	47.819	355.513
2024-25	237.616	43.391	1.774	34.569	317.350
Difference 2024-25 to 2025-26	20.564	4.211	0.138	13.250	38.163

6.3 Further details of the Dedicated Schools grant will be presented as a separate paper to this cabinet agenda

## **7. The HRA Budget and 30-year Business Plan**

7.1 The Council has a separate report on this agenda to agree the HRA Budget for 2025/26 and the update of the 30 year HRA Business Plan. This report proposes a rent increase of 2.7% with effect from April 2025. This will mean the average weekly rent for general needs properties will be £132.50

7.2 The report also sets out the 30 year business plan and financial assumptions which have been updated to reflect the current national and global outlook. The plan projects a significant deficit in the debt position in the next 10 years gradually smoothing over the 30 year period. This will be continually monitored to ensure the plan remains viable.

## **8. The five-year Capital Programme**

8.1 The Capital Strategy and Programme is presented in a separate report on this agenda. The Medium Term Financial Strategy takes full account of the interest and borrowing cost of the proposed programme. This includes the revenue implications of a number of new bids which are included for approval by Council.

8.2 The proposed Capital programme will spend £1.11bn of which £0.34bn is for the General Fund and £0.77bn is HRA Capital Spend. The majority (0.28bn) of the general fund spend relates to the Councils regeneration schemes which will deliver new homes and help greatly with the current Housing shortage.

8.3 The Capital programme will be funded by a number of sources including receipts (£0.04bn), grants (£0.25bn), contributions from revenue and reserves (£0.06bn) and borrowing (£0.76bn). The affordability of the Capital programme is assessed using a series of prudential indicators which measure items such as the ratio of financing costs to net revenue stream and the Councils capacity to deliver the programme. Further details of the prudential indicators can be found in the Capital Strategy report elsewhere on this agenda.

## **9 Strategic Director of Resources (S151 Officer) statement regarding the robustness of the budget and MTFS**

9.1 Section 25 of the Local Government Act 2003 requires Chief Financial Officers to report to their authorities about the robustness of estimates and the adequacy of reserves when determining their budget and level of Council Tax. Authorities are required to consider their Chief Financial Officer's report when setting the level of council tax. This statement is set out in **Appendix H** of this report.

## **10 Council Tax Policies and Proposals**

10.1 The Council has a number of proposed policies regarding Council Tax which require formal approval. These proposed policies are listed below with further detail set out in **Appendices I & J** to this report.

- Proposed discount of 1.5% for Council Tax payers who pay their 2025/26 Council Tax in full before 1<sup>st</sup> April 2025
- The proposed Council Tax Support scheme for 2025/26
- Proposed Policy regarding war pension income in relation to Housing Benefit Assessment

### **10.2 The proposed Council Tax Support Scheme 2025-26**

10.2.1 The local Council Tax Support (CTS) Scheme in Havering has been designed to help residents on low incomes pay their Council Tax. The amount of Council Tax Support a person can have is based on how much the Government say they need to live on and the person's income and capital. Council Tax Support rules for claimants of pensionable age are prescribed in law and can cover up to 100% of the Council Tax due. Local authority Care Leavers can also receive up to 100% in Council Tax Support. For working age claimants with disabilities and claimants without disabilities, they can receive up to 80% and 75% respectively off their Council Tax bill. The rules within the CTS scheme for working age applicants including Care Leavers have been developed by the Council.

10.2.2 The Council proposes to maintain the current CTS Scheme for 2024 putting forward no significant amendment to that scheme in 2025. A copy of the 2024 Council Tax Support Scheme can be found on the Council's website. In accordance with Schedule 1A of the Local Government Finance Act 1992, Full Council is required to endorse the Council Tax Scheme for 2025/26 before 11 March 2025. The Council has given due regard to the Equality Act 2010 and the need to eliminate unlawful discrimination. The Equalities Impact Assessment of the Council Tax Support scheme is attached as **Appendix K** to this report.

## **11. Equality impact Assessment on the Budget and Medium Term Financial Strategy**

11.1 The Equality impact assessment for the budget is set out in **Appendix L**. It should be noted that where savings or indeed growth result in a direct change in service provision then a separate EQUIA will be completed for that change. As such the budget EQUIA is a more

general document which considers the overall impact of the budget on the nine protected characteristics

## **REASONS AND OPTIONS**

### **12. Reasons for the decision:**

12.1 The Council is required to set a balanced budget in advance of the beginning of each financial year. This report sets out the process to reach a balanced budget for 2025/26 and sets out the Council's future plans for balancing the budget in the medium term from 2025/26 to 2028/29.

### **Other options considered:**

12.2 The report outlines all the options identified for balancing the 2025/26 budget. Officers will continue to seek further options for balancing the budgets in future years.

12.3 The only alternative to the Capitalisation Direction would be for the S151 Officer to issue a S114 Report, declaring the Council unable to set a legally balanced budget for 2025/26.

## **IMPLICATIONS AND RISKS**

### **13 Financial Implications and Risks**

13.1 The financial implications of the Council's Medium Term Financial Strategy are fully set out in this report and are therefore implicit in the body of this report.

13.2 The Council is proposing a 4.99% Council Tax increase and will be using a Capitalisation order to balance the budget. This will enable the Council to charge revenue expenditure to capital in 2025/26. The Council will need to either reduce its net expenditure or receive additional grant funding to prevent a similar scenario in the setting of future budgets.

13.3 The report contains prudent assumptions on future pressures and £10.3m of savings to be delivered in 2025/26. If the Council is to stay within budget demand will need to be contained within these assumptions and the savings will need to be delivered

### **14 Legal Implications and Risks**

14.1 The Council is required under Part 1, Chapter III of the Local Government and Finance Act 1992 (the 1992 Act) to set its council tax for the forthcoming year. In accordance with section 30(6) and 31A of the 1992 Act this must be set before 11 March of the preceding year, but is not invalid merely because it is set on or after that date.

14.2 The Council's calculation of its "council tax requirement" in accordance with sections 31A and 31 B of the 1992 Act is reflected in the body of this report. A delay in setting council

tax can have serious financial consequences and may be challenged by way of an application for judicial review under section 66 of the Act.

- 14.3 Under section 25 of the Local Government Act 2003, the Chief Finance Officer is required to report to the Authority on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. Cabinet is required to consider these estimates when determining whether the proposals should be submitted to Council for approval.
- 14.4 The process for preparing the budget proposals for each municipal year, including any consultation requirements, is set out in the Budget and Policy Framework Procedure Rules within the Council's Constitution. The setting of the budget is a function reserved to Council following consideration of the initial proposals submitted by the Executive.
- 14.5 The Council's duty is to set a balanced budget, taking into account a range of factors, including consultation feedback and decision makers must also have regard to the Council's public sector equality duties under the Equality Act 2010. Each Member has a duty to ensure that the Council complies with its legal obligations by agreeing a balanced budget.
- 14.6 The budget consultation and approval process is separate from individual decisions which may need to be taken for example in relation to service delivery; these may require a separate consultation process and equality impact assessment before a final decision is taken.
- 14.7 Where consultation is undertaken it must comply with the "Gunning" principles; namely it must be undertaken at a formative stage, sufficient information should be provided to enable feedback, adequate time should be given for consideration of responses and the feedback should be taken into account in any decision taken.
- 14.8 Local Authorities owe a fiduciary duty to council taxpayers, which means the Council must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term, the need to strike a fair balance between the interests of council taxpayers and ratepayers and the community's interest in adequate and efficient services and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers.
- 14.9 The Council has an ongoing duty to maintain a balanced budget throughout the year and, accordingly, members are required to monitor the Council's financial position regularly in accordance with section 28 of the Local Government Act 2003 and take appropriate action if there is any significant deterioration in its financial position.
- 14.10 Where it appears that the expenditure the Authority proposes to incur in a financial year is likely to exceed the resources available to meet that expenditure, the Chief Finance Officer is under an obligation to prepare a report to Council under section 114 of the Local Government Finance Act 1988.

## **15 Human Resource Implications and Risks**

- 15.1 The Council continues to work closely with its staff and with Trades Unions to ensure that



the effects on staff of the savings required have been managed in an efficient and compassionate manner. The specific workforce impact has yet to be assessed at the present time. However, all 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.

## **16 Equalities and Social Inclusion Implications and Risks**

16.1 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.

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

16.3 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.

16.4 Any decisions which need to be taken in furtherance of the budget proposals will be undertaken in accordance with the duty set out in Section 149 of the Equality Act 2010 and where appropriate full Equality Assessments will be undertaken and form part of the decision making process.

## **17. Health and Wellbeing Implications and Risks**

17.1 The Council considers health and wellbeing implications in all the decisions it takes. The impact on general health and wellbeing is fully considered in developing the savings proposals in this report and in setting the Council's budget each year

## 18 Climate Change Implications and Risks

18.1 The establishment of the Havering Climate Action Plan signals a commitment by the Council to tackle climate change and will affect all Council policies and decisions. This budget and financial strategy has been developed with this Climate Action Plan in mind and will help in contributing to the Council's aim of achieving net-zero annual carbon emissions by 2040. In addition, all projects included in the programme will follow the principles set out in the action plan and adhere to its key values.

### BACKGROUND PAPERS

#### List of appendices

APPENDIX A	-	Budget Assumptions and Risks
APPENDIX B	-	Local Government Funding Settlement and Dedicated Schools Budget
APPENDIX C	-	Savings Proposals
APPENDIX D	-	Fees and Charges schedule
APPENDIX E	-	Council Tax Requirement and Resolution
APPENDIX F	-	2025/26 Council Budget
APPENDIX G	-	Budget Consultation outcomes
APPENDIX H	-	S25 Statement of Robustness on the budget
APPENDIX I	-	Summary of the Council Tax Support scheme
APPENDIX J	-	Council Tax policies
APPENDIX K	-	EQIA for the Council Tax Support scheme
APPENDIX L	-	EQUA for the Budget Report

**BUDGET ASSUMPTIONS AND RISKS**

**APPENDIX A**

<b>Corporate Pressure</b>	<b>Mid Case £m</b>	<b>Worst case £m</b>	<b>Assumption</b>
Waste Disposal (ELWA) (includes benefit of £2.1m disposal extended producer responsibility allocation)	0.4	0.4	Based on the latest data from ELWA regarding contractual uplifts and estimated inflation and tonnages
Concessionary Travel increased costs	0.9	0.9	Based on agreed settlement with TFL and the associated transport operating companies (ATOC) negotiated across London by London Councils
Capital Financing Costs for 5 year Capital programme (Interest and repayment)	5.7	6.0	Based latest assumed Capital spend (MRP on a scheme by scheme basis on Asset life and Interest for borrowing at 5%) – Interest assumed to increase to 5.5% in worst case scenario
Potential Capital Financing Costs (Capitalisation)	5.0	5.4	This is the expected cost of the capitalisation directive required to balance the revenue budget. This recognises the costs of financing the existing £32.5m Capitalisation directive and the potential part year interest costs of a further agreement for 2025/26.
Provisions for Pay inflation	3.0	4.0	The pay award for 25/26 is assumed at 3% for planning purposes with a worst case at 4%
Cost of Insurance premiums	0.5	1.0	The Council will need to renew its major insurance contracts in 25/26 and a budget provision is included recognising the national increase in premium costs
Other price, contractual inflation and provision for costs of NI/NLW increases outside Social Care	8.8	9.2	The Council has a number of contracts with agreed mechanisms for uplifts each year. This pressure also recognises that energy prices remain volatile and may increase again. The worst case scenario assumes inflation increases from the current assumption of 2.7% to 4%
<b>TOTAL CORPORATE PRESSURES</b>	<b>24.3</b>	<b>26.9</b>	

Service Assumptions	Most Likely £m	Worst Case £m	Assumption
Underlying Budget pressures brought forward from 2024/25	34.5	36.0	The Council is currently forecasting to spend £34.5m more than its budget requirement in 2024/25. This will be financed in 2024/25 through EFS. The ongoing pressures are largely across People Services and are all ongoing. The reasons for the overspend in Adults are largely driven by increased unit costs compared to budget and on off support from health not being continued both of which will be ongoing.
Adults 25/26 Additional Demographic and Unit Cost Pressure. This pressure includes the expected impact of the NI and National Living Wage increases announced in the autumn budget. There are also some expected additional staffing pressures to meet demand	9.6	15.6	The assumption for 25/26 is a combined 8% increase in placement costs which also takes account of the forthcoming increase in minimum wage and the additional provider costs through the increase in Employer National Insurance Contributions This is partially offset by assumed additional income from users. There is an assumption of a net 100 additional users. There is also an assumption of an additional cost for transition cases from children's (approximately 5-7 cases). The worst case scenario assumes 3% higher inflation and further growth of 100 users and higher costs of meeting the potential NI pressure
Children's and Education 25/26 pressure	7.7	11.0	<p>There is a midcase assumption of 20 additional looked after children and inflation on placements to be an initial 5% with 1m additional pressure as a result of the NI increase.</p> <p>There is an assumption that the number of EHCP's will increase by 10% a year and the cost of Children with disabilities will increase by 10% through both additional numbers, inflation and complexity of case</p> <p>The worst case assumption assumes 30 extra looked after children and a 7% base assumption on inflationary costs</p>

Homelessness ongoing pressure on temporary accommodation	4.0	8.4	The Homelessness pressure is based on an assumption that a net additional 16 families a week will need Housing. This rises to 20 per week in the worst case scenario. The assumption is that £1.1m of costs will be mitigated through new accommodation becoming available during the year as part of the Chalkhill and modular projects. The worst case scenario does not factor in this income. Inflation on temporary accommodation costs is assumed at 5% midcase and 7% worst case
Revenue Cost of implementing collection of food waste and estimated contractual inflation	3.1	3.1	The major Waste contract and forthcoming highways contract have a series of indices based on wage costs, inflation and property development which will result in an inflationary uplift each year. There is also the anticipated cost of delivering a food waste collection service commencing in October. It is hoped that Government grant will partially mitigate this cost but no announcements have been made as yet
Public Realm pressures	1.0	1.0	This is a general provision to recognise that there will be potential new and emerging pressures within Public Realm
<b>TOTAL SERVICE PRESSURES</b>	<b>59.9</b>	<b>75.1</b>	

## BUDGET RISKS

The Budget Risks in this table have been analysed using a matrix to assess the potential impact on the Council. Each risk is assessed for likelihood and financial impact on a scale of 1 to 4 giving a combined score which represents the risk to the Council. The scoring is based on officer opinion of risks and is therefore subjective. The worst case scenario assumes the demographic risk materialises

Likelihood	Score	Financial Impact	Score
Unlikely	1	Minimal	1
Possible	2	Under 500k	2
Probable	3	500k-1m	3
Very Likely	4	Over 1m	4

Ref	Title	Description	Likelihood	Estimated Financial Impact	Total Risk rating
C1	Future finance settlements	The Government have committed to full funding reform in 2025 resulting in multi year updated settlements from 2026/27 onwards. It is hoped that this provides a fairer allocation of funds and begins to address the imbalance in the Council's funding. There remains a risk however that the reform process will not deliver the change Havering needs and indeed the National economic situation will result in inadequate financial settlements moving forward	3	4	12
C2	Rising Inflation and Unit Costs	Inflation has reduced through 2024 but there are still ongoing world events which could impact future rates. If inflation did not reduce in line with Government projections this would have a large impact on unit costs and pay.	2	3	6

Ref	Title	Description	Likelihood	Financial Impact	Total Risk Rating
C3	Interest Rates	Interest rates are slowly falling but borrowing rates are still at around 5%. Interest rates are expected to slowly start to drop over the medium term. The Council benefits from high interest rates by way of increased yields on its cash balances. The cost however of borrowing is higher aswell which has been factored into the MTFS as part of the Capital financing costs.	2	3	6
C4	Loss/reduction in Business Rates	In recent years as a result of austerity and the general reduced footfall from the high streets, a number of local businesses have failed. Business rates are in part locally retained meaning that significant downturn in yield will have a direct impact. The Government has also committed to a reset of the business rate system as part of the funding reforms. The financial outcome of the reset at the moment is unclear and represents a risk to the budget	2	4	8
C5	Affordability of Capital Programme	The Capital programme is based on a robust funding strategy. Significant overspends or enhancements to projects will result in a revenue pressure through increased interest charge on higher borrowing and increased debt principal repayment (Minimum Revenue Provision or MRP). The Council has reviewed the Capital Programme in the build up to setting the 2025/26 revenue budget and has built in any borrowing and repayment required to fund it in the MTFS	1	2	2

Ref	Title	Description	Likelihood	Financial Impact	Total Risk rating
C6	New Legislation	The Government could at any time introduce new legislation or transfer new burdens to local government. History has shown that frequently new legislation is not accompanied by enough associated funding	3	2	6
C7	The impact of delays, changes, and market fluctuations to the Regeneration Programme	The regeneration models contained in the business cases make assumptions regarding inflation, interest rates and the property market. Changes to these factors could affect the expected yields. There is also a significant cost associated with delays to the programme either caused by changes to proposals or any other reason	2	4	8
C8	Higher than expected population growth/demographics	The Council's plans recognise the effect of population growth and the demographic pressures that brings particularly to Social Care. If either the population increased at a higher rate or factors such as poverty and deprivation resulted in increased demand above current planned amounts then this would have a direct impact on the MTFS	2	4	8
C9	Ongoing cost pressures in adult and children's social care	Over the last 4 years in particular social care has seen unprecedented increases in demand and complexity in residents care and support needs, resulting in the need for budget growth. Numbers and in particular unit costs are still rising placing pressure on the existing MTFS assumptions. Unit costs will also be affected by the decision to raise Employer National Insurance contributions. The potential impact of this has been factored into the MTFS assumptions.	3	4	12



Ref	Title	Description	Likelihood	Financial Impact	Total Risk rating
C10	Impact of adverse inspections	The Government inspect Council various Council services on a cyclical basis. If the findings of such inspections result in changes or improvements being needed the Council will need to finance those additional costs	1	3	3
C11	IBCF and other Grants	The 2025/26 settlement largely continues previous grant funding. The position in the future is far less clear and whilst this is taken into account in the MTFS a loss of smaller grants will impact on planning.	2	2	4
C12	Pension Fund Performance /Actuarial Review	A downturn in the performance of the pension fund could result in increased contributions being required at the next triennial review. Latest forecasts are that this is unlikely but it would have a direct impact on the MTFS assumptions	1	4	4
C13	Budget Failure/ Overspends	The MTFS allows for any recognised ongoing budget pressures. Unbudgeted overspends will depleted general and earmarked reserves. There is a risk that the overspend on 2024/25 budget will exceed the EFS agreed with the Government and officers are working hard to control spend in order to minimise this risk.	2	4	8
C14	IT System Failure	Significant IT failure could result in loss of service provision, potential loss of data and additional repair or replacement costs	1	4	4
C15	Future Waste disposal arrangements	Preparations are well underway for the new disposal contracts following the end of the current 25 year contract. There is a risk however that the cost of the levy may increase in the short term above current MTFS assumptions as preparation for 2027 accelerates	2	3	6

Ref	Title	Description	Likelihood	Financial Impact	Total Risk Rating
C16	Adverse Weather/Cold winter	A cold or wet winter can result in increased environmental costs through gritting or possibly flood alleviation. Freezing weather also can break up road surfaces resulting in emergency repairs	3	2	6
C17	Fraud	The Council has measures in place to minimise the risk of fraud. If a major financial fraud were discovered this could have a reputational risk and result in additional costs both to improve systems and to mitigate any uninsured losses.	2	3	6
C18	Collection Rates	Council Tax is set on assumed collection rates. Failure to achieve those rates will have an impact on the collection fund and the level of bad debt provision required. Both of these items will impact on future planning. The Council has reviewed budgeted collection rates as part of the Tax setting process	2	3	6

## APPENDIX B

### The Local Government Financial Settlement and Schools Funding

This Appendix provides more detail on the Local Government Finance settlement the Schools funding settlement and the Public Health Grant

#### 1. Core Spending Power

- 1.1 Core Spending Power (CSP) is the Government's measure of the change in funding an authority receives from year to year. The national average increase in CSP for 2025/26 was 5.6%.

#### Core Spending Power for Havering for 2025/26

CORE SPENDING POWER	2024-25 (m)	2025/26 (m)	Movement (m)
Settlement Funding Assessment	39.5	40.1	0.6
Compensation for under-indexing the business rates multiplier	7.2	7.5	0.3
Improved Better Care Fund	6.8	8.4	1.6
New Homes Bonus	0.7	0.6	(0.1)
Recovery Grant	0.0	0.0	0.0
New Childrens Grant	0.0	0.9	0.9
Social Care Grant	18.8	22.0	3.2
ASC Market Sustainability and Improvement Fund	4.4	4.4	0.0
ASC Discharge Fund	1.6	0.0	(1.6)
Services Grant	0.3	0.0	(0.3)
<b>Grants in core spending power</b>	<b>79.3</b>	<b>83.9</b>	<b>4.6</b>
CT increase assumption**	158.0	166.9	8.9
<b>TOTAL CORE SPENDING POWER</b>	<b>237.3</b>	<b>250.8</b>	<b>13.5</b>

\*\* Government Council Tax assumption is 4.99% + Tax base growth

- 1.2 For authorities like Havering much of Core Spending Power relates to our ability to generate income through Council Tax and as such 2/3rds of our CSP increase relates to assumed additional Council Tax yield.

#### 2. Settlement Funding Assessment (SFA) (Retained Business Rates and Revenue Support Grant)

- 2.1 Havering's Settlement Funding Assessment has provisionally increased by £0.574m. The final actual increase will be confirmed once the MHCLG considers

the Council's NNDR1 2024/25 Business Rate Estimate and will be released in early February.

### Settlement Funding Assessment Havering

Settlement Funding Assessment	2024/25 (£M)	2025/26 (£M)	Increase (£M)
Revenue Support Grant	2.025	2.119	0.094
Assumed Business Rates (including top up element )	37.476	37.956	0.480
<b>TOTAL</b>	<b>39.501</b>	<b>40.075</b>	<b>0.574</b>

### 3. Other Government Grant announcements

#### 3.1 Adult Social Care Funding

There is an additional £880m of funding for Adult Social Care. Disappointingly this continues to be distributed based on the 2013/14 Adult Relative Needs Formula. £240m nationally of the Adult Social Care precept will be equalised as part of the grant distribution.. This is particularly disappointing for Havering who had made a strong case for using updated formulae to distribute the Social Care Grants rather than the chosen data which is now 10 years old.

#### Social Care Grant Funding for Havering 2025/26

Social Care Grants in Core Spending Power	24/25 Core Spending Power (£M)	25/26 Core Spending Power (£M)	Increase (£M)	Havering's Share of the National Pot
Improved Better Care Fund (£2.640bn Nationally)	6.825	8.420	1.595	0.32%
Roll over of Social Care Grant (£5.044bn)	18.772	18.772	0.000	0.37%
Additional Grant allocated through ASC Precept equalisation (£240m)		0.512	0.512	0.21%
Additional Social Care Grant (£640m Nationally)		2.682	2.682	0.42%
ASC Market Sustainability and Improvement Fund (1.050bn)	4.400	4.400	0.000	0.42%
ASC Discharge Fund (moved to IBCF)	1.595	0.000	(1.595)	N/A
<b>Core Spending Power (Social Care element)</b>	<b>31.592</b>	<b>34.786</b>	<b>3.194</b>	<b>0.36%</b>

3.2 The table shows that Havering has received on average 0.36% of the National Funding pot for Social Care. 2022 DHSC Government exemplifications on a potential updated formula reflecting actual need of local residents would have increased Havering's share of the national pot to 0.48% and had this been applied to Havering's Social Care allocations Havering would have been over £11m better off. We have lobbied the Government on this point in the past and have done so again in our response to the settlement. The Government have promised a full reform of the funding system in 2025 and it can only be hoped that the revised formula better represents relative need moving forward

### 3.3 **Childrens Preventative Grant**

A new Children's Services Prevention Grant (CSPG) has been introduced in 2025-26 (£250m). The quantum will be increased to £263m in the final settlement. Allocations have been distributed using an interim children's relative needs-based formula. This formula is based on the research commissioned by MHCLG and DfE, undertaken by LG Futures and academic partners, to develop a new multi-level model for Children and Young People's Services. Of the total grant funding of £250m 30% (75m) has been allocated on a method factoring in Council Tax Equalisation. This reduces Havering's grant allocation as it assumes that a higher proportion of Council Funding can be found via Council Tax through the precept.

### 3.4 **New Recovery Grant**

The Government have introduced a new Recovery Grant which will distribute £600m using a formula that focusses resources on authorities that have high levels of deprivation and relatively low ability to generate council tax income. Over half the Recovery Grant will go to metropolitan districts. As this grant has been allocated using measures of overall deprivation it does not in anyway reflect the change in relative need since the Government funding formula was frozen in 2014 which is one of the primary reasons Havering are in financial difficulty. Of the 19 authorities who needed exceptional financial support to balance their budgets last year only 12 received recovery grant. Havering was one of the 7 authorities not to receive any grant

### 3.5 **Other Grant Announcements:**

There has been a further round of New Homes Bonus as had been widely expected. Havering was just above the threshold and has received £0.6m in NHB. The Business Rate Multiplier has been frozen again at 49.9p. The Government provide a compensatory grant for the loss of Business Rates which now totals £7.5m for Havering.

The Services Grant along with the rural services grant has been deleted to help fund the new Childrens preventative grant. There will be an increase in the homeless prevention grant in 2025/26. This will increase Havering's grant by £1.3m to a total of £4.5m

As expected the Government has rolled out the extended producer responsibility grants to local authorities and waste disposal authorities. The funding for this grant is collected from commercial waste producers and re-allocated to local authorities to help fund the cost of waste collection and disposal. Havering has received a direct grant of £2.2m for 2025/26 and will also benefit by £2.1m from a reduction to the ELWA levy cost from the waste disposal element of the payment.

### 3.6 Public Health Grant

The Public health grant is outside Core Spending Power and is announced separately from the settlement itself. The Government has yet to announce the 2025/26 Public Health Grant but it is hoped that as an absolute minimum it is increased by inflation.

## 4 Dedicated Schools Grant and Schools Funding

### 4.1 Dedicated Schools Grant and Schools Funding

The Dedicated Schools Grant (DSG) is a ring-fenced grant that is allocated to local authorities to meet their responsibilities Early Years' education (now 9 months to 5 years), the funding of Schools 5-16 and for provision and support for pupils requiring alternative provision or those with special educational needs and disabilities (0 to 25 years). The grant is allocated in four "blocks" and the table below shows the allocation for 25-26. The Early Years block has increased by over £13m to reflect the increased entitlements for working parents of younger children (2 and under.)

Financial year	Schools Block	High Needs Block	Central Services To Schools	Early Years Block	TOTAL
	£m	£m	£m	£m	£m
2025-26	258.180	47.602	1.912	47.819	355.513
2024-25	237.616	43.391	1.774	34.569	317.350
Difference 2024-25 to 2025-26	20.564	4.211	0.138	13.250	38.163

(Note that for comparison purposes these figures are shown pre-recoupment, i.e. they include funding for Academies and Free Schools which will be adjusted for as this is allocated directly by the ESFA.)

### 4.2 Schools Block

As the table shows there has been an overall increase in all blocks – however in the Schools Block, much of this comes from the rolling in of 24-25 financial year additional grants. The actual funding received through the mainstream schools National Funding Formula (NFF) for schools is increasing by 2.3% per pupil for pupil

led expenditure in 2024-25, or 2.18% if premises costs and growth fund are included.

Financial year	Pupil Numbers	Schools Block allocation exc Growth Fund & premises factors	Additional Grants rolled in	Pupil Led Funding including additional grants	Allocation per pupil	Allocation through premises factors	Growth Fund`	Total allocation (excluding Growth Fund)	Allocation per pupil
		£m							
2025-26	39,883.00	254.2		254.2	6373	2.710	1.294	258.180	6,473
2024-25	39,655.00	233.4	13.6	247.0	6230	2.106	2.066	251.216	6,335
Difference 2024-25 to 2025-26	228	20.7	13.6	7.1	143	0.604	-0.772	6.964	138
	0.57%				2.30%			3.10%	2.18%

This provides an overall average funding rate of £5,580 for each primary pupil and £7,564 for each secondary pupil – an increase of £409 and £583 respectively. This is below the average for both London (£6,258, £8408) and Outer London (£5,790, £7,845).

The above table does not include the elements of the Schools Block for Growth and Falling Rolls. These are allocated at a Local Authority level based on detailed population data and allow LA and Schools to manage demographic fluctuations. Havering receives both Growth and Falling Rolls funding. The 25-26 allocation for Havering is £1.294m. The policy for allocating this money to schools has been reviewed and approved by Schools Forum.

The operation of the Growth and Falling rolls schemes is expected to require an additional £0.429m local contribution which will be funded by top-slicing from the Schools Block before application of the formula, in line with DfE regulations and with Schools Forum and schools agreement.

Due to pressures on the High Needs Block Havering Schools Forum have agreed to transfer 0.5% or £1.290m of the Schools Block Funding to the High Needs Block. This leaves £255.165m to be distributed to schools through the formula.

In setting its Local Formula, Havering has followed the national funding formula in full and provided a minimum funding guarantee (MFG) of 0.0% per pupil increase for all mainstream schools and academies. In order to remain within the funding available, an affordability cap of 0.85% for schools has been used.

Schools were consulted on both the transfers from the Schools Block and the proposed formula as required by the regulations. 17 responses were received, all of which were in favour of the proposals. The formula is in line with both the approach followed in previous years and has been agreed by Schools Forum.

### 4.3 Early Years

This section outlines the funding allocations and plans for Early Years provision for the financial year 2025-26. The indicative funding from the Dedicated Schools Grant (DSG) reflects updated rates and expanded entitlements, aiming to address rising costs and increasing participation in early education.

Total indicative Early Years Block funding for Havering is £47.819m, a 43.3% increase from the previous year. This includes funding for the expansion of childcare entitlements for under-twos and two-year-olds of working parents from the current 15 hours entitlement to 30 hours from September 2025.

The DfE settlement's hourly funding rates for Havering to fund the support for the Early Years entitlement is as follows:

- Under-2s: Increased from £12.11 to £12.45 per hour (+2.81%)
- Two-year-olds (working parents / for eligible families receiving additional support (formerly known as disadvantaged) ): Increased from £8.90 to £9.17 per hour (+3.03%)
- Three- and four-year-olds: Increased from £6.16 to £6.40 per hour (+3.90%)

Within the three-and four-year-olds funding, the teachers' pay awards and pension costs legacy grants are integrated into the hourly rate.

As part of the DfE regulations, 96% of the overall rate (an increase from the present year threshold of 95%) has to be passed on to providers, with 4% (reduced from 5% presently) being retained for the LA to undertake its statutory obligations for the delivery of the Early Years entitlement. This is to ensure that the majority of funding reaches providers directly.

As part of the annual budget cycle timetable, the LA will consult the Early Years Provider Reference Group (EYPRG), which is a sub-group of the Schools Funding Forum, to discuss 2025-26 funding rates and agree on proposals for the Schools Funding Forum's approval in February 2025.

The funding formula will continue to address disparities and prioritise quality enhancements for providers.

The LA's funding approach ensures an equitable distribution of resources, enabling Havering to support its Early Years providers in delivering high-quality education and care.

It is noted that no provider across the borough has encountered any financial difficulties in delivering the Early Years entitlement and there has been growth in the sector with new provisions and expanding provisions coming into the local area to help support Havering residents with a diverse range of delivery models, from childminders to mainstream schools with nurseries.

Havering is committed in expanding access to affordable childcare and addressing cost pressures faced by schools and nurseries, and strives to provide an annual



increase in the base rate funding to support the early years sector with the increase they face, i.e. NI thresholds change, which on average costs £1k per employee.

The present funding rate to providers for the delivery of Early Years entitlement is as follows:

- Under-2s: £11.05 per hour
- Two-year-olds (working parents): £8.05 per hour
- Two-year-olds (for eligible families receiving additional support): £8.59 per hour
- Three- and four-year-olds: £5.56 per hour

From preliminary modelling, subject to engagement with stakeholders and consultation, there will be an increase in the present year rates by at least 2%. Following the review on the targeted support required for the upcoming years, the rates will be confirmed prior to the start of the new financial year.

#### **4.4 High Needs Block**

The High Needs Block provides funding for students in alternative (non school based) provision and for support to children and young people up to age 25 with special educational needs and disabilities. Since 2018, the central government (DfE) funding allocation has been moving towards being formula based, but there is still a significant element (25%) that is simply based on historical spending patterns, and there are transitional restrictions on the rate of change. Havering is one of the authorities that was historically underfunded and still receives the lowest rate of funding per head in London.

In addition the system is also widely believed to be underfunded at the national level – and this view is supported by the large number of authorities that now report deficits on the High Needs Block, with nationally a cumulative deficit balance of £1.76bn as at the end of financial year 2023-24.

Expenditure on High Needs rises with several factors – the overall population for that age group, the rate of children needing additional support within that population and the complexity/severity of their needs and the cost of providing that support. Over the last four years, all of these factors have been rising very strongly in Havering and are only partly compensated for by the increase in grant funding of £4.2m which is less than the current deficit without allowing for any growth.

If this trend continues then the deficit will continue to grow year on year. Currently there is a special arrangement whereby deficits on the DSG do not form part of a Council's overall financial position. This is due to end next financial year (March 2026) – however this would very likely create a number of situations where Councils could not balance their overall budget, so it remains to be seen if this ringfence will be removed.

Havering is a member of the Delivering Better Value (DBV) programme which is a DfE sponsored initiative to help authorities to manage down their DSG deficits. This

began with analysis of our spending to identify the main causes of the overspends and so what can be done to tackle the root causes.

The analysis carried out as the first stage of the DBV found that Havering was already very inclusive and effective at holding children in more local and lower cost provision. The main issues driving the increases in expenditure were the increasing numbers of EHCPs and the level of price inflation for all kinds of support – which in turn was mostly driven by increases in pay for education support staff.

The Delivering Better Value Plan for Havering builds on the current good practice and seeks to extend these principles. These are the main themes identified:

- Working with Schools and Parents to ensure that the goals and aspirations of the child can be met in mainstream schools without an EHCP where possible
- Ensuring that we have the right provision so that children's goals and aspirations can be met in mainstream schools, Special Units or Additional Resource Provisions (ARPs) rather than in special schools
- Creating the right capacity so that children's goals and aspirations can be met in Special Units or maintained special schools rather than in the Independent and Voluntary sector.

As part of the DBV, the Council has received a grant of £1m in order to make the necessary cultural and systemic changes to deliver on the identified themes. This is monitored quarterly by the programme.

#### **4.5 Central Services Block**

This block is made up of two elements. £1.837m funds the statutory education functions of local authorities such as school admissions, the funding of national copyright licences, servicing the Schools Forum and other statutory duties previously funded from an Education Services Grant. In addition, there is £0.075m funding for historic commitments previously funded within the Schools Block. This second element is being phased out over time.

## APPENDIX C NEW SAVINGS PROPOSALS

<b>Summary New Savings Proposals</b>	<b>25/26 (M)</b>	<b>26/27 (M)</b>	
Extension of the Business Rate Pool with Thurrock and LBBD	1.200	-1.200	(one off)
Redirection of Agency levy to support General Fund	1.500	-1.500	(one off)
Restructure of Resources Department	0.560	0.000	
Communications income initiatives	0.070	0.000	
Communications Procurement	0.100	0.000	
Housing Demand	0.180	0.250	
Reduction to book fund	0.020	0.000	
Additional income - Registrars	0.000	0.050	
In sourcing family support	0.200	0.100	
Grow shared lives	0.150	0.150	
Reablement projects	0.300	0.000	
<b>Total New Savings</b>	<b>4.280</b>	<b>-2.150</b>	
<b>Summary Existing Savings Proposals c/f</b>	<b>25/26 (M)</b>	<b>26/27 (M)</b>	
Increase Internal fostering	0.120	0.120	
Targetted Reviews Adult Services	1.100	1.100	
Better Living Initiatives	1.000	1.000	
Home to school transport	0.500	0.600	
Transition Savings Adults	0.500	0.500	
Accommodation, Mawney, Mowbrays, Family Welcome Ctre	0.760	0.000	
Business intelligence and Increases in Tax base	1.100	1.100	
Empty homes increase in C.Tax Premium	0.050	0.050	
Acquisition of Land –Joint Ventures	0.070	0.000	
Pay to stay initiatives	0.050	0.050	
Capital Financing Saving through reduced borrowing	0.120	0.000	
FYE of Saving on Libraries	0.150	0.000	
Additional income advertising	0.070	0.070	
Acquisition of property to relieve Temp Accom pressures	0.300	0.300	
Joint work with VCS to review rents	0.030	0.030	
Traffic Scheme reductions in cost	0.050	0.000	
<b>Total Existing Savings</b>	<b>5.970</b>	<b>4.920</b>	
<b>Total Combined Savings</b>	<b>10.250</b>	<b>2.770</b>	

## Savings Template

Wards	Service	Directorate
N/A	Corporate	Corporate

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

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

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

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

### Sign Off

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

## Savings Template

<b>Wards</b>	<b>Service</b>	<b>Directorate</b>
N/A	Corporate	Corporate

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

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

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

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

### Sign Off

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

## Savings Template

<b>Wards</b>	<b>Service</b>	<b>Directorate</b>
N/A	Resources	Resources

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

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

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

There is expected to be no adverse impact on service delivery

### Sign Off

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

## Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

Review income from advertising opportunities – boards/fleet

### Dependencies and Potential Risks

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

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

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

### Sign Off

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

## Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

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

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

### Sign Off

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



## Savings Template

Wards	Service	Directorate
All Wards	Housing Demand	Living Well

### Value of Savings per Year – Cost Avoidance

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

### Current Service Projection and Impact on Staffing

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

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

### Description of savings proposal

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

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

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

Modular Housing Waterloo Estate - 18 units

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

### Dependencies and Potential Risks

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

### Investment Required to Deliver the Saving (if any)

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

### Service Impact if Saving was to be Delivered

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

### Sign Off

<b>Date</b>	<b>Prepared By</b>	<b>Signed Off By</b>
01.10.24	Darren Alexander	Patrick Odling Smee

## Savings Template

Wards	Service	Directorate
All	Libraries	People

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

Potential consultation with Department of Culture Media and Sport

### Investment Required to Deliver the Saving (if any)

None

### Service Impact if Saving was to be Delivered

Potential deterioration of condition of book stock.

### Sign Off

Date	Prepared By	Signed Off By
01.10.24	Richard Tyler	Kathy Freeman

## Savings Template

Wards	Service	Directorate
NA	Registration Service	Resources

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

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

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

**Benefit: more timely payments, less time spent chasing**

- Customer able to select wedding choices/reading on line

**Benefit: saves staff time in contacting for this**

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

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

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

**Dependencies and Potential Risks**

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

**Investment Required to Deliver the Saving (if any)**

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

**Service Impact if Saving was to be Delivered**

No negative impact

**Sign Off**

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

## Savings Template

<b>Wards</b>	<b>Service</b>	<b>Directorate</b>
[All]	[Safeguarding and Corporate Parenting]	Starting Well

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

### Dependencies and Potential Risks

Successful recruitment of family support workers.

### Investment Required to Deliver the Saving (if any)

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

### Service Impact if Saving was to be Delivered

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

### Sign Off

Date	Prepared By	Signed Off By
01.10.24	Katherine Heffernan	Tara Geere

## Savings Template

Wards	Service	Directorate
All	Shared Lives	Live Well

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

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

### **Dependencies and Potential Risks**

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

### **Investment Required to Deliver the Saving (if any)**

None

### **Service Impact if Saving was to be Delivered**

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

### **Sign Off**

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



## Savings Template

Wards	Service	Directorate
All	Various Reablement projects	Resources

### Value of Savings per Year

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

### Current Service Projection and Impact on Staffing

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

### Description of savings proposal

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

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

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

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

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

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

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

Total savings: Community Reablement **£350k**

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

There are other reablement projects expected to deliver a further £150k resulting in a net saving of £300k

Net saving: **£300,000**

### Dependencies and Potential Risks

Risks:

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

### Investment Required to Deliver the Saving (if any)

£200k for 100 hours of reablement per week

### Service Impact if Saving was to be Delivered

No adverse service impact

Sign Off

<b>Date</b>	<b>Prepared By</b>	<b>Signed Off By</b>
01.10.24	Emma English	B Nicholls

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**Fees and Charges  
Schedule  
2025/26**

**People  
Children's Social Care**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MY PLACE:</b> (All charges are for 1hr unless stated otherwise)				
<b>Off Peak (Mon - Fri 9am - 6pm)</b>				
Performance Hall	28.70	29.50	01/04/25	C
Performance Hall with sound and lighting:	37.10	38.10	01/04/25	C
Performance Hall with staging 4 hrs (if stage erected by myplace staff)	167.70	172.20	01/04/25	C
Music Studio 1 hr	14.90	15.30	01/04/25	C
Technician	28.70	29.50	01/04/25	C
Games Room	23.40	24.00	01/04/25	C
Art Room	12.80	13.10	01/04/25	C
Health Room	11.70	12.00	01/04/25	C
IAG Room	10.60	10.90	01/04/25	C
Counselling Room	10.60	10.90	01/04/25	C
Large Meeting Room	19.10	19.60	01/04/25	C
<b>N.B</b> The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.				

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Children's Social Care**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MY PLACE:</b> (All charges are for 1hr unless stated otherwise)				
<b>Off Peak (Mon - Fri 9am - 6pm)</b>				
Small Meeting Room	12.80	13.10	01/04/25	C
Youth Wing	17.50	18.00	01/04/25	C
IT Hub - reservation fee per computer	No charge	No charge		N/A
Bike Shed	14.30	14.70	01/04/25	C
<b>Peak (Mon - Fri after 6pm)</b>				
Performance Hall	35.00	36.00	01/04/25	C
Performance Hall with sound and lighting:	51.00	52.40	01/04/25	C
Performance Hall with staging 4 hrs (if stage erected by myplace staff)	234.50	240.80	01/04/25	C
Music Studio 1 hr	19.10	19.60	01/04/25	C
Technician	28.70	29.50	01/04/25	C
Games Room	30.30	31.10	01/04/25	C
Art Room	17.50	18.00	01/04/25	C
Health Room	14.90	15.30	01/04/25	C
IAG Room	14.30	14.70	01/04/25	C
<b>N.B</b> The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.				

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Children's Social Care

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MY PLACE:</b> (All charges are for 1hr unless stated otherwise)				
<b>Peak (Mon - Fri after 6pm)</b>				
Counselling Room	14.30	14.70	01/04/25	C
Large Meeting Room	22.30	22.90	01/04/25	C
Small Meeting Room	15.90	16.30	01/04/25	C
Youth Wing	21.20	21.80	01/04/25	C
IT Hub - reservation fee per computer	No charge	No charge		N/A
Bike Shed	16.50	17.00	01/04/25	C
<p><b>N.B</b> The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.</p>				

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy



**People  
Children's Social Care**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MY PLACE:</b> (All charges are for 1hr unless stated otherwise)				
<b>Saturday and Sunday</b>				
Performance Hall	90.20	92.60	01/04/25	C
Performance Hall with sound and lighting:	116.70	119.90	01/04/25	C
Performance Hall with staging 4 hrs (if stage erected by myplace staff)	520.00	534.00	01/04/25	C
Music Studio 1 hr	58.40	60.00	01/04/25	C
Technician	35.00	36.00	01/04/25	C
Games Room	88.00	90.40	01/04/25	C
Art Room	64.70	66.40	01/04/25	C
Health Room	60.50	62.10	01/04/25	C
IAG Room	58.40	60.00	01/04/25	C
Counselling Room	58.40	60.00	01/04/25	D
Large Meeting Room	74.30	76.30	01/04/25	C
Small Meeting Room	62.60	64.30	01/04/25	C
Youth Wing	71.10	73.00	01/04/25	C
IT Hub - reservation fee per computer	No charge	No charge		N/A
Bike Shed	68.00	69.80	01/04/25	C
<b>N.B</b> The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.				

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Children's Social Care**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MY PLACE:</b> (All charges are for 1hr unless stated otherwise)				
Weekly Charges Storage Charge for Hirers (per week)	6.25	6.40	01/04/25	C
One off Event Charges Stall Hire for Events	10.00	10.30	01/04/25	C
Hirer indemnity insurance for 1 off bookings/parties etc where they would not have their own public liability insurance Charge on top of room fee per hour	1.50	1.55	01/04/25	C

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
1 Schools Meals				
1a Primary School Meal**	TBC	TBC	01/04/23	N/A
1b Secondary School Meal	2.79	3.15	01/04/25	D
1c Special Infant	TBC	TBC	01/04/23	N/A
Special Junior	TBC	TBC	01/04/23	N/A
1d Adult	3.85	4.25	01/04/25	D
<p>** Key Stage 1 and 2 school meals are fully grant funded until August 2025. Charges will be reviewed with effect from 01/09/2025</p>				

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(A) Statutory and Nationally Agreed Charges

*VAT inclusive
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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<p><b>1 Non Attendance and Holiday Fines</b></p> <p>1a Penalty Notices</p> <p style="padding-left: 20px;">Penalty Notice paid within 21 days</p> <p style="padding-left: 20px;">Penalty Notice paid after 21 days</p> <p style="padding-left: 20px;">Charges are per child, per parent</p> <p style="padding-left: 20px;">Fines must be paid within 28 days to avoid prosecution</p>				
	60.00	80.00	01.09.24	A
	120.00	160.00	01.09.24	A

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Adult Services

(A) Statutory and Nationally Agreed Charges

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>1 Respite Care</b>				
Weekly charges*				
Age over Pension Credit age	169.12	TBC	01/04/24	N/A
Age 25 up to Pension Credit age	116.85	TBC	01/04/24	N/A
Age 18 to 24	98.05	TBC	01/04/24	N/A
Annual increase subject to DWP minimum income allowance Net of personal expense allowance set by DOH				
<p style="margin-left: 40px;">* These charges will change in Jan/Feb 2024 when the new benefit, pension, and personal expense allowance rates are announced.</p>				

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Adult Services

(A) Statutory and Nationally Agreed Charges

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>2 Court of Protection</b>				
Annual charges - Fixed Costs as directed by Court of Protection*				
1 Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs	745.00	745.00	01/04/17	A
Annual management fee where the court appoints a local authority deputy for property and affairs, payable on the anniversary of the court				
2a for the first year:	775.00	775.00	01/04/17	A
2b for the second and subsequent years:	650.00	650.00	01/04/17	A
Where the net assets are below £16,000, an annual management fee not exceeding 3.5% of net assets on the anniversary of the court order appointing the local authority as deputy				
3 Annual property management fee to include work involved in preparing property for sale, instructing agents, conveyancers, etc or the ongoing maintenance of property including management and letting of a rental property	300.00	300.00	01/04/17	A

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Adult Services**

(A) Statutory and Nationally Agreed Charges

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>2 Court of Protection (cont)</b>				
4 Preparation of Annual Report for the Public Guardian	216.00	216.00	01/04/17	A
5 Preparing basic HMRC tax return	70.00	70.00	01/04/17	A
6 Preparing complex HMRC tax return	140.00	140.00	01/04/17	A
7 Travel time £40 per hour in units of £10/15 mins	40/hour	40/hour	01/04/17	A
8 Recoup of Application fee paid from HMRC Account	365.00	365.00	24/07/18	A
9 Court of protection Filing Fee	371.00	371.00	21/09/21	A
Increase subject to Court of Protection/Direction and the 2017 Rate is the 1st increase since 2011				

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Adult Services**

(A) Statutory and Nationally Agreed Charges

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Burials & Cremations (Public Health Act 1984 Section 46)				
1 Administration of arrangements to Bury/Cremate -Liaison with Hospital Bereavement Team -Investigation to trace next of kin -Liaison with various friends of the deceased, regarding funeral arrangements -Death Registration and purchase of certificates -Liaison with Funeral Directors and Travel -Liaison with the Local Authority Housing Department, regarding termination of tenancy and property clearance -Referral to Treasury Solicitor -Investigation of assets and liaison with financial institutions by post and in person	745.00	745.00	01/04/17	A
2 Forensic searches of property with 2 staff	300.00	300.00	01/04/17	A

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy



## People Adult Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>1. Personal care and Support</b>				
Provision of homecare delivery to Service Users Homecare rate - hourly charge; per minute of actual care <i>The individual contribution is subject to the individual means test assessment</i> Homecare rates are currently subject to review and may change following the publishing of these fees and charges	23.37	TBC	01/04/24	N/A
<b>2. Care home</b>				
Provision of care home delivery to Service Users Care home rate based on authority's 'usual costs' -weekly charge				
Residential Standard Rate	860.00	TBC	01/04/24	N/A
Residential Enhanced Rate	1,000.00	TBC	01/04/24	N/A
Nursing Standard Rate	880.00	TBC	01/04/24	N/A
Nursing Enhanced Rate	1,100.00	TBC	01/04/24	N/A
Care home rates are currently subject to review and may change following the publishing of these fees and charges				
<b>3. Day Centre - Avelon Road &amp; Yew Tree</b>				
Day care delivery to Service Users				
Day Centre daily rate	55.00	TBC	01/04/24	N/A
Transport to Day Centre (inclusive of return journey)	20.00	TBC	01/04/24	N/A

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Adult Services**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b><u>4. Day Centre - HOPWA &amp; Paines Brook</u></b>				
Day care delivery to Service Users				
Day Centre daily rate	64.00	TBC	01/04/24	N/A
Transport to Day Centre (inclusive of return journey)	23.00	TBC	01/04/24	N/A
<b><u>5. Extra Care Housing</u></b>				
Dreywood Court - hourly rate	17.02	TBC	01/12/24	N/A
St Ethelburga Court - hourly rate	17.02	TBC	01/12/24	N/A
Paines Brook Court - hourly rate	17.02	TBC	01/12/24	N/A
<b><u>6. Deferred Payment Admin fees</u></b>				
Initial set-up fee	658.00	TBC	11/04/16	N/A
Annual review charge	89.00	TBC	11/04/16	N/A
<b><u>8. Brokerage Fee</u></b>				
Charge for Care Packages brokered by the Council	210.98	TBC	26/06/23	N/A

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Culture and Heritage

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>FAIRKYTES</b>				
Off Peak: Mon-Fri up to 6pm (per hour unless otherwise stated)				
Main Room	24.50	25.50	01/04/25	C
Three hour hire discounted rate	50.50	52.00	01/04/25	C
Room 12	18.50	19.00	01/04/25	C
Three hour hire discounted rate	39.00	40.00	01/04/25	C
Room 1: <span style="color: red;">Room 13 to be removed. Now a Studio charged at £325 per month.</span>			01/04/25	C
Three hr <span style="color: red;">Room 13 to be removed. Now a Studio charged at £325 per month.</span>			01/04/25	C
Room 9	15.00	15.50	01/04/25	C
Three hour hire discounted rate	31.50	32.50	01/04/25	C
Art Room	18.50	19.00	01/04/25	C
Three hour hire discounted rate	39.00	40.00	01/04/25	C
Sculpture (includes access to Kiln Room when available)	15.00	15.50	01/04/25	C
Three hour hire discounted rate	31.50	32.50	01/04/25	C
Studio 1	34.00	35.00	01/04/25	C
Three hour hire discounted rate	72.00	74.00	01/04/25	C
Studio 2	23.50	24.00	01/04/25	C
Three hour hire discounted rate	49.00	50.00	01/04/25	C

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Culture and Heritage**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Off Peak: Mon-Fri up to 6pm (continued)</b> (per hour unless otherwise stated)				
Studio 3	15.00	15.50	01/04/25	C
<i>Three hour hire discounted rate</i>	31.50	32.50	01/04/25	C
Billet Studio 1	23.50	24.00	01/04/25	C
<i>Three hour hire discounted rate</i>	49.00	50.00	01/04/25	C
Billet Studio 2	16.00	16.50	01/04/25	C
<i>Three hour hire discounted rate</i>	33.00	34.00	01/04/25	C
Gallery Studio	21.00	21.50	01/04/25	C
<i>Three hour hire discounted rate</i>	44.00	45.00	01/04/25	C
<b>Peak rate: Mon-Fri 6pm to close; All day Sat, Sun &amp; public holidays</b> (per hour unless otherwise stated)				
Main Room	28.50	29.50	01/04/25	C
<i>Three hour hire discounted rate</i>	58.50	60.00	01/04/25	C
Room 12	23.50	24.00	01/04/25	C
<i>Three hour hire discounted rate</i>	48.50	49.50	01/04/25	C
Room 1: <b>Room 13 to be removed. Now a Studio charged at £325 per month.</b>			01/04/25	C
<i>Three h</i> <b>Room 13 to be removed. Now a Studio charged at £325 per month.</b>			01/04/25	C
Room 9	18.00	18.50	01/04/25	C
<i>Three hour hire discounted rate</i>	38.50	39.50	01/04/25	C

**Basis of Increase:**

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- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Culture and Heritage**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Peak rate: Mon-Fri 6pm to close; All day Sat, Sun &amp; public holidays</b> (per hour unless otherwise stated)				
Art Room	23.50	24.00	01/04/25	C
Three hour hire discounted rate	48.50	50.00	01/04/25	C
Sculpture (includes access to Kiln Room when available)	16.50	17.00	01/04/25	C
Three hour hire discounted rate	34.00	35.00	01/04/25	C
Studio 1 ****	44.00	45.00	01/04/25	C
Three hour hire discounted rate	92.00	94.00	01/04/25	C
Studio 2	26.50	27.50	01/04/25	C
Three hour hire discounted rate	56.00	57.50	01/04/25	C
Studio 3	17.00	17.00	01/04/25	C
Three hour hire discounted rate	36.00	37.00	01/04/25	C
Billet Studio 1	26.50	27.50	01/04/25	C
Three hour hire discounted rate	56.00	57.50	01/04/25	C
Billet Studio 2	19.00	19.50	01/04/25	C
Three hour hire discounted rate	39.50	41.00	01/04/25	C
Gallery Studio	25.50	26.50	01/04/25	C
Three hour hire discounted rate	54.00	55.50	01/04/25	C

Basis of Increase:

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**People  
Culture and Heritage**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Peak rate: Mon-Fri 6pm to close; All day Sat, Sun &amp; public holidays</b> (per hour unless otherwise stated)				
Private Studio/Workshop/Office (flat rate per calendar month)	250.00	260.00	01/04/25	C
Private Studio/Workshop/Office larger space (flat rate pcm)	315.00	325.00	01/04/25	C
<b>Private/Commercial Function Rates in Studio 1 (Main Hall)</b> (The below charged at a flat rate per hire including staffing charge)				
Saturday 6.00pm - 11pm †	350.00	365.00	01/04/25	C
Sunday & Public Holidays 6.00pm - 10.30pm †	320.00	335.00	01/04/25	C
Friday 6.00-10.30pm †	255.00	265.00	01/04/25	C

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Culture and Heritage

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>HORNCHURCH STADIUM</b>				
Weekday Use by Athletics Clubs (excluding training session)*				
Half Day*	103.55	106.35	01/04/25	C
Full Day*	195.90	201.20	01/04/25	C
Saturday Use by Athletics Clubs (excluding training session)*				
Half Day*	130.50	134.00	01/04/25	C
Full Day*	240.95	247.45	01/04/25	C
Sunday Use by Athletics Clubs (excluding training session)*				
Half Day*	171.00	175.60	01/04/25	C
Full Day*	326.80	335.60	01/04/25	C
Use by Schools (excluding training session)**				
Half Day**	124.00	127.35	01/04/25	C
Full Day**	255.70	262.60	01/04/25	C
Schools Training Sessions (per hour Inc. equipment)**	46.15	47.40	01/04/25	C
Occasional use - Football - without lights Seniors (3 hours)**	240.95	247.45	01/04/25	C
Occasional use - Football - without lights Juniors (2.5 hours)**	132.80	136.40	01/04/25	C
Occasional use - Football - with lights Seniors (3 hours)**	378.15	388.40	01/04/25	C
Occasional use - Football - with lights Juniors (2.5 hours)**	167.75	172.30	01/04/25	C
* VATable unless block (10 or more) booking				
** VATable unless block (10 or more) booking or Havering schools				

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## People Culture and Heritage

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Marketing Advertising in Fairkytes and other culture publications</b>				
Full page (A4)	308.20	316.50	01/04/25	C
Full page (A5) or Half page (A4)	154.00	158.20	01/04/25	C
Half page (A5) or Quarter page (A4)	79.25	81.40	01/04/25	C
Quarter page (A5) or Eighth page (A4)	43.20	44.40	01/04/25	C
Online ticket sales				
10% of ticket price to be added to the charge for Culture Events when sold on-line	10% of ticket price	10% of ticket price	01/04/16	C

**Basis of Increase:**

- A - Statutory/National
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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy



## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>MUSIC SCHOOL:</b>				
<b>Peripatetic tuition in schools and colleges (per hour pro rata)</b>				
<b>Academies and non-LA</b>				
Basic	50.10	52.65	01/04/25	D
Whole class instrumental	42.65	44.80	01/04/25	D
<b>LA schools in Havering</b>				
Basic	50.10	52.65	01/04/25	D
Over 15 hours per week	No charge	No charge	01/04/22	N/A
Over 25 hours per week	No charge	No charge	01/04/22	N/A
Whole class instrumental	42.65	44.80	01/04/25	D
<b>NCC A-Level Tuition</b>				
Basic	49.60	52.10	01/04/25	D

**Basis of Increase:**

- A - Statutory/National
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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b><u>MUSIC SCHOOL:</u></b>				
<b>Direct Debit (weekly cost, charged monthly over 52.14 weeks)</b>				
<b>Bronze (36 shared 20mn lessons, Musicianship &amp; 30mn Ensemble)</b>				
First instrument	8.05	8.45	01/04/25	D
Second instrument	6.40	6.70	01/04/25	D
Third instrument	6.40	6.70	01/04/25	D
<b>Silver (36 shared 15min lessons, including Musicianship &amp; Ensemble &amp; Summer School)</b>				
First instrument	13.35	14.00	01/04/25	D
Second instrument	10.15	10.70	01/04/25	D
Third instrument	8.05	8.45	01/04/25	D
Adult Second instrument	10.15	10.70	01/04/25	D
<b>Gold (36 shared 30min lessons, including Musicianship &amp; Ensemble &amp; Summer School)</b>				
First instrument	21.35	22.40	01/04/25	D
Second instrument	17.10	18.00	01/04/25	D
Third instrument	14.40	15.10	01/04/25	D
Adult Second instrument	17.10	18.00	01/04/25	D
<b>Summer School (individual purchase)</b>	<b>197.50</b>	<b>207.40</b>	<b>01/04/25</b>	<b>D</b>

**Basis of Increase:**

A - Statutory/National

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b><u>MUSIC SCHOOL:</u></b>				
<b>Direct Debit (continued)</b>				
Kindergarten	No charge	No charge	01/04/22	N/A
Reception Pupils - Saturdays per month per pupil	17.10	18.00	01/04/25	D
One Ensemble only	No charge	No charge	01/04/22	N/A
One Ensemble only - per month per pupil	17.10	18.00	01/04/25	D
Unlimited Ensembles only	No charge	No charge	01/04/22	N/A
Unlimited Ensembles - per month per pupil	31.50	33.10	01/04/25	D
<b>Note:</b> DDs are charged monthly and the weekly DD amounts are set to make the monthly figures rational.				

**Basis of Increase:**

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- D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b><u>MUSIC SCHOOL</u></b>				
<b>Remissions Scheme charges (reduced fees)</b>				
<b>Pupil Premium students:</b>				
Bronze first instrument	No charge	No charge	01/04/22	N/A
Silver first instrument	No charge	No charge	01/04/22	N/A
Gold first instrument	No charge	No charge	01/04/22	N/A
Kindergarten	No charge	No charge	01/04/22	N/A
One Ensemble only	No charge	No charge	01/04/22	N/A
Unlimited Ensembles only	No charge	No charge	01/04/22	N/A
Instrument Hire (annual charge)	No charge	No charge	01/04/22	N/A
Looked After Children (all services in scope of Remissions Scheme)	No charge	No charge	01/04/22	N/A
<b>Eligibility for reduced fees for children aged 5-18:</b>				
Students school receive pupil premium for child or child is LAC				
Current Free School Meals eligibility or similar				
One package fee remitted but Music School Manager retains discretion, e.g. where existing multi-instrumentalist becomes eligible for remission.				

**Basis of Increase:**

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## People Education

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b><u>MUSIC SCHOOL:</u></b>				
<b>Associate Ensemble Membership (termly charge)</b> Associate Member (Adult)	No charge	No charge	01/04/22	N/A
<b>Sounds Company Choir/Adult Music Groups - per term</b>	56.45	59.30	01/04/25	D
<b>Hire of Instruments (annual charge)</b>	45.50	47.80	01/04/25	D
<b>Administration fees</b>				
Examination Admin including certificate (Note - previous charge did not include a certificate)	2.70	5.80	01/04/25	D
Assisted Instrument Purchase Scheme	7.45	7.80	01/04/25	D
Timetable changes	22.50	23.60	01/04/25	D
<b>Exam fees</b>				
Including piano accompaniment as required (most instruments except piano/guitar/percussion) collected on a cost recovery basis	No charge	No charge	01/04/17	N/A

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource**  
**Legal & Governance**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Electoral Registration</b>				
<b>Sale of Electoral Registers</b>				
Data format	20.00	20.00	01/02/01	A
Additional charge per 1000 entries	1.50	1.50	01/02/01	A
Paper format	10.00	10.00	01/02/01	A
Additional charge per 1000 entries	5.00	5.00	01/02/01	A

**Basis of Increase:**

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- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource**  
**Legal & Governance**

(A) Statutory and Nationally Agreed Charges

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Electoral Registration</b>				
<b>Registration Certificate</b>	No charge	No charge	01/04/19	A
Charge for each additional year checked	No charge	No charge	01/04/18	A
Ward Map	4.20	4.20	01/04/20	A
Photocopying:				
First page	2.40	2.40	01/04/20	A
Cost per additional page	0.36	0.36	01/04/20	A

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

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**Legal & Governance**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Legal &amp; Democratic Services</b>				
Licences to Assign (Seal)	987.00	1,014.00	01/04/25	C
Licence to Alter	987.00	1,014.00	01/04/25	C
Sale of Council Houses - Mortgage Fees	182.00	187.00	01/04/25	C
Mortgage Redemption Fees:				
Early redemption	164.00	168.00	01/04/25	C
Complete term	195.00	200.00	01/04/25	C
Deeds of release for pre-emption discount repayment	193.00	198.00	01/04/25	C
Release from Mortgage Covenant	128.00	131.00	01/04/25	C
Second Charge Questionnaire	131.00	135.00	01/04/25	C
Enquiries re: Discount repayment from Commercial sources	93.00	95.00	01/04/25	C
Administration fee re:enquiries from commercial sources on 2nd charges	70.00	72.00	01/04/25	C

**Basis of Increase:**

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(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Reserve/Access Licences:				
Single payment	74.00	76.00	01/04/25	C
Annual payment	24.00	25.00	01/04/25	C
Lease of shops/offices:				
Town centre	1,914.00	1,966.00	01/04/25	C
Other	1,275.00	1,309.00	01/04/25	C
Complex Commercial Leases				
(fees dependent on complexity, urgency and time)				
Sale of surplus land/property				
N.B. All other conveyancing costs where Council can charge when terms so provide are by agreement in terms of solicitors Remuneration Order 1972.				

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource**  
**Legal & Governance**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Planning Agreements (Section 106 Town & Country Planning act 1990)	£200 - £350ph	£300 - £400ph	01/04/25	D
Unilateral Undertaking	£200 - £350ph	£300 - £400ph	01/04/25	D
<b>Legal Charges</b>				
S38 Highways Act 1980 Supervision	£5,500 fixed fee	£5,500 fixed fee	01/04/25	D
Section 278 Highways Act 1980	£5,500 fixed fee	£5,500 fixed fee	01/04/25	D
Highway Agreements (Minimum Fee)	5,500.00	5,500.00	01/04/25	D

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- D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource**  
**Legal & Governance**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Use of Council Chamber and Committee Rooms – Town Hall</b>				
Council Chamber				
Monday to Friday - per whole day	402.00	402.00	01/04/22	D
Monday to Friday - per half day	202.00	202.00	01/04/22	D
Weekends - per whole day	556.00	556.00	01/04/22	D
Weekends - per half day	280.00	280.00	01/04/22	D
Evenings - after 6pm (Fridays and weekends only)	243.00	243.00	01/04/22	D
Committee Room 3				
Monday to Friday - per whole day	250.00	250.00	01/04/22	D
Monday to Friday - per half day	125.00	125.00	01/04/22	D
Monday to Friday - per 2 hour session	96.00	96.00	01/04/22	D
Evening - after 6pm (Fridays and weekends only)	125.00	125.00	01/04/22	D
Other Committee Rooms - per hour (daytime & evening)				
Room 1	38.00	38.00	01/04/22	D
Room 2	38.00	38.00	01/04/22	D
Room 4	38.00	38.00	01/04/22	D
Lettings to Charities and Voluntary Organisations				
Lettings to charities and voluntary organisations will usually attract a 50% discount.				

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource  
Legal & Governance**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Land and Property Services</b> Various charges for services to private sector				
<b>Democratic Services</b> Copies of the Constitution	34.00	34.00	01/04/22	D
<b>All Departments</b> <b>Local Government (Access to Information) Act 1985</b> Inspection of papers in background paper list				
Copying Supply of photocopies of background papers				
First page	2.06	2.06	01/04/22	D
Cost per additional page	0.21	0.21	01/04/22	D

**Basis of Increase:**

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**oneSource  
Legal & Governance**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Applications to correct the Registers of Common Land and Town and</b>				
Declaration of entitlement to exercise a right of common	44.00	45.00	01/04/25	C
Creation of a right of common resulting in the registration of new common land	No charge	No charge		N/A
Creation of a right of common over existing common land	170.00	174.00	01/04/25	C
Variation of a right of a common	170.00	174.00	01/04/25	C
Apportionment of a right of common	170.00	174.00	01/04/25	C
Attachment of a right of common	No charge	No charge		N/A
Re-allocation of attached rights	170.00	174.00	01/04/25	C
Transfer of a right in gross	70.00	72.00	01/04/25	C

**Basis of Increase:**

- A - Statutory/National
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- D - A local charging policy that deviates from the Corporate Charging Policy

**oneSource**  
**Exchequer and Transactional Services**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Legal Fees</b>				
Recovery of Rates/Community Charge/Council tax				
Summons Council Tax (inc £3 paid to the court)	105.00	105.00	01/04/11	A
Liability Order	10.00	10.00	01/04/10	A
Summons NNDR (inc £3 paid to the court)	180.00	180.00	01/04/11	A
Liability Order NNDR	47.00	47.00	01/04/11	A
Means Enquiry Summonses Council Tax (£245.00 paid to the court)	305.00	305.00	22/04/14	A
Arrest Warrants with Bail Council Tax (inc. £75 paid to the court)	145.00	145.00	22/04/14	A
Arrest Warrants without Bail Council Tax (inc. £75 paid to the court)	130.00	130.00	22/04/14	A

**Basis of Increase:**

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Asset Management**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Licenced Trader Market Charges</b>				
<b>Monthly Charges (Includes Weds, Fri, Sat &amp; Sun Markets) Market - All Locations</b>				
Ground space/6ft frontage	194.00	200.00	01/04/25	C
Electricity Charge per Ground Space/6ft frontage <i>(Electricity Charges will be applied to all licences other than to</i>	13.00	13.50	01/04/25	C
Extra Land (Daily Charge)	6.50	7.00	01/04/25	C
<b>Other one-off charges</b>				
Nomination of Licence	289.00	298.00	01/04/25	C
Nomination of Licence to member of Family	210.00	216.50	01/04/25	C
Other alterations to Licences	48.00	49.50	01/04/25	C
<b>Casual Trader Market Charges</b>				
<b>Daily Charges</b>				
Saturday and Sunday Market – Ground Space/6ft frontage including electricity	31.00	32.00	01/04/25	C
Wed or Friday Market – Ground Space/6ft frontage including electricity	22.00	23.00	01/04/25	C
Extra Land (Daily Charge)	6.50	7.00	01/04/25	C

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**Place  
Asset Management**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Extra Market Days – At Christmas/Banks Holidays</b>				
<b>Daily Charges</b>				
<b>Market - All Locations</b>				
Licenced Traders - Ground space/6ft frontage including electricity (Must have held a Licence for at least 2 mths to qualify for this rate)	21.00	22.00	01/04/25	C
<b>Casual Traders</b> - Ground space/6ft frontage including electricity	27.50	28.50	01/04/25	C
<b>Extra Land</b> (Daily Charge)	6.50	7.00	01/04/25	C

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**Place  
Asset Management**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>TOWN HALL ROOM HIRE</b>				
<b>Council Chamber</b>				
Monday to Friday - per whole day (9am to 5pm)	506.40 *	532.80 *	01/04/25	C
Monday to Friday - per half day (9am to 1pm/1pm to 5pm)	254.40 *	266.40 *	01/04/25	C
Monday to Friday Evenings - after 6pm up to 10pm	306.00 *	321.60 *	01/04/25	C
Saturday - per whole day (8am to 4pm)	700.80 *	736.80 *	01/04/25	C
Saturday - per half day (8am to 12pm/12pm to 4pm)	350.40 *	368.40 *	01/04/25	C
<b>Committee Room 3A, 3B (can be joined to make a large room)</b>				
Monday to Friday - per whole day (9am to 5pm)	316.80 *	331.20 *	01/04/25	C
Monday to Friday - per half day (9am to 1pm/1pm to 5pm)	158.40 *	168.00 *	01/04/25	C
Monday to Friday - per 2 hour session	79.20 *	84.00 *	01/04/25	C
Monday to Friday Evenings - after 6pm	158.40 *	165.60 *	01/04/25	C
<b>Other Committee Rooms (CR1, CR2, CR4)</b>				
Monday to Friday - per hour (before 5pm)	48.00 *	50.40 *	01/04/25	C
Monday to Friday - per hour (between 5pm & 7pm)	60.00 *	63.60 *	01/04/25	C
Monday to Friday - per hour (between 7pm & 10pm)	78.00 *	81.60 *	01/04/25	C

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>LIBRARY SERVICES:</b>				
<b>Fines (per item, per day)</b>				
Adults	0.42	0.42	01/04/23	D
Children	No charge	No charge	01/04/14	N/A
Spoken Words	0.42	0.42	01/04/23	D
Lost Tickets	4.60	4.60	01/04/23	D
Lost Items - Replacement Cost (Minimum charge £10 + fines)	Cost + fines	Cost + fines	01/04/14	D
Pre Overdue by email - no longer applicable.	No charge	No charge	01/04/14	N/A
<b>Overdue notifications</b>				
1st Overdue (E-Mail)	No charge	No charge	01/04/14	N/A
1st Overdue (Text/Telephone)	No charge	No charge	01/04/19	N/A
<b>Reservations- internal</b>				
Adult (E-mail)	No charge	No charge	01/04/19	N/A
Adult (Text/Telephone)	No charge	No charge	01/04/19	N/A
Children	No charge	No charge	01/04/14	N/A

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Items not held within borough</b>				
Adult - Items within the London Library Consortium (LLC)	No charge	No charge	01/04/23	N/A
British Library Loans (plus postage)	Quoted	Quoted	01/04/20	D
Children	No charge	No charge	01/04/14	N/A
<b>CDs</b> N/A We no longer have CD's for hire.				
Per week:				
Singles	As before	As before	01/04/21	D
Sets	As before	As before	01/04/21	D
Per 3 weeks:				
Spoken Word	No charge	No charge	01/04/19	N/A
<b>Music Scores (3 Months)</b>				
Cost to be agreed with customer before progressing order	Quoted	Quoted	01/04/15	D
<b>Computer Use</b>				
IT Hub - reservation fee per computer, per hour	No charge	No charge	01/04/15	N/A

**Basis of Increase:**

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Photo Copies</b>				
B/W A4	0.38	0.38	01/04/23	D
B/W A3	0.47	0.47	01/04/23	D
Colour A3	2.43	2.43	01/04/23	D
Colour A4	0.50	0.50	01/04/23	D
Photocopying single sided	0.38	0.38	01/04/23	D
Photocopying double sided	0.57	0.57	01/04/23	D
<b>People's Network - Printing</b>				
B/W A4 (Printout per page)	0.38	0.38	01/04/23	D
Colour A4 (Printout per page)	0.50	0.50	01/04/22	D
<b>Library Space</b>				
2 hours for sole & guaranteed use of specific space, to include use of a desk/table & chair(s) to organisations for activities that benefit their members or participants, or where "drop in" services are being offered	18.00	18.00	01/04/23	D
Office Space in libraries	18.00	18.00	01/04/23	D

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Community Group Room Hire</b>	20% Discount	20% Discount	01/04/17	D
<b>Elm Park Library</b> Elm Park Meeting Room per hour (Equiv. Hornchurch CR2)	22.00	22.00	01/04/24	D
<b>Harold Hill Library</b> Harold Hill Meeting Room per hour	27.00	27.00	01/04/24	D
Harold Hill Office Space per hour	20.00	20.00	01/04/24	D
<b>Hornchurch Library</b> Hornchurch Large meeting room - First Hour	32.00	32.00	01/04/24	D
Hornchurch Large meeting room - Additional Hours	26.00	26.00	01/04/24	D
Hornchurch - <b>After 10pm, locking up fees</b>	No charge	No charge	01/04/23	N/A
Hornchurch Class Room One, per hour	27.00	27.00	01/04/24	D
Hornchurch Class Room Two, per hour	22.00	22.00	01/04/24	D
Hornchurch Office Space per hour	18.00	18.00	01/04/24	D

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Rainham Library</b>				
Rainham Library Meeting Room 1 (large room) First Hour	32.00	32.00	01/04/24	D
Rainham Library Meeting Room 1 (large room) Additional Hours	27.00	27.00	01/04/24	D
Rainham Library Meeting Room 2 per hour	27.00	27.00	01/04/24	D
Rainham Library Meeting Room 3 per hour	27.00	27.00	01/04/24	D
Rainham Library Meeting Room 4 per hour	22.00	22.00	01/04/24	D
Rainham Library Meeting Room 5 per hour	22.00	22.00	01/04/24	D
Rainham - After closing time, locking up fees	43.00	43.00	01/04/24	D
Nursery Room	27.00	27.00	01/04/24	D
<b>South Hornchurch Library</b>				
South Hornchurch Library Room 1 per hour	18.00	18.00	01/04/24	D
South Hornchurch Library Room 2 per hour	18.00	18.00	01/04/24	D
South Hornchurch Library Room 3 per hour	22.00	22.00	01/04/24	D
<b>Harold Wood Library</b>				
Harold Wood Library Meeting Room per hour	21.00	21.00	01/04/24	D

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Room Hire Cancellation</b>				
Notice of cancellation of room hire under 24 hours	75% of room hire fee	75% of room hire fee	01/04/14	D
Notice of cancellation of room hire 1-3 days	50% of room hire fee	50% of room hire fee	01/04/15	D
Notice of cancellation of room hire 3-7 days	25% of room hire fee	25% of room hire fee	01/04/15	D

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## Resources Library

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Exhibitions</b> (per week)				
Upminster at exhibitors liability for one week	No charge	No charge	01/04/12	N/A
Hornchurch at exhibitors liability for one week	No charge	No charge	01/04/12	N/A
<b>Cost of Digital images</b>				
Image on disc (including disc)	5.00	5.00	01/04/24	C
Image on USB (excluding USB)	4.80	4.80	01/04/24	D
Image on Paper price on application plus postage	No charge	No charge	01/04/20	N/A
Commercial Reproduction price on application	No charge	No charge	01/04/20	N/A
Hourly rate for project work +	32.00	32.00	01/04/24	C

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>BEREAVEMENT SERVICES:</b>				
<b>Interments - Cemeteries (fees doubled for non-residents of LBH)</b>				
Over 16 years	1,462.00	1,462.00	01/04/23	D
2 simultaneous full body interments aged over 16 years	2,183.00	2,183.00	01/04/23	D
Cremated remains	276.00	276.00	01/04/23	D
2 simultaneous cremated remains burials	497.00	497.00	01/04/23	D
2 simultaneous cremated remains burials (one of which is non resident)	745.00	745.00	01/04/23	D
Surcharge for cremated remains in full coffin	254.00	254.00	01/04/23	D
Non resident child cremated remains not over 16 years in any grave type	121.00	121.00	01/04/23	D
Extra depth (each interment over two) or casket/walled grave per depth	267.00	267.00	01/04/23	D
Surcharge for casket in walled grave	267.00	267.00	01/04/23	D
Resident child not over 16 Years	No charge	No charge	01/04/20	N/A
Non resident stillborn to 1 month in child's grave or public grave	267.00	276.00	01/04/25	D
2 simultaneous non resident stillborn/to 1 month in child's or public grave	400.00	400.00	01/04/23	D
Non resident child not over 10 years in child's grave or public grave	414.00	414.00	01/04/23	D
Non resident child not over 16 years in child's grave	2,806.00	2,806.00	01/04/23	D
Use of chapel without organist	175.00	180.00	01/04/25	D
Use of East Chapel for burial service	302.00	302.00	01/04/23	D
Use of South Chapel for burial service	575.00	575.00	01/04/23	D
Hospital contract NVB (Non Viable baby) burials	270.00	270.00	01/04/23	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
First interment in Upminster Brick Grave (Three interment fees plus two - surcharges extra depth )		4,920.00	01/04/25	NEW
Reopen Upminster Brick Grave		1,462.00	01/04/25	NEW
<b>Exclusive Right of Burial (50 years with option of further 10 years)</b>				
Lawn section Grave	2,266.00	2,266.00	01/04/23	D
Traditional Grave	3,522.00	3,522.00	01/04/23	D
Walled Grave for two in Romford (two trads and two x 267)	7,578.00	7,578.00	01/04/23	D
Memorial Headstone for Lawn Grave	1,300.00	1,300.00	01/04/23	D
Children's section (under 10)	482.00	482.00	01/04/23	D
Children's section (under 16)	966.00	966.00	01/04/23	D
Woodland Section Grave		2,266.00	01/04/25	NEW
Woodland Memorial (Grave Marker)		597.00	01/04/25	NEW
Brick Grave Upminster (Buried at single depth. Takes up three trad spaces - and incl three inter fees paid at time of purchase)		10,566.00	01/04/25	NEW
Family Grave Upminster (two graves covering 10ftx 9ft)		14,088.00	01/04/25	NEW
<b>Surcharges</b>				
Child (under 16) Week-end full burial surcharge	731.00	731.00	01/04/23	D
Child (under 16) Week-end cremated remains burial surcharge	275.00	275.00	01/04/23	D
Adult Week-end full burial surcharge	1,097.00	1,097.00	01/04/23	D
Adult Week-end cremated remains surcharge	276.00	276.00	01/04/23	D
Adult Week-end cremated remains surcharge for 2 simultaneous	497.00	497.00	01/04/23	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Surcharges (continued)</b>				
Adult Week-end cremated remains surcharge for 2 simultaneous where - one is non resident	745.00	745.00	01/04/23	D
Funeral after published time or 48 hours of booking	350.00	350.00	01/04/23	D
Booking cancelled after 48 hours of booking	350.00	350.00	01/04/23	D
Booking cancelled within 48 hours of burial	350.00	350.00	01/04/23	D
<b>Extension of Right of Burial for 10 years</b>				
Lawn section Grave	560.00 *	560.00 *	01/04/23	D
Traditional Grave	720.00 *	720.00 *	01/04/23	D
Children's section (under 10)	127.00 *	127.00 *	01/04/23	D
Children's section (under 16)	261.00 *	261.00 *	01/04/23	D
Walled graves	1,377.00 *	1,377.00 *	01/04/23	D
<b>Other Charges</b>				
Transfer of Exclusive Rights by Will, Letters of administration - or assignment	57.00	59.00	01/04/25	D
Transfer of Exclusive Rights for two graves by Will letters of administration or assignment		86.00	01/04/25	NEW
Transfer of Exclusive Rights by statutory declaration/combination of - methods	104.00	107.00	01/04/25	D
Certified extract from Burial Register	67.00 *	69.00 *	01/04/25	D
Exhumation of cremated remains resident	276.00	276.00	01/04/23	D
Exhumation of cremated remains non-resident	552.00	552.00	01/04/23	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Permit Charge</b>				
Clean and renovate/National Association of Memorial Massons(NAMM) - fixing	No charge	No charge	01/04/20	N/A
Lawn (Up to 3ft 6" in height) headstone & small garden kerb / additional - memorial (heart or book if fixed) and up to 3ft wide	175.00	179.00	01/04/25	D
Lawn (Up to 3ft 6" in height) headstone & small garden kerb over 3ft wide - and up to 7ft 6"	263.00	269.00	01/04/25	D
Lawn (Up to 3ft 6" in height) headstone & small garden kerb over 7ft 6" - and up to 12ft	350.00	358.00	01/04/25	D
Additional inscription on headstone or permit for a vase only / Lawn kerb/ heart or book if not fixed	92.00	94.00	01/04/25	D
Lawn (over 3ft 6" and up to 5ft in height) headstone & small garden kerb / additional memorial		279.00	01/04/25	NEW
Lawn (over 3ft 6" and up to 5ft in height) headstone & small garden kerb over 3ft wide and		369.00	01/04/25	NEW
Lawn (over 3ft 6" and up to 5ft in height) headstone & small garden kerb over 7ft 6" - and up to 12ft		458.00	01/04/25	NEW
Full kerb traditional grave up to 3ft wide	347.00	355.00	01/04/25	D
Full kerb traditional grave over 3ft wide and up to 7ft 6"	520.00	532.00	01/04/25	D
Full kerb traditional grave over 7ft wide and up to 12ft.	694.00	710.00	01/04/25	D
Child Grave Memorial	175.00	179.00	01/04/25	D
Lawn memorial on a traditional grave	175.00	179.00	01/04/25	D
Traditional kerbs added at a later date		176.00	01/04/25	NEW
Family Grave Memorials 6ft h x 9ft w x 10ft l		810.00	01/04/25	NEW
Brick Grave Memorial 5ft h from concrete lid 12ft w by 10ft l		820.00	01/04/25	NEW

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Grave Maintenance Fees</b>				
Biannual Spring and Summer planting service	293.00 *	Withdrawn	01/04/25	D
Annual maintenance clean and tidy service	183.00 *	Withdrawn	01/04/25	D
Turfing (winter months only after grave has settled)	118.00	Withdrawn	01/04/25	D
<b>Cremated Remains Burial Plots</b>				
Purchase of exclusive rights (25 year term)	668.00	668.00	01/04/23	D
Extension of exclusive rights of burial for 10 years flat stone cremated remains plot	398.00	398.00	01/04/23	D
Tablet with first inscription	508.00	520.00	01/04/25	D
Additional / subsequent inscriptions	199.00	204.00	01/04/25	D
First inscription on a pre-purchased tablet	259.00	265.00	01/04/25	D
Reguild/repaint per letter	2.25 *	2.30 *	01/04/25	D
Admin fee for reguild/repaint	30.00	31.00	01/04/25	D
Blank stone	389.00	399.00	01/04/25	D
Photograph fixed to memorial	327.00	335.00	01/04/25	D
Granite memorial vases for use with cremated remains tablets	103.00	106.00	01/04/25	D
Additional letter on granite vase	3.99	4.10	01/04/25	D

**Basis of Increase:**

- A - Statutory/National
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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>South Essex Crematorium</b>				
<b>Cremation includes organ/organist/polytainer or biodegradable casket:</b>				
1 Hospital Contract Non-viable foetus cremation	90.00	94.00	01/04/25	D
2 Resident child not exceeding 16 years	No charge	No charge	01/04/20	N/A
3 Non resident up to 6 years	129.00	132.00	01/04/25	D
4 Non resident from 6 years but not exceeding 16 years	254.00	260.00	01/04/25	D
5 Unattended Cremation (adult)	580.00	324.00	01/04/25	D
6 Early morning adult cremation 15 minute service	780.00	780.00	01/04/21	D
7 Over 16 years in the East Chapel 40 min slot	1,060.00	1,175.00	01/04/25	D
8 Week-end cremation (Subject to availability) in South Chapel 1 hour slot	1,855.00	1,855.00	01/04/23	D
9 Two adult cremations in the East Chapel using same 40 min slot	1,671.00	1,852.00	01/04/25	D
10 Over 16 years in the South Chapel one hour slot	1,115.00	1,220.00	01/04/25	D
11 Two adult cremations in the South Chapel using same one hour slot	1,740.00	1,903.00	01/04/25	D
12 Non-resident unattended non-viable baby up to 23 weeks and 6 days	76.00	78.00	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Additional Services and Surcharges</b>				
Bookings cancelled after 10am one working day before reserved time	307.00	315.00	01/04/25	D
Surcharge for services over-running	307.00	315.00	01/04/25	D
Surcharge for cremation after 4pm	307.00	315.00	01/04/25	D
Surcharge for unattended cremation and use of East chapel at a different - time	151.00	541.00	01/04/25	D
Surcharge for unattended cremation and use of South chapel at a different time		306.00	01/04/25	NEW
Use of East chapel for private memorial service or extra time	302.00	310.00	01/04/25	D
Use of South Chapel for private memorial service or extra time	575.00	590.00	01/04/25	D
Use of East chapel for private memorial service for cremated remains from away	310.00	310.00	01/04/24	D
Strewing (burial) of cremated remains from elsewhere	128.00	132.00	01/04/25	D
Witness committal	63.00	65.00	01/04/25	D
Week-end witness committal	125.00	129.00	01/04/25	D
Witness committal week-end child resident	63.00	65.00	01/04/25	D
Witness committal weekday child non-resident	63.00	65.00	01/04/25	D
Witness committal week-end child non-resident	125.00	129.00	01/04/25	D
2 Simultaneous week-end witness committals	216.00	223.00	01/04/25	D
2 Simultaneous weekday witness committals	108.00	111.00	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Additional Services and Surcharges</b>				
Live webcast (price provided upon request)	RRP *	RRP *	01/04/25	D
Live webcast plus watch again & downloadable link (price provided upon request)	RRP *	RRP *	01/04/25	D
Keepsake copy of service including pro-tribute if ordered (price provided upon request)	RRP *	RRP *	01/04/25	D
Visual tribute (VT) slideshow (price provided upon request)	RRP *	RRP *	01/04/25	D
Pro-tribute (price provided upon request)	RRP *	RRP *	01/04/25	D
Family made VT with Video (price provided upon request)	RRP *	RRP *	01/04/25	D
Keepsake copy of tribute (price provided upon request)	RRP *	RRP *	01/04/25	D
Downloadable copy of VT (price provided upon request)	RRP *	RRP *	01/04/25	D
Additional keepsake copies (price provided upon request)	RRP *	RRP *	01/04/25	D
Extra 25 photos (price provided upon request)	RRP *	RRP *	01/04/25	D
Extra work (price provided upon request)	RRP *	RRP *	01/04/25	D
Webcast surcharge to include watch again and downloadable link (price provided upon request)	RRP *	RRP *	01/04/25	D
Storage of cremated remains after one month per quarter	65.00	67.00	01/04/25	D
Storage of cremated remains after one month per year	151.00	155.00	01/04/25	D
Genealogy searches per search not through deceased online	31.00 *	32.00 *	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Containers</b>				
Bronzed metal urns	86.00 *	89.00 *	01/04/25	D
Standard wooden or metal casket	95.00 *	97.00 *	01/04/25	D
Juvenile caskets	38.00 *	39.00 *	01/04/25	D
Various decorative urns/caskets (price provided upon request)	RRP* *	RRP* *	01/04/25	D
Dedicated hymn book	93.00 *	93.00 *	01/04/23	D
Various keepsake memorials made from or to contain cremated remains including diamonds, paperweights, jewellery (price provided upon request)	RRP* *	RRP* *	01/04/25	D
<b>Memorials</b>				
<b>Kerb Plaques</b>				
Perspex plaque only	133.00 *	133.00 *	01/04/23	D
Bronze plaque only	324.00 *	326.00 *	01/04/25	D
Rights to second dedication (plus cost of plaque)	129.00	129.00	01/04/24	D
Kerb plaque - Rights or Renewal	265.00	269.00	01/04/25	D
Single motif on a perspex or bronze plaque	33.00 *	34.00 *	01/04/25	D
Two motifs on a perspex or bronze plaque	62.00 *	63.00 *	01/04/25	D
<b>Bronze Wall Plaque</b>				
Bronze wall plaque only	324.00 *	326.00 *	01/04/25	D
Bronze wall plaque renewal	265.00	269.00	01/04/25	D
Supplier refurbishment of a Bronze plaque	79.00 *	81.00 *	01/04/25	D

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D - A local charging policy that deviates from the Corporate Charging Policy

## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Large Wall Plaques</b>				
<b>Single Slate or Large Bronze Wall Plaques</b>				
Single plaque only	368.00 *	378.00 *	01/04/25	D
Single plaque - Rights for ten years	265.00	269.00	01/04/25	D
Single plaque - Renewal for ten years	265.00	269.00	01/04/25	D
Double Slate Wall Plaque single inscription	552.00 *	567.00 *	01/04/25	D
Double Slate Wall Plaque double inscription	893.00 *	899.00 *	01/04/25	D
Double Slate Wall Plaque second inscription within 1 year of original dedication	192.00 *	197.00 *	01/04/25	D
Double Plaque - Rights for 10 years	530.00	538.00	01/04/25	D
Double Plaque - 10 year renewal	530.00	538.00	01/04/25	D
<b>Wall Niche for 10 years</b>				
Purchase of Single Niche for 10 years	914.00	939.00	01/04/25	D
Renewal of Single Niche for 10 years	914.00	927.00	01/04/25	D
Renewal for Single Niche for 5 years	557.00	565.00	01/04/25	D
Replacement single plaque	625.00 *	642.00 *	01/04/25	D
Purchase for Double Niche for 10 years	1,851.00	1,890.00	01/04/25	D
Renewal of Double Niche for 10 years	1,851.00	1,890.00	01/04/25	D
Renewal for Double Niche for 5 years	1,020.00	1,036.00	01/04/25	D
Replacement double plaque	967.00 *	993.00 *	01/04/25	D
Wall Niche rights for second inscription	157.00	160.00	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Wall Niche Additional Items:</b>				
Motif (optional)	101.00 *	104.00 *	01/04/25	D
2 simultaneous Wall Niche interments	337.00 *	346.00 *	01/04/25	D
Additional bud vase	36.00 *	36.00 *	01/04/24	D
Additional inscription	302.00 *	310.00 *	01/04/25	D
Casket including nameplate	101.00 *	103.00 *	01/04/25	D
Photograph	330.00 *	339.00 *	01/04/25	D
<b>Sanctum ii Vaults for 10 years</b>				
Second interment	187.00	190.00	01/04/25	D
2 simultaneous Sanctum interments	321.00	326.00	01/04/25	D
Sanctum second inscription	734.00 *	754.00 *	01/04/25	D
Sanctum plaque	593.00 *	610.00 *	01/04/25	D
10 year Rights	1,209.00	1,228.00	01/04/25	D
10 year Renewal	1,209.00	1,228.00	01/04/25	D
5 year Rights	704.00	715.00	01/04/25	D
5 year Renewal	704.00	715.00	01/04/25	D
Regilding (Inc. postage)	134.00 *	138.00 *	01/04/25	D
Replacement vase	23.50 *	24.00 *	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Vase Blocks and Tablets (includes Scented Garden Memorials)</b>				
Vaseblock tablet	345.00 *	354.00 *	01/04/25	D
Vaseblock Rights for 10 years	614.00	624.00	01/04/25	D
Vaseblock Renewal for 10 years	614.00	624.00	01/04/25	D
<b>Memorials</b>				
Summer House Memorial				
Floris plaque only	182.00 *	182.00 *	01/04/24	D
Floris plaque Rights for 10 years	268.00	272.00	01/04/25	D
Floris plaque Renewal for 10 years	268.00	272.00	01/04/25	D
Posy holder rights for 10 years	165.00	167.50	01/04/25	D
Posy holder Renewal for 10 years	165.00	167.50	01/04/25	D
Posy holder memorial	23.00 *	23.50 *	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Shrub, Rose or Tree with 10 Year dedication</b>				
Shrub or Rose (including Bronze stem plaque)	324.00 *	326.00 *	01/04/25	D
Shrub 10 year Rights (also applies to vase block with rose)	712.00	723.00	01/04/25	D
Shrub 10 year Renewal (also applies to vase block with rose)	712.00	723.00	01/04/25	D
Shrub 5 year Renewal (also applies to vase block with rose)	461.00	468.00	01/04/25	D
Tree (including bronze stem or Strap plaque)	281.00 *	326.00 *	01/04/25	D
Tree 10 year Rights	869.00	882.00	01/04/25	D
Tree 10 year Renewal	869.00	882.00	01/04/25	D
Tree 5 year Renewal	535.00	543.00	01/04/25	D
<b>Benches and Chairs - 10 Year dedications</b>				
Bench / Replacement bench	1,367.00 *	1,387.00 *	01/04/25	D
Chair / Replacement chair	799.00 *	811.00 *	01/04/25	D
Bench 10 year Rights	1,206.00	1,224.00	01/04/25	D
Bench 10 year Renewal	1,206.00	1,224.00	01/04/25	D
Chair 10 year Rights	1,071.00	1,087.00	01/04/25	D
Chair 10 year Renewal	1,071.00	1,087.00	01/04/25	D
<b>Cemetery Benches 25 Year Dedication (Recycled benches only)</b>				
Bench 25 year Rights		1,224.00	01/04/25	NEW
Bench 25 year Renewals		1,224.00	01/04/25	NEW

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Benches and Chairs - 10 year dedications (continued)</b>				
Regular maintenance (per 2 years of remaining lease if not purchased or renewed since 1/1/2001)	58.00 *	58.00 *	01/04/24	D
Renovation of bench	250.00 *	254.00 *	01/04/25	D
Renovation of chair	158.00 *	160.00 *	01/04/25	D
Replacement summerhouse chair	818.00 *	818.00 *	01/04/24	D
Summerhouse chair - Renewal Rights	522.00	522.00	01/04/24	D
<b>Bench, Tree &amp; Shrub additional dedications</b>				
Rights to second dedication within 1 year of original (plus cost of plaque)	130.00	132.00	01/04/25	D
Rights to second dedication after 1 year of original or renewal per remaining year of lease (plus cost of plaque)	26.00	26.50	01/04/25	D
Rights to second dedication life time of item (plus cost of plaque)	524.00	532.00	01/04/25	D
Replacement bronze plaque	324.00 *	326.00 *	01/04/25	D
Replacement perspex plaque	133.00 *	133.00 *	01/04/24	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Miscellaneous Memorials</b>				
Mallard bridge	381.00 *	387.00 *	01/04/25	D
Administration fee for private purchase of plaque (plus cost of plaque)	75.00 *	77.00 *	01/04/25	D
Replacement metal vase	23.50 *	24.00 *	01/04/25	D
Floral arrangements stand - plus cost of flowers	36.00 *	37.00 *	01/04/25	D
Hanging baskets (per year)	148.00 *	150.00 *	01/04/25	D
Sculpture garden memorial	264.00 *	271.00 *	01/04/25	D
Sculpture garden rights	614.00	623.00	01/04/25	D
Sculpture Renewal	614.00	623.00	01/04/25	D
Birdbath rights	614.00	623.00	01/04/25	D
Birdbath Renewal	614.00	623.00	01/04/25	D
<b>Books of Remembrance</b>				
2 line entry	80.00 *	80.00 *	01/04/23	D
3 - 5 lines	174.00 *	178.00 *	01/04/25	D
6 - 8 lines	251.00 *	258.00 *	01/04/25	D
Additional line	30.00 *	30.50 *	01/04/25	D
<b>Cards of Remembrance &amp; additional entries in existing miniature books</b>				
2 line entry	44.00 *	44.00 *	01/04/24	D
3 - 5 lines	75.00 *	77.00 *	01/04/25	D
6 - 8 lines	116.00 *	119.00 *	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Miniature Triptych of Remembrance/Book of Remembrance</b>				
2 line entry	86.00 *	86.00 *	01/04/24	D
3 - 5 lines	121.00 *	124.00 *	01/04/25	D
6 - 8 lines	159.00 *	163.00 *	01/04/25	D
<b>Book of Remembrance Sundries</b>				
Motif	95.00 *	97.00 *	01/04/25	D
Triptych photograph	95.00 *	97.00 *	01/04/25	D
<b>Mini Headstone Cremated Remains Burial Plots</b>				
Purchase of exclusive rights (25 year term)	1,166.00	1,166.00	01/04/23	D
Extension of exclusive rights of burial for 10 years mini headstone cremated remains plot	490.00	490.00	01/04/23	D
Memorial and installation with first 60 characters	1,240.00	1,268.00	01/04/25	D
Additional inscription rate per letter	3.99	4.10	01/04/25	D
Reguild/repaint per letter	2.25	2.30	01/04/25	D
Admin fee for reguild/repaint	40.00	41.00	01/04/25	D
Blank headstone only	314.00	322.00	01/04/25	D
Photograph fixed to memorial	327.00	335.00	01/04/25	D
Replacement Granite memorial vase only for Mini headstone	103.00	106.00	01/04/25	D
Inscription first 60 characters on a pre purchased memorial	340.00	348.00	01/04/25	D
Blank memorial headstone only	900.00	925.00	01/04/25	D

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## Resources Bereavement Services

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Mini Headstone Cremated Remains Burial Plots (continued)</b>				
Stone chippings per bag	65.00	66.00	01/04/25	D
Flower holder	23.00	23.50	01/04/25	D
<b>Book of Remembrance Memorial Tree</b>				
Memorial Tree leaf 10 year Rights	167.00	169.00	01/04/25	D
Memorial Tree leaf 10 year Renewal	167.00	169.00	01/04/25	D
Memorial Tree leaf plaque	91.00 *	93.00 *	01/04/25	D
Rights for second inscription - Rights remain the same (plus cost of - plaque)	128.00	130.00	01/04/25	D
<b>Advertising Fees - Pre Funeral Brochure</b>				
Display Advertisement quarter A4 page	680.00 *	690.00 *	01/04/25	D
Display and Directory entry quarter A4 page	880.00 *	893.00 *	01/04/25	D
Display Advertisement half A4 page	902.00 *	915.00 *	01/04/25	D
Display and Directory entry half A4 page	1,070.00 *	1,086.00 *	01/04/25	D
Display Advertisement full A4 page	1,104.00 *	1,120.00 *	01/04/25	D
Display and Directory entry full A4 page	1,268.00 *	1,287.00 *	01/04/25	D
Display Advertisement full inside back A4 page	1,355.00 *	1,375.00 *	01/04/25	D
Display and Directory entry full inside back A4 page	1,519.00 *	1,542.00 *	01/04/25	D
Copy design simple half page	56.00 *	58.00 *	01/04/25	D

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**Resources  
Bereavement Services**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Advertising Fees - Pre Funeral Brochure (continued)</b>				
Copy design complex full page All fees discounted by 10% for repeat customers	82.00 *	84.00 *	01/04/25	D
<b>Arboria Plaques</b>				
Arboria Plaque with text only	195.00 *	199.00 *	01/04/25	D
Arboria Plaque with text and engraved motif	227.00 *	233.00 *	01/04/25	D
Arboria Plaque with text; engraved and painted motif	260.00 *	267.00 *	01/04/25	D
Arboria Plaque with text and ceramic photo	313.00 *	321.00 *	01/04/25	D
Arboria Plaque Rights for 10 years	263.00	270.00	01/04/25	D
Arboria Plaque Renewal for 10 years	263.00	270.00	01/04/25	D

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## Resources Registrars

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Registrar of Births, Deaths and Marriages and Civil Partnerships:</b>				
<b>Places of Worship Registration Act 1855 Section 5</b>				
Certification of place of meeting for religious worship	29.00	32.00	28/04/25	A
Application for registration of a building for the solemnization of marriages between a man and a woman-				
(a) where the building is already registered under the Marriage Act	64.00	71.00	28/04/25	A
(b) where the building is not already registered under the Marriage Act	123.00	136.00	28/04/25	A
Application for registration of a building for the solemnization of marriages of same sex couples-				
(a) where the building is already registered under the Marriage Act	64.00	71.00	28/04/25	A
(b) where the building is not already registered under the Marriage Act	123.00	136.00	28/04/25	A
Joint application for the registration of a building for the solemnization of marriages between a man and a woman and of same sex couples	123.00	136.00	28/04/25	A
<b>Marriage Act 1949:</b>				
Section 27 (6) Entering a notice of marriage in a marriage notice book				
(a) Where both parties to the proposed marriage are exempt persons within the meaning of Section 49 Immigration Act 2014	35.00	42.00	28/04/25	A
(b) In any other case	47.00	57.00	28/04/25	A

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D - A local charging policy that deviates from the Corporate Charging Policy

## Resources Registrars

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Attendance of Superintendent Registrar other than at Superintendent Registrar's Office for the purpose of giving notice of marriage/civil partnership -				
(a) of a house bound person	47.00	57.00	28/04/25	A
(b) of a detained person	68.00	82.00	28/04/25	A
Giving the required notice to Superintendent Registrar for a Certificate of no impediment	35.00	42.00	28/04/25	A
Section 51 Fee of registrar for attending marriage/civil partnership:				
(i) At a register office	46.00	56.00	28/04/25	A
(ii) At a registered building	86.00	104.00	28/04/25	A
(iii) At the place where the house-bound person or persons usually resides	81.00	98.00	28/04/25	A
(iv) At the place where the detained person or persons usually resides	88.00	106.00	28/04/25	A
(v) Fee of Superintendent Registrar for attending marriage/civil partnership at the place where:				
a) Housebound or	84.00	101.00	28/04/25	A
b) Detained person usually resides	94.00	113.00	28/04/25	A
Entry of a notice to be solemnized on the authority of the Registrar General licence	3.00	4.00	28/04/25	A
Issue of Registrar Generals Licence	15.00	18.00	28/04/25	A

**Basis of Increase:**

A - Statutory/National

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## Resources Registrars

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Immigration Act 2016 :</b>				
Consideration by a Superintendent Registrar of a divorce/civil partnership dissolution obtained outside of the British Isles	50.00	55.00	28/04/25	A
Consideration by the Registrar General of a divorce/civil partnership dissolution obtained outside of the British Isles	75.00	83.00	28/04/25	A
Consideration of a reduction in the 28 day notice to marry or form a civil partnership	60.00	66.00	28/04/25	A
<b>Marriage Act 1949 (continued):</b>				
Section 64(1)				
Certified copy of entry issued under the subsection:				
(i) When application is made at the time of registering	11.00	12.50	28/04/25	A
(ii) After the time of registration	11.00	12.50	28/04/25	A
Certified copy of entry for Civil Partnerships:				
(i) At the time of registration	11.00	12.50	28/04/25	A
(ii) After the time of registration	11.00	12.50	28/04/25	A

**Basis of Increase:**

A - Statutory/National

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## Resources Registrars

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Marriage Act 1949</b> (continued):				
Section 64(2) General search of indexes of register of books kept by superintendent registrars	18.00	20.00	28/04/25	A
Certified copy of entry issued under that sub-section	11.00	12.50	28/04/25	A
Section 65(2) Certified copy of entry, following search of indexes kept at General Register Office	11.00	12.50	28/04/25	A
<b>Births, Deaths Registration Act 1953:</b>				
At the time of registration	11.00	12.50	28/04/25	A
After the time of registration	11.00	12.50	28/04/25	A
Section 30(2) certified copy of entry following search of indexes kept at General Register Office	11.00	12.50	28/04/25	A

**Basis of Increase:**

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Registrar of births, deaths, marriages and civil partnerships:</b>				
<b>Off site attendance to officiate at an approved premise wedding/civil partnership:</b>				
Monday to Friday	700.00	720.00	01/04/25	D
Saturday	830.00	852.00	01/04/25	D
Sunday/ Bank Holiday	860.00	880.00	01/04/25	C
<b>On site attendance to officiate at a CEREMONY held in Langtons Hall &amp; Orangery - HIGH SEASON</b>				
Monday to Thursday	700.00	720.00	01/04/25	D
Friday	900.00	925.00	01/04/25	D
Saturday	1,100.00	1,130.00	01/04/25	D
Sunday/ Bank Holiday	1,400.00	1,440.00	01/04/25	D
<b>On site attendance to officiate at a CEREMONY held in Langtons Hall - LOW SEASON</b>				
Monday to Thursday	580.00	595.00	01/04/25	D
Friday	730.00	750.00	01/04/25	D
Saturday	850.00	875.00	01/04/25	D
Sunday/ Bank Holiday	960.00	985.00	01/04/25	D

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>On site attendance to officiate at a CEREMONY held at Langtons House - HIGH SEASON</b>				
Monday to Thursday	450.00	460.00	01/04/25	D
Friday	650.00	670.00	01/04/25	D
Saturday	825.00	850.00	01/04/25	C
Sunday	980.00	990.00	01/04/25	D
<b>On site attendance to officiate at a CEREMONY held at Langtons House - LOW SEASON</b>				
Monday to Thursday	380.00	390.00	01/04/25	D
Friday	550.00	565.00	01/04/25	C
Saturday	675.00	695.00	01/04/25	D
Sunday	820.00	845.00	01/04/25	D
(An additional amount is charged if any ceremony falls on the following three days: Valentine's Day, Christmas Eve or New Year's Eve and the whole of December)	150.00	150.00	01/04/23	D

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
On Site attendance to officiate at a small ceremony held in the East or West room				
LOW season	250.00	255.00	01/04/25	D
HIGH season	300.00	310.00	01/04/25	D
Individual Citizenship Ceremony	200.00	205.00	01/04/25	D
Wedding Rehearsal fee (per half hour)	65.00	65.00	01/04/24	D
<b>Ceremony Options</b>				
Silver Friday Celebration - LOW SEASON	1,800.00	1,800.00	01/04/23	D
Silver Friday Celebration - HIGH SEASON	2,315.00	2,315.00	01/04/23	D
Gold Sunday Celebration - LOW SEASON	2,575.00	2,575.00	01/04/23	D
Gold Sunday Celebration - HIGH SEASON	3,300.00	3,300.00	01/04/23	D
Non Refundable deposit payable for Gold & Silver Celebrations.	500.00	500.00	01/04/20	D
Surcharge Evening Wedding (after 5pm) ALL YEAR 1 Mar - 31 Oct	225.00	225.00	01/04/23	D
Surcharge Evening Twilight Wedding (5pm) 1 Nov - 28 Feb	260.00	260.00	01/04/23	D

**Basis of Increase:**

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Payment in advance of a non-refundable booking fee for Register Office <b>Weddings only - consists of statutory fee of £56 for ceremony and statutory fee of £12.50 for marriage cert.</b> (in line with statutory fee for Register Office wedding)	57.00	68.50	01/04/25	D
Change of ceremony appointment fee	65.00	65.00	01/04/24	D
PRIORITY Appointment Service - non refundable (additional casual registrars used to cover up to one hour)	35.00	35.00	01/04/24	D
ENHANCED FEE Ceremony choices & use of the Hall for 2 hours	85.00	Withdrawn	01/04/24	
Late payment fee - Ceremonies if payment not received within 3 months of Ceremony	50.00	50.00	01/04/24	D
24 hr Copy Certificate requests (is now a statutory fee - included in 'A')	38.50	Now Statutory	01/04/24	D
Non-Refundable appointment fee (now removed see above)	35.00	Withdrawn	01/04/20	D

**Basis of Increase:**

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Langtons Hall Hire (Hourly)</b>				
Monday - Friday 9.00-17.00	50.00	70.00	01/04/25	D
Monday - Thursday 17.00-24.00	65.00	100.00	01/04/25	D
Friday 9.00 - 17.00	100.00	150.00	01/04/25	D
Friday Evening, Saturday and Sunday	100.00	150.00	01/04/25	D
Damage deposit for Langton's Hall function bookings	500.00	500.00	01/04/24	D
Change of Name Fee (includes one certificate)	65.00	65.00	01/04/24	D
Additional copies purchased on same day of appointment	11.00	11.00	01/04/22	D
Additional copies purchased after the day of appointment	20.00	20.00	01/04/23	D
Certificate of Existence	35.00	35.00	01/04/24	D
Sale of birth wallets to other Local Authorities (sale per wallet)	1.55	Withdrawn	01/12/22	D

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## Resources Registrars

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Langtons Room Hire (Hourly Minimum 2 hours)</b>				
Room Hire Monday - Sunday 09.00 - 21.00	50.00	50.00	01/04/24	D
Charity Room Hire Monday - Thursday 09.00 - 21.00 (A discount of 40% applies for Charity/Community groups by application for Hall & room hire)	30.00	30.00	01/04/24	D
<b>Langtons Meeting Room Hire (Top Floor)</b>				
Room hire Monday - Friday 09.00 - 21.00	30.00	30.00	01/04/24	D
Advertising Langtons Ceremony Brochure				
Index entry	100.00	100.00	01/04/20	D
Whole Page landscape	650.00	650.00	01/04/23	D
Half Page Portrait	400.00	400.00	01/04/23	D
Index Listing	100.00	100.00	01/04/23	D
Website Only advertising	100.00	100.00	01/04/23	D
Postage Costs:				
Copy certificates by 1st class recorded delivery	5.00	5.00	01/04/20	D
Special guaranteed next day delivery	8.00	8.00	01/04/22	D
Wedding Fair Exhibitor Space in Langtons House	200.00	200.00	01/04/24	D

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Borough Roads:</b>				
(i) <b>Each Skip / Builders materials on public highway</b>				
Up to first 14 days	150.00	155.00	01/04/25	B
Each additional period of up to 7 days	100.00	105.00	01/04/25	B
(ii) <b>Structures / Hoardings / Scaffolds</b>				
<b>Bond</b>				
£170 per linear metre - Minimum 6 Metres	987.00	1,020.00	01/04/25	D
<b>Licence</b>				
Per 6m. Minimum charge length 6 metres & combined inspection	870.00	895.00	01/04/25	B
(iii) Vehicle Crossovers (per square metre)^	286.50	295.00	01/04/25	C
Non refundable charge for assessing applications^	244.00	250.00	01/04/25	C
Waste disposal surcharge	31.80	33.00	01/04/25	C
^In year adjustments to be approved by Director of Environment				
(iv) Road Closures (per road) for Utility companies	2,750.00 *	2,825.00 *	01/04/25	C
(v) Clearance of Blocked Drains (VAT will be added unless working under Statutory power)	185.70	191.00	01/04/25	C

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
(vi) Crane license				
Minimum	415.00	430.00	01/04/25	B
Maximum	755.00	780.00	01/04/25	B
(vii) Section 50 Licence (private individual to place/maintain apparatus in highway)				
Major works permit	1,569.00	1,615.00	01/04/25	B
Standard works permit	1,335.00	1,375.00	01/04/25	B
Minor works permit	1,161.00	1,195.00	01/04/25	B
(viii) Building materials licenses per 4 sq.m				
Up to first 14 days	115.00	120.00	01/04/25	B
Each additional period of up to 7 days (renewal)	100.00	103.00	01/04/25	B
(ix) Compound / welfare unit				
Up to first 14 days	700.00	720.00	01/04/25	C
Each additional period up to 7 days (renewal)	350.00	360.00	01/04/25	B
(x) Oversail license (temporary)				
Base fee	462.60	475.00	01/04/25	C
Fee per month	103.00	106.00	01/04/25	C

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Refuse Collection:</b>				
<b>(i) Bulky Household Refuse</b>				
1 to 3 items	66.00	68.00	01/04/25	B
Each additional item	17.00	17.50	01/04/25	B
<b>(ii) Compostable garden refuse sacks (Year's supply of 5 rolls of 10 sacks per roll)</b>				
Standard	84.00	87.00	01/04/25	B
Top up roll (10 sacks)	14.00	15.00	01/04/25	C
Top up roll delivery	6.00	7.00	01/04/25	C
<b>(iii) Green Waste Collection Service (per annum) (Wheeled bin hire included)</b>				
Full year	84.00	87.00	01/04/25	B
Late payment charge	6.50	7.00	01/04/25	C
Late payment charge after bin collection	13.00	14.00	01/04/25	C
Replacement bin charge	40.00	42.00	01/04/25	B

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>(iv) Trade Refuse Collection Service</b>				
These charges will only apply if a business within the borough exercises its legal right to require the Council to undertake the collection rather than a private contractor.				
Trade refuse sacks (pack of 26)	189.00	194.50	01/04/25	C
Trade refuse sacks (pack of 26) for Charity shops	149.00	158.10	01/04/25	D
Cardboard Collection	7.50	8.00	01/04/25	C
<b>Container emptying and disposal (with contract only):</b>				
1100 / Palladin / 660 litre bin -1st bin per visit	41.00	42.50	01/04/25	C
2nd & subsequent bins	40.00	41.50	01/04/25	C
360 litre wheeled bin	34.00	35.00	01/04/25	C
Charity shops (Excluding disposal)	34.00	35.00	01/04/25	C
LBH Schools (Excluding disposal)	34.00	35.00	01/04/25	C
2nd collection from residential blocks per bin (Excluding disposal)	12.00	12.50	01/04/25	C
<b>Per bin store: one-off clearance of loose and bulky waste</b>	N/A	250.00	01/04/25	NEW

**Basis of Increase:**

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**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>(iv) Trade Refuse Collection Service (continued)</b>				
Container provision (per annum unless otherwise stated)				
Hire of 1100 litre Eurobin	279.00	287.00	01/04/25	C
Hire of 660 litre Eurobin	208.00	214.00	01/04/25	C
Hire of 940 litre Chamberlain	208.00	214.00	01/04/25	C
Hire of 940 litre paladin	208.00	214.00	01/04/25	C
One-off purchase of 360 litre recycling bin	99.00	102.00	01/04/25	C
<b>(v) Clinical Waste (charge per collection)</b>				
Contracted collection service	16.00	17.00	01/04/25	C
Ad hoc collections	22.00	23.00	01/04/25	C
<b>(vi) Special clearances of rubbish</b>				
Per hour or part hour (labour and vehicle only):				
Mon-Fri 05:00 to 18:00	N/A	160.00	01/04/25	NEW
Weekdays between 18:00 and 05:00, weekends, bank holidays	N/A	244.00	01/04/25	NEW
materials removed for disposal / recycling Per Tonne	N/A	175.00	01/04/25	NEW
Up to 30 minutes on site	131.00	Withdrawn	01/04/25	N/A
Each 15 minute thereafter	66.00	Withdrawn	01/04/25	N/A
Up to 1 hour on site	260.00	Withdrawn	01/04/25	N/A

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>FOOTBALL AT PARKS WITH CRICKET (28 WEEKS)</b>				
<b>Adult</b>				
Pavilion with washing facilities				
Each Saturday or Sunday during Season**	2,491.00	2,641.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	1,246.00	1,321.00	01/04/25	B
No Pavilion Facilities				
Each Saturday or Sunday during Season**	1,944.00	2,061.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	972.00	1,031.00	01/04/25	B
<b>Junior (under 18) 7v7 &amp; 9v9</b>				
Each Saturday or Sunday during Season**	903.00	958.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	451.00	479.00	01/04/25	B
<b>Junior (under 18) 11v11</b>				
Each Saturday or Sunday during Season**	964.00	1,022.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	482.00	511.00	01/04/25	B
**Bookings of less than 10, will attract a VAT charge.				

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>FOOTBALL AT PARKS WITH CRICKET (32 WEEKS)</b>				
<b>Adult</b>				
Pavilion with washing facilities				
Each Saturday or Sunday during Season**	2,848.00	3,019.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	1,424.00	1,510.00	01/04/25	B
No Pavilion Facilities				
Each Saturday or Sunday during Season**	2,222.00	2,356.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	1,111.00	1,178.00	01/04/25	B
<b>Junior (under 18) 7v7 &amp; 9v9</b>				
Each Saturday or Sunday during Season**	1,032.00	1,094.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	516.00	547.00	01/04/25	B
<b>Junior (under 18) 11v11</b>				
Each Saturday or Sunday during Season**	1,102.00	1,169.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	551.00	585.00	01/04/25	B
**Bookings of less than 10, will attract a VAT charge.				

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D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>FOOTBALL AT WESTLANDS FIELD</b>				
Pavilion with washing facilities				
Adult				
Each Saturday or Sunday during Season**	3,272.00	3,469.00	01/04/25	B
Each alternate Saturday or Sunday during Season**	1,636.00	1,735.00	01/04/25	B
<b>MINI SOCCER</b>				
1 Hour Slots (during season)				
Each Saturday or Sunday**	452.00	480.00	01/04/25	B
Alternate Saturday or Sunday**	226.00	240.00	01/04/25	B
<b>CRICKET</b>				
Pitches with Pavilions				
Central Park	3,373.00	3,650.00	01/04/25	B
Raphael Park	3,373.00	4,851.00	01/04/25	B
Spring Farm Park	3,373.00	5,806.00	01/04/25	B

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**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>BOOT CAMPS, PERSONAL TRAINING, SPORTS &amp; FITNESS GROUPS</b> At a separate charge Up to 20 clients (details to be agreed with service)	550.00	565.00	01/04/25	C
<b>ALLOTMENTS</b> Land charge per acre	340.50	350.00	01/04/25	D
<b>WEDDING PHOTOGRAPHY</b> Exclusive use of area of a park for wedding photography (except Langtons Gardens)	66.50	68.00	01/04/25	C
<b>Memorial Tree</b> <i>Supply and planting of tree</i>	660.00	678.00	01/04/25	C
<i>Plaque</i>	109.30	112.00	01/04/25	C
<b>Memorial Bench</b> Supply and installation of bench	1,889.00	1,940.00	01/04/25	C
Plaque	109.30	112.00	01/04/25	C

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>PARKS (all events and activities are subject to appropriate licence fees at a separate charge)</b>				
<b>MISCELLANEOUS CHARGES</b>				
Mobile catering unit (per month)	307.70	316.00	01/04/25	C
Raphael Park Meeting Room (charge per hour)	25.50	26.50	01/04/25	C
Tennis courts (fee per hour peak)	6.00	6.00	01/04/24	D
Tennis courts (fee per hour off-peak)	3.00	3.00	01/04/24	D
<b>CHARGES FOR NON SCHEDULED WORKS</b>				
<b>Week day rates</b>				
2 staff & a van (includes tools & machinery) per hour	91.25 *	94.00 *	01/04/25	C
1 staff & a van (includes tools & machinery) per hour	52.50 *	54.00 *	01/04/25	C
Tractor & implement, or trailer with operator per hour	58.90 *	61.00 *	01/04/25	C
Ride on mower & operator per hour	52.50 *	54.00 *	01/04/25	C
Member of staff per hour (standard hours)	38.20 *	40.00 *	01/04/25	C
Charge hand per hour (standard hours)	48.30 *	50.00 *	01/04/25	C

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>CHARGES FOR NON SCHEDULED WORKS Continued</b>				
<b>Saturday rates</b>				
1 staff & a van (includes tools & machinery) per hour	74.30 *	77.00 *	01/04/25	C
2 staff & a van (includes tools & machinery) per hour	133.70 *	138.00 *	01/04/25	C
Member of staff per hour (standard hours)	60.50 *	63.00 *	01/04/25	C
Charge hand per hour (standard hours)	72.70 *	75.00 *	01/04/25	C

**Basis of Increase:**

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D - A local charging policy that deviates from the Corporate Charging Policy

## Communication Events

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>FUNFAIRS &amp; CIRCUSES</b>				
Ground rent per day of operation (up to 7 rides, adult & juvenile / 500 seating capacity)	640.00	657.30	01/04/25	C
Ground rent per day of operation (more than 7 rides, adult & juvenile /500 seating capacity)	1,292.30	1,327.20	01/04/25	C
Returnable deposit per visit. Up to 7 rides, adult & juvenile / 500 seating capacity	192.00	Withdrawn	01/04/25	C
More than 7 rides, adult & juvenile / 500 seating capacity	390.00	Withdrawn	01/04/25	C
A returnable deposit for ground damage will be charged based on the size and impact on site	-	<i>To be quantified after assessment of damage to site</i>		
<b>INFLATABLE FUNDAYS (per item)</b>				
Busier sites (based on footfall)	27.60	28.35	01/04/25	C
Quieter sites (based on footfall)	11.15	11.45	01/04/25	C

**Basis of Increase:**

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## Communication Events

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>COMMUNITY/CHARITY EVENTS</b>				
<p>London Borough of Havering charities - a 20% discount can be applied (only if the charity is raising funds/providing entertainment/information which directly benefits the residents of Havering).                      The charity must be located in Havering and benefit all the community.                      Private/Religious Schools are exempt from this discount.                      The London Borough of Havering objective for charging large commercial events is to cover the cost of impact on residents and services</p>				
Small event (free entry/non-profit) max capacity - 300	164.50	169.00	01/04/25	C
Community/charity fundraising event (income generating)				
max capacity - 1000	546.50	561.30	01/04/25	C
max capacity - 2000	1,093.00	1,122.50	01/04/25	C
max capacity - 6000	3,278.50	3,367.00	01/04/25	C
max capacity - 8000	4,371.30	4,489.40	01/04/25	C
Non-operational day	164.50	169.00	01/04/25	C
<b>COMMERCIAL EVENTS</b>				
<p>The fees will be negotiated on application, taking into account size, impact on the site and site operators, impact on the borough and surrounding environs. Minimum charge at least double the rate charged for charities/community hires</p>				

**Basis of Increase:**

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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

## Communication Events

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>TOWN CENTRE EVENTS</b>				
<i>London Borough of Havering charities - a 20% discount can be applied (only if the charity is raising funds/providing entertainment/information which directly benefits the residents of Havering). The charity must be located in Havering and benefit all the community. Private/Religious Schools are exempt from this discount. The London Borough of Havering objective for charging large commercial events is to cover the cost of impact on residents and services</i>				
Small event (free entry/non-profit) max capacity - 300		169.00	01/04/25	NEW
Community/charity fundraising event (income generating)				
max capacity - 1000		561.30	01/04/25	NEW
max capacity - 2000		1,122.50	01/04/25	NEW
max capacity - 6000		3,367.00	01/04/25	NEW
max capacity - 8000		4,489.40	01/04/25	NEW
Non-operational day		169.00	01/04/25	NEW
<b>COMMERCIAL EVENTS</b>				
The fees will be negotiated on application, taking into account size, impact on the site and site operators, impact on the borough and surrounding environs. Minimum charge at least double the rate charged for charities/community hires				

**Basis of Increase:**

- A - Statutory/National
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- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Environment**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>TRAFFIC &amp; PARKING CONTROL:</b>				
<b>Parking Facilities</b>				
<b>Penalty Charge Notices</b>				
(Levels set by London Councils and agreed by the Mayor of London and endorsed by the Secretary of State)				
Less Serious Contravention Band A	80.00	80.00	01/04/11	A
Less Serious Contravention Band A if paid within 14 days	40.00	40.00	01/04/11	A
Serious Contravention Band A	130.00	130.00	15/04/11	A
Serious Contravention Band A paid within 14 days	65.00	65.00	15/04/11	A
Less Serious Band B	60.00	60.00	01/04/11	A
Less Serious paid within 14 days	30.00	30.00	01/04/11	A
Serious Band B	110.00	110.00	15/04/11	A
Serious Band B if paid within 14 days	55.00	55.00	15/04/11	A
<b>Vehicle Clamping and Removal</b>				
Vehicle Immobilisation release fee	70.00	70.00	01/04/11	A
Vehicle Pound release fee (if clamped)	200.00	200.00	01/04/11	A
Disposal Fee	70.00	70.00	01/04/11	A
Vehicle Pound storage fee (per day)	40.00	40.00	01/04/11	A

**Basis of Increase:**

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<i>For all paid for and free half hour parking sessions/charges on the following pages, optional reminder and extension text messages will be charged directly to the customer by the cashless parking application provider. Customers may opt in or out of this additional service. The associated charge per message is not levied by the Council. Where indicated free 30 minute parking sessions are limited to one per vehicle per day.</i>				
<b>TRAFFIC &amp; PARKING CONTROL: PARKING FACILITIES</b>				
<b>Romford Area Car Parks - Mixed Tariff</b>				
<b>Monday to Saturday (Period Hours)</b>				
0 - 1	2.60 *	2.60 *	01/04/24	B
1 - 2	4.40 *	4.40 *	01/04/24	B
2 - 3	6.20 *	6.20 *	01/04/24	B
3 - 4	8.00 *	8.00 *	01/04/24	B
4 - 5	10.00 *	10.00 *	01/04/24	B
5 - 6	12.00 *	12.00 *	01/04/24	B
6 - 7	14.00 *	14.00 *	01/04/24	B
7 - 8	15.00 *	15.00 *	01/04/24	B
over 8	15.00 *	15.00 *	01/04/24	B
Solo Motorcycle	2.50 *	2.50 *	01/04/24	B
<b>Overnight (applies to hours as advertised on site)</b>	2.00 *	2.00 *	01/04/24	B

**Basis of Increase:**

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Market Place</b> (Non-market days)				
0 - 1	2.60 *	2.60 *	01/04/24	B
1 - 2	4.40 *	4.40 *	01/04/24	B
2 - 3	6.20 *	6.20 *	01/04/24	B
3 - 4	8.00 *	8.00 *	01/04/24	B
<b>Overnight (Non-market days &amp; applies to hours as advertised on site)</b>	2.00 *	2.00 *	01/04/24	B
Solo Motorcycle	2.50 *	2.50 *	01/04/24	B

**Basis of Increase:**

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>All Car Parks Excluding Romford (Hornchurch, Upminster, Collier Row, Cranham, Elm Park, Gidea Park &amp; Rainham Area Car parks)</b>				
<b>Monday to Saturday</b> (Period Hours)				
0 - 30 mins (1 boroughwide session per day)	No Charge *	No Charge *	01/04/21	B
0 - 1	2.60 *	2.60 *	01/04/24	B
1 - 2	4.40 *	4.40 *	01/04/24	B
2 - 3	6.20 *	6.20 *	01/04/24	B
3 - 4	8.00 *	8.00 *	01/04/24	B
4 - 5	10.00 *	10.00 *	01/04/24	B
5 - 6	12.00 *	12.00 *	01/04/24	B
6 - 7	14.00 *	14.00 *	01/04/24	B
7 - 8	15.00 *	15.00 *	01/04/24	B
Over 8	15.00 *	15.00 *	01/04/24	B
Solo Motorcycles	2.50 *	2.50 *	01/04/24	B
<b>Overnight</b> (applies to hours as advertised on site)	2.00 *	2.00 *	01/04/24	B

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D - A local charging policy that deviates from the Corporate Charging Policy

## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Season Tickets</b>				
<b>Romford Central Area</b>				
All car parks:				
Annual	1,610.00 *	1,610.00 *	01/04/24	B
Per quarter	400.00 *	405.00 *	01/04/25	B
Per month	140.00 *	140.00 *	01/04/24	B
<b>Outside Romford Central Area</b>				
5 Day season – Balgores Square:				
Annual	1,610.00 *	1,610.00 *	01/04/24	B
per quarter	400.00 *	405.00 *	01/04/25	B
per month	140.00 *	140.00 *	01/04/24	B
<b>All other car parks:</b>				
Annual	1,400.00 *	1,400.00 *	01/04/24	B
per quarter	350.00 *	350.00 *	01/04/24	B
per month	125.00 *	125.00 *	01/04/24	B

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D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>On Street Pay and Display</b>				
<b>Upminster Road South Monday to Saturday</b> (Maximum Stay 1 hour)				
0 - 30 mins (1 boroughwide session per day)	No Charge	No Charge	06/04/15	N/A
0 - 1 hour	2.60	2.60	01/04/24	B
Solo Motorcycle	2.50	2.50	01/04/24	B
<b>Romford</b>				
<b>Monday to Saturday</b> (Maximum Stay 3 hours)				
0 mins - 1 hour	2.60	2.60	01/04/24	B
1 - 2	4.40	4.40	01/04/24	B
2 - 3	6.20	6.20	01/04/24	B
Solo Motorcycle	2.50	2.50	01/04/24	B

**Basis of Increase:**

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**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>On Street Pay and Display (continued)</b>				
<b>Ardleigh Green, Collier Row, Cranham, Elm Park, Gidea Park, Harold Hill, Harold Wood &amp; Rainham, Honchurch &amp; Upminster Town Centres</b>				
<b>Monday to Saturday (Maximum Stay 3 Hours)</b>				
0 - 30 mins (1 borough wide session per day)	No Charge	No Charge	01/04/19	N/A
0 -1 hour	2.60	2.60	01/04/24	B
1 - 2 hours	4.40	4.40	01/04/24	B
2 - 3 hours	6.20	6.20	01/04/24	B
Solo Motorcycle	2.50	2.50	01/04/24	B

**Basis of Increase:**

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## Place Environment

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Controlled Parking Zones</b>				
Resident's parking permit (per annum)				
1st Permit per household	45.00	45.00	01/04/24	B
2nd Permit per household	90.00	90.00	01/04/24	B
3rd Permit per household	140.00	140.00	01/04/24	B
Resident's visitor permits (book of 10)	28.00	28.00	01/04/24	B
Resident's All Day visitor permits (book of 10)	70.00	70.00	01/04/24	B
Domestic Carer Permit (per annum)	40.00	40.00	01/04/21	B
<b>Business Parking</b>				
Business parking permits (per annum)	420.00	420.00	01/04/24	B
Business visitor permits (book of 10)	45.00	45.00	01/04/24	B
<b>Commuter Bays (per annum)</b>	1,400.00	1,400.00	01/04/24	B
<b>Other Miscellaneous Charges</b>				
CPZ Trade person waiver	21.25	21.25	01/04/24	B
<b>Health and Homecare Permit (per annum)</b>	80.00	80.00	01/04/23	B
<b>Resident Season Ticket Car Parks (per annum)</b>	212.00 *	212.00 *	01/04/24	B

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**Place  
Environment**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Events Charging For Traffic Management and Parking</b>				
Traffic Management per road closure if no diversion required An additional charge to be applied to the above charge for complex Traffic Management, costed on application.	407.42 *	420.00 *	01/04/25	C
Special Event Road closure	1,320.00 *	1,360.00 *	01/04/25	B
(i) Parking Bay suspensions				
Price per parking space per day (1 - 7 days)	64.00	70.00	01/04/25	B
Price per parking space per day (8 - 14 days)	122.00	130.00	01/04/25	B
Price per parking space per day (15 days +)	181.00	195.00	01/04/25	B

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>ENVIRONMENTAL HEALTH:</b>				
<b>Defra</b>				
<b>Stray Dog Service - Environmental Protection (Stray Dogs) Regulation 1992</b>				
Impounding fee per dog	25.00	25.00	01/04/92	A
<b>Gambling Act 2005</b>				
<b>Bingo club - Gambling Act 2005 Dept. of Culture and Media and Sport</b>				
Copy licence	25.00	25.00	01/10/06	A
Notification of change	50.00	50.00	01/10/06	A
<b>Betting shop - Dept. of Culture and Media and Sport</b>				
Copy licence	25.00	25.00	01/10/06	A
Notification of change	50.00	50.00	01/10/06	A
<b>Betting premises tracks - Dept. of Culture and Media and Sport</b>				
Copy licence	25.00	25.00	01/10/06	A
Notification of change	50.00	50.00	01/10/06	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Family entertainment centres - Dept. of Culture and Media and Sport</b>				
Application to vary	1,000.00	1,000.00	01/10/06	A
Copy licence	25.00	25.00	01/10/06	A
Notification of change	50.00	50.00	01/10/06	A
<b>Adult gaming centres - Dept. of Culture and Media and Sport</b>				
Application to vary	1,000.00	1,000.00	01/10/06	A
Copy licence	25.00	25.00	01/10/06	A
Notification of change	50.00	50.00	01/10/06	A
<b>Lottery - Dept. of Culture and Media and Sport</b>				
New registration	40.00	40.00	01/10/06	A
Annual re registration	20.00	20.00	01/10/06	A
<b>Permit fees - Dept. of Culture and Media and Sport</b>				
Notification of right of licensed premises to have 2 gaming machines	50.00	50.00	01/10/06	A
<b>Family entertainment centre - Dept. of Culture and Media and Sport</b>				
New application	2,000.00	2,000.00	01/04/23	A
Change of name	25.00	25.00	01/10/06	A
Copy of permit	15.00	15.00	01/10/06	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Prize Gaming permit (S 16) Dept. of Culture and Media and Sport</b>				
New application	300.00	300.00	31/03/05	A
Change of name	25.00	25.00	31/03/05	A
Copy of permit	15.00	15.00	31/03/05	A
<b>Licensed premises gaming machine permit - Dept. of Culture Media and Sport</b>				
New application (new operator)	150.00	150.00	31/03/05	A
New application (existing operator)	100.00	100.00	31/03/05	A
Vary a permit	100.00	100.00	31/03/05	A
Transfer application	25.00	25.00	31/03/05	A
Annual fee (1st fee payable within 30 days of issue)	50.00	50.00	31/03/05	A
Change of name	25.00	25.00	31/03/05	A
Copy of permit	15.00	15.00	31/03/05	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Club gaming machine permit - Dept. of Culture and Media and Sport</b>				
New application	200.00	200.00	31/03/05	A
Renewal	100.00	100.00	31/03/05	A
New application (existing operator)	100.00	100.00	31/03/05	A
Vary a permit	100.00	100.00	31/03/05	A
Copy of permit	15.00	15.00	31/03/05	A
Annual fee (1st fee payable within 30 days of issue)	50.00	50.00	31/03/05	A
<b>Environment Protection Act (Defra)</b>				
<b>Application Fee</b>				
Standard Process	1,650.00	1,650.00	01/04/18	A
Additional fee for operating without a permit	1,188.00	1,188.00	01/04/18	A
Reduced fee activities (except VRs)	155.00	155.00	01/04/19	A
Vehicle refinisher	362.00	362.00	01/04/18	A
Service station PVR I & II combined	257.00	257.00	01/04/18	A
Reduced fee activities: Additional fee for operating without a permit.	71.00	71.00	01/04/19	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Environment Protection Act (Defra) (continued)</b>				
Mobile screening and crushing plant	1,650.00	1,650.00	01/04/18	A
For the third to seventh applications	985.00	985.00	01/04/18	A
For the eight and subsequent applications	498.00	498.00	01/04/18	A
<b>Note:</b> Where an application for any of the above is for a combined Part B and waste application, add an extra £310 to the above amounts				
<b>Annual subsistence charge</b>				
Standard process Low (+£103)	772.00	772.00	01/04/18	A
Standard process Medium (+£156)	1,161.00	1,161.00	01/04/18	A
Standard process High (+£207)	1,747.00	1,747.00	01/04/18	A
<i>(+) to be added when the above standard process is for combined part B and waste site</i>				
Service stations PVR l/dry cleaner/ waste oil burner <0.4MW				
Low	79.00	79.00	01/04/18	A
Medium	158.00	158.00	01/04/18	A
High	237.00	237.00	01/04/18	A

**Basis of Increase:**

A - Statutory/National

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy



**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Environment Protection Act (Defra) (continued)</b>				
Vehicle refinisher				
Low	228.00	228.00	01/04/18	A
Medium	365.00	365.00	01/04/18	A
High	548.00	548.00	01/04/18	A
Service station PVRI and II combined				
Low	113.00	113.00	01/04/18	A
Medium	226.00	226.00	01/04/18	A
High	341.00	341.00	01/04/18	A
Odourising of natural gas				
Low	79.00	79.00	01/04/19	A
Medium	158.00	158.00	01/04/19	A
High	237.00	237.00	01/04/19	A
Mobile screening and crushing plant For the first and second plants				
Low	626.00	626.00	01/04/19	A
Medium	1,034.00	1,034.00	01/04/18	A
High	1,551.00	1,551.00	01/04/19	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Environment Protection Act (Defra) (continued)</b>				
For the third to seventh applications				
Low	385.00	385.00	01/04/18	A
Medium	617.00	617.00	01/04/18	A
High	924.00	924.00	01/04/18	A
For the eighth and subsequent applications				
Low	198.00	198.00	01/04/18	A
Medium	316.00	316.00	01/04/19	A
High	473.00	473.00	01/04/18	A
<b>Transfer and Surrender of a permit</b>				
Standard process transfer	169.00	169.00	01/04/18	A
Standard process partial transfer	497.00	497.00	01/04/18	A
New operator at low risk reduced fee activity	78.00	78.00	01/04/18	A
Surrender: all Part B activities	No charge	No charge	01/05/12	A
Transfer: Service Stations and Waste Oil burners <0.4MW	No charge	No charge	01/05/12	A
Reduced fee activities: Transfer	No charge	No charge	01/05/12	A
Reduced fee activities: partial transfer	47.00	47.00	01/04/18	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Transfer and Surrender of a permit (continued)</b>				
<b>Temporary</b>				
First transfer	53.00	53.00	01/04/19	A
<b>Transfer for mobiles</b>				
Repeat transfer	11.00	11.00	01/04/19	A
Repeat following enforcement or warning	53.00	53.00	01/04/19	A
<b>Substantial changes to s10 and s11</b>				
<b>One off annual payment</b>				
Standard process	1,050.00	1,050.00	01/04/18	A
Standard process where the substantial change results in a new PPC activity	1,650.00	1,650.00	01/04/18	A
Reduced fee activities	102.00	102.00	01/04/18	A
Note: Reduced fee activities are; Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil burners under 0.4MW				

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Environmental Protection Act (DEFRA): LAPPC mobile plant charges</b>				
Number of Permits				
1 Low	646.00	646.00	01/04/19	A
1 Medium	1,034.00	1,034.00	01/04/19	A
1 High	1,506.00	1,506.00	01/04/19	A
2 Low	646.00	646.00	01/04/19	A
2 Medium	1,034.00	1,034.00	01/04/19	A
2 High	1,506.00	1,506.00	01/04/19	A
3 Low	385.00	385.00	01/04/19	A
3 Medium	617.00	617.00	01/04/19	A
3 High	924.00	924.00	01/04/19	A
4 Low	385.00	385.00	01/04/19	A
4 Medium	617.00	617.00	01/04/19	A
4 High	924.00	924.00	01/04/19	A
5 Low	385.00	385.00	01/04/19	A
5 Medium	617.00	617.00	01/04/19	A
5 High	924.00	924.00	01/04/19	A
6 Low	385.00	385.00	01/04/19	A
6 Medium	617.00	617.00	01/04/19	A
6 High	924.00	924.00	01/04/19	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Environmental Protection Act (DEFRA): LAPPC mobile plant charges (continued)</b>				
7            Low	385.00	385.00	01/04/19	A
7            Medium	617.00	617.00	01/04/19	A
7            High	924.00	924.00	01/04/19	A
8 and over Low	198.00	198.00	01/04/19	A
8 and over Medium	316.00	316.00	01/04/19	A
8 and over High	473.00	473.00	01/04/19	A
<p>Note: Subsistence charges can be paid in four equal quarterly instalments paid on 1st April, 1st July, 1st October and 1st January. Where paid quarterly the total amount payable to the local authority will be increased by £36.</p>				

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Licensing Act 2003 fees set by Home Office</b>				
Application for the grant or renewal of a personal licence	37.00	37.00	01/11/05	A
Temporary event notice	21.00	21.00	01/11/05	A
Theft, loss, etc. of premises licence or summary	21.00	21.00	01/11/05	A
Application for a provisional statement where premises being built etc.	10.50	10.50	01/11/05	A
Notification of change of name or address	10.50	10.50	01/11/05	A
Application to vary licence to specify individual as premises supervisor	23.00	23.00	01/11/05	A
Application for transfer of premises licence	23.00	23.00	01/11/05	A
Interim authority notice following death etc. of licence holder	10.50	10.50	01/11/05	A
Theft, loss etc. of certificate or summary	23.00	23.00	01/11/05	A
Notification of change of name or alteration of rules of club	23.00	23.00	01/11/05	A
Change of relevant registered address of club	23.00	23.00	01/11/05	A
Theft, loss etc. of temporary event notice	10.50	10.50	01/11/05	A
Theft, loss etc. of personal licence	10.50	10.50	01/11/05	A
Duty to notify change of name or address	10.50	10.50	01/11/05	A
Right of freeholder etc. to be notified of licensing matters	10.50	10.50	01/11/05	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Main Fee Levels</b>				
<b>Based on non domestic rateable value:</b>				
Band A           £0 -       £4,300				
Band B       £4,301 -   £33,000				
Band C       £33,001 -  £87,000				
Band D       £87,001 -  £125,000				
Band E       £125,001 and over				
<b>Premises Licences</b>				
New Applications and variation				
Band A	100.00	100.00	01/11/05	A
Band B	190.00	190.00	01/11/05	A
Band C	315.00	315.00	01/11/05	A
Band D	450.00	450.00	01/11/05	A
Band E	635.00	635.00	01/11/05	A
Multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises (bands D & E only)				
Band D x 2	900.00	900.00	01/11/05	A
Band E x 3	1,905.00	1,905.00	01/11/05	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Premises Licences (continued)</b>				
Annual maintenance fee to keep premises licence current.				
Band A	70.00	70.00	01/11/05	A
Band B	180.00	180.00	01/11/05	A
Band C	295.00	295.00	01/11/05	A
Band D	320.00	320.00	01/11/05	A
Band E	350.00	350.00	01/11/05	A
Annual charge multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises (bands D & E only)				
Band D x 2	640.00	640.00	01/11/05	A
Band E x 3	1,050.00	1,050.00	01/11/05	A
<b>Additional Fees</b>				
<b>There are additional fees for premises licence applications, and the annual fee for exceptionally large scale events (5000+), unless certain conditions apply. Please read Regulation 4(4) and 4(5) of the licensing Act (Fees) Regulations 2005.</b>				

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Additional Premises licence fee</b>				
Numbers in attendance at any one time				
5,000 - 9,999	1,000.00	1,000.00	01/11/05	A
10,000 - 14,999	2,000.00	2,000.00	01/11/05	A
15,000 - 19,999	4,000.00	4,000.00	01/11/05	A
20,000 - 29,999	8,000.00	8,000.00	01/11/05	A
30,000 - 39,999	16,000.00	16,000.00	01/11/05	A
40,000 - 49,999	24,000.00	24,000.00	01/11/05	A
50,000 - 59,999	32,000.00	32,000.00	01/11/05	A
60,000 - 69,999	40,000.00	40,000.00	01/11/05	A
70,000 - 79,999	48,000.00	48,000.00	01/11/05	A
80,000 - 89,999	56,000.00	56,000.00	01/11/05	A
90,000 and over	64,000.00	64,000.00	01/11/05	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Additional annual maintenance fee payable (if applicable)</b>				
Numbers in attendance at any one time				
5,000 - 9,999	500.00	500.00	01/11/05	A
10,000 - 14,999	1,000.00	1,000.00	01/11/05	A
15,000 - 19,999	2,000.00	2,000.00	01/11/05	A
20,000 - 29,999	4,000.00	4,000.00	01/11/05	A
30,000 - 39,999	8,000.00	8,000.00	01/11/05	A
40,000 - 49,999	12,000.00	12,000.00	01/11/05	A
50,000 - 59,999	16,000.00	16,000.00	01/11/05	A
60,000 - 69,999	20,000.00	20,000.00	01/11/05	A
70,000 - 79,999	24,000.00	24,000.00	01/11/05	A
80,000 - 89,999	28,000.00	28,000.00	01/11/05	A
90,000 and over	32,000.00	32,000.00	01/11/05	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Club premises certificates</b>				
New application variation				
Band A	100.00	100.00	01/11/05	A
Band B	190.00	190.00	01/11/05	A
Band C	315.00	315.00	01/11/05	A
Band D	450.00	450.00	01/11/05	A
Band E	635.00	635.00	01/11/05	A
Annual maintenance fee				
Band A	70.00	70.00	01/11/05	A
Band B	180.00	180.00	01/11/05	A
Band C	295.00	295.00	01/11/05	A
Band D	320.00	320.00	01/11/05	A
Band E	350.00	350.00	01/11/05	A

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Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Explosives Regulations 2014 (set by HSE)</b> Registration (Unlimited) initial application	500.00	500.00	01/04/17	A
Fireworks Explosives Regulations Health & Safety and Nuclear (Fees) Regulations 2016 Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: (Storage of up to 250kg NEQ)				
New				
New application 1 year	111.00	119.00	01/04/25	A
New application 2 years	144.00	154.00	01/04/25	A
New application 3 years	177.00	190.00	01/04/25	A
New application 4 years	211.00	226.00	01/04/25	A
New application 5 years	243.00	260.00	01/04/25	A
Renewals				
Renewal 1 year	55.00	59.00	01/04/25	A
Renewal 2 years	88.00	94.00	01/04/25	A
Renewal 3 years	123.00	132.00	01/04/25	A
Renewal 4 years	155.00	166.00	01/04/25	A
Renewal 5 years	189.00	202.00	01/04/25	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Explosives Regulations 2014 (set by HSE) continued</b>				
Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: (Storage between 250kg and 2,000kg NEQ)				
<b>New</b>				
New application 1 year	189.00	202.00	01/04/25	A
New application 2 years	248.00	266.00	01/04/25	A
New application 3 years	311.00	333.00	01/04/25	A
New application 4 years	382.00	409.00	01/04/25	A
New application 5 years	432.00	463.00	01/04/25	A
<b>Renewals</b>				
Renewal 1 year	88.00	94.00	01/04/25	A
Renewal 2 years	150.00	161.00	01/04/25	A
Renewal 3 years	211.00	226.00	01/04/25	A
Renewal 4 years	272.00	291.00	01/04/25	A
Renewal 5 years	333.00	357.00	01/04/25	A
<b>Varying a licence</b> (For any other variation-the reasonable cost to the licensing authority of having the work carried out)				
Varying the name of licensee or address of site	37.00	40.00	01/04/25	A
Transfer of licence	37.00	40.00	01/04/25	A
Replacement of licence if lost	37.00	40.00	01/04/25	A

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D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>ENVIRONMENTAL HEALTH:</b>				
Keeping of dangerous wild animals (Dangerous Wild Animals Act 1976)				
New application Part A	407.00	418.00	01/04/25	C
New application Part B	124.00	128.00	01/04/25	C
Note: total fee for new application £546				
Renewal Part A	407.00	418.00	01/04/25	C
Renewal Part B	124.00	128.00	01/04/25	C
Note: total fee for renewal £546				
Replacement or Copy of Keeping of dangerous wild animals Application/Renewal	53.00	55.00	01/04/25	C

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>ENVIRONMENTAL HEALTH:</b>				
<b>Animal Welfare Licences (The Animal welfare (Licensing of Activities Involving Animals) England) Regulations 2018</b>				
<b>Providing and arranging boarding for cat/dog kennels, home boarding for dogs</b>				
New Application Part B (Issue Fee)	418.00	430.00	01/04/25	C
Note: total fee for new application £645	209.00	215.00	01/04/25	C
Renewal Part A (Application Fee)	383.00	394.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £538				
<b>Dog Daycare</b>				
Dog Daycare Part A (Application Fee)	418.00	430.00	01/04/25	C
Dog Daycare Part 3 (Issue Fee)	209.00	215.00	01/04/25	C
Note: total fee for new application £645				
Renewal Part A (Application Fee)	383.00	394.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £543				

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Animal Welfare Licences (continued)</b>				
<b>Dog Breeding</b>				
Dog Breeding Part A (Application Fee) (plus vet visit fee)	453.00	466.00	01/04/25	C
Dog Breeding Part B (Issue Fee)	209.00	215.00	01/04/25	C
Note: total fee for new application £681				
Renewal Part A (Application Fee)(plus vet fee visit fee)	418.00	430.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £547				
<b>Pet Shop Operation</b>				
Pet Shop Operation Part A (Application Fee)	418.00	430.00	01/04/25	C
Pet Shop Operation Part B (Issue Fee)	209.00	215.00	01/04/25	C
Note: total fee for Pet Shop Operation £645				
Renewal Part A (Application Fee)	383.00	394.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £538				

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy



**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Animal Welfare Licences (continued)</b>				
<b>Hiring of Horses</b>				
Hiring of Horses (riding and/or instruction) Part A (Application Fee) (plus vet visit fee)	453.00	466.00	01/04/25	C
Hiring of Horses (riding and/or instruction) Part B (Issue Fee)	209.00	215.00	01/04/25	C
Note: total fee for Hiring of Horses £681				
Renewal Part A (Application Fee)(plus vet fee visit fee)	418.00	430.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £574				
<b>Keeping or Training of Animals for Exhibitions</b>				
Keeping or training of animals for exhibition Part A (Application Fee)	418.00	430.00	01/04/25	C
Keeping or training of animals for exhibition Part B (Issue Fee)	209.00	215.00	01/04/25	C
Note: total fee for Keeping or training of animals for exhibition £645				
Renewal Part A (Application Fee)	383.00	394.00	01/04/25	C
Renewal Part B (Issue Fee)	140.00	144.00	01/04/25	C
Note: total fee for renewal application £538				
Variation of Licence	348.00	358.00	01/04/25	C
Re-rating of Premises	313.00	322.00	01/04/25	C
Amendment Fee/Replacement Licence for a lost or defaced Licence	53.00	55.00	01/04/25	C
Transfer Fee	209.00	215.00	01/04/25	C

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C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Special treatment establishments (London Local Authority Act 1991)</b>				
High risk single treatment New Part A	628.00	645.00	01/04/25	C
High risk single treatment New Part B	187.00	193.00	01/04/25	C
Note: total fee for new application £838				
High risk Multiple treatment New Part A	776.00	797.00	01/04/25	C
High risk Multiple treatment New Part B	187.00	193.00	01/04/25	C
Note: total fee for new application £990				
High risk renewal single treatment Part A	187.00	193.00	01/04/25	C
High risk renewal single treatment Part B	187.00	193.00	01/04/25	C
Note: total fee for renewal £386				
High risk Renewal multiple treatment Part A	259.00	266.00	01/04/25	C
High risk Renewal multiple treatment Part B	187.00	193.00	01/04/25	C
Note: total fee for renewal £459				
Variation (additional treatment High risk)	370.00	380.00	01/04/25	C

**Basis of Increase:**

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Special treatment establishments (Cont.)</b>				
<p>**surcharge to be paid for renewal applications that are received within 30 days from the date the licence lapsed. Any renewal applications received after that period will not be accepted and a new application and associated fee will be required.</p>				
low risk single treatment New Part A	407.00	418.00	01/04/25	C
low risk single treatment New Part B	187.00	193.00	01/04/25	C
Note: total fee for new application £611				
low risk multiple treatment New Part A	555.00	570.00	01/04/25	C
low risk multiple treatment New Part B	187.00	193.00	01/04/25	C
Note: total fee for new application £763				

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Special treatment establishments (Cont.)</b>				
Low risk renewal single treatment Part A	124.00	128.00	01/04/25	C
Low risk renewal single treatment Part B	187.00	193.00	01/04/25	C
Note: total fee for renewal £321				
Low risk renewal multiple treatment Part A	187.00	193.00	01/04/25	C
Low risk renewal multiple treatment Part B	187.00	193.00	01/04/25	C
Note: total fee for renewal £386				
Variation (additional treatment low risk)~	187.00	193.00	01/04/25	C
Change of details/transfer	124.00	128.00	01/04/25	C
Late renewal surcharge	49.00	51.00	01/04/25	C
Change of Therapist	35.00	36.00	01/04/25	C
Duplicate Special treatment establishments licence	53.00	55.00	01/04/25	C
~ if the additional treatment is high risk the higher fee must be paid.				

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Zoo Licensing (Zoo Licensing Act 1981)</b>				
New Application Part A (Part B no charge) (plus vet visit fee)	776.00	797.00	01/04/25	C
Renewal (no change) Part A fee plus vet inspection fee	555.00	570.00	01/04/25	C
Alteration Part A plus vet inspection fee	678.00	697.00	01/04/25	C
<b>Sex Establishment Licensing (Local Govt. Miscellaneous Provisions Act 1982)</b>				
New application Part A (Part B no charge)	2,509.00	2,577.00	01/04/25	C
Renewal Part A fee	370.00	380.00	01/04/25	C
Renewal Part B fee	124.00	128.00	01/04/25	C
Note: total fee for renewal £508				
<b>Hypnotism consent (Hypnotism Act 1952)</b>				
New application Part A	370.00	380.00	01/04/25	C

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Street Trading Licences (London Local Authorities Act 1990)</b>				
Subject to review and a separate consultation for proposed street trading protocol				
<b>Trading between 05:00 - 20:00</b>				
Seven days per week	2,586.00	2,656.00	01/04/25	C
Six days per week	2,216.00	2,276.00	01/04/25	C
Five days per week	1,853.00	1,904.00	01/04/25	C
Four days per week	1,478.00	1,518.00	01/04/25	C
Three days per week	1,113.00	1,144.00	01/04/25	C
Two days per week	741.00	762.00	01/04/25	C
One day per week	372.00	383.00	01/04/25	C
<b>Trading between 20:00 - 02:00</b>				
Seven days per week	3,200.00	3,287.00	01/04/25	C
Six days per week	2,745.00	2,829.00	01/04/25	C
Five days per week	2,286.00	2,348.00	01/04/25	C
Four days per week	1,831.00	1,881.00	01/04/25	C
Three days per week	1,371.00	1,409.00	01/04/25	C
Two days per week	907.00	932.00	01/04/25	C
One day per week	455.00	468.00	01/04/25	C
<b>These can be paid annually in advance</b>				

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Temporary Street Trading Licences (up to 6 months)</b>				
<b>Trading between 05:00 and 20:00</b>				
Seven days per week	1,297.00	1,333.00	01/04/25	C
Six days per week	1,112.00	1,143.00	01/04/25	C
Five days per week	910.00	935.00	01/04/25	C
Four days per week	741.00	762.00	01/04/25	C
Three days per week	557.00	573.00	01/04/25	C
Two days per week	371.00	382.00	01/04/25	C
One day per week	189.00	195.00	01/04/25	C
<b>Temporary Street Trading Licences (up to 6 months)</b>				
<b>Trading between 20:00 and 02:00</b>				
Seven days per week	1,602.00	1,646.00	01/04/25	C
Six days per week	1,377.00	1,415.00	01/04/25	C
Five days per week	1,147.00	1,178.00	01/04/25	C
Four days per week	916.00	941.00	01/04/25	C
Three days per week	686.00	705.00	01/04/25	C
Two days per week	459.00	472.00	01/04/25	C
One day per week	239.00	246.00	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Daily Temporary Licence for special events	53.00	55.00	01/04/25	C
Duplicate Licence	57.00	59.00	01/04/25	C
Variations to existing Licences	122.00	126.00	01/04/25	C
<b>Pavement Licence (Business and Planning Act 2020)</b>				
New Application (Two-year Licence)	500.00	500.00	22/07/24	D
Renewal Application (Two-year Licence)	350.00	350.00	22/07/24	D

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Land Quality Reports</b>				
Written report that takes less than 2 hours to complete:				
a) 5 working day response (where available and on request)	648.00 *	666.00 *	01/04/25	C
b) 20 working day response	358.00 *	368.00 *	01/04/25	C
For every hour over 2 hours	107.00 *	110.00 *	01/04/25	C
To respond to specific questions on land quality hourly rate	107.00 *	110.00 *	01/04/25	C
<b>Mandatory HMO Licensing (Housing Act 2004)</b>				
Licences usually valid for 5 years				
Up to 5 lettings	1,294.00	1,329.00	01/04/25	C
6 - 9 lettings	1,490.00	1,530.30	01/04/25	C
10 - 14 lettings	1,709.00	1,755.20	01/04/25	C
15 - 19 lettings	1,890.00	1,941.10	01/04/25	C
20 lettings and above	2,074.00	2,130.00	01/04/25	C
Additional fee for processing paper applications	114.00	117.10	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Additional HMO Licence (usually valid for 5 years)</b>				
Additional licence fees are split into two payments				
Part A (application fee)	550.00	550.00	01/04/20	D
Part B (licensing fee)	350.00	350.00	01/04/20	D
<b>Selective Licensing for Privately Rented Homes (usually valid for 5 years)</b>				
Selective licence fees are split into two payments				
Part A (application fee)	450.00	450.00	01/04/20	D
Part B (licensing fee)	450.00	450.00	01/04/20	D
<b>Additional fee for processing paper applications</b>	107.00	107.00	01/04/23	D
Charge for assisted applications	107.00	107.00	01/04/23	D
<b>Discounts available*</b>				
Landlord accreditation scheme:				
<b>A £35 discount on the Part B fee only is available to accredited landlords</b>				
<b>Multi property discount:</b>				
*A discount of £100 per dwelling in the same building, after the first licence, providing each of the dwellings have common ownership and management control				
**Discounts will not be applicable where the LA has served a warning letter for failure to licence the property.				

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Caravan site licence (Caravan Sites and Control of Development Act 1960)	465.00	477.60	01/04/25	C
<b>Miscellaneous housing-related fees</b>				
Fee for each type of statutory Notice served under Housing Act 2004 with the ability to add the cost of any report required from external experts such as Gas, Electricity or Structural Surveyors	593.00	609.00	01/04/25	C
<b>Gambling Act 2005 Bingo Club premises</b>				
Fees set by LA (subject to maxima set by Govt.)				
New premises application	3,500.00	3,500.00	01/04/20	D
Annual fee	830.00	853.00	01/04/25	C
Application to vary	1,380.00	1,418.00	01/04/25	C
Application to transfer	699.00	718.00	01/04/25	C
Application for reinstatement	1,082.00	1,112.00	01/04/25	C
Application for a provisional statement	1,442.00	1,481.00	01/04/25	C
License application (provisional statement holders)	1,082.00	1,112.00	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Betting shop</b>				
New premises application	1,416.00	1,455.00	01/04/25	C
Annual fee	600.00	600.00	01/04/20	D
Application to vary	1,060.00	1,089.00	01/04/25	C
Application to transfer	700.00	719.00	01/04/25	C
Application for reinstatement	1,082.00	1,112.00	01/04/25	C
Application for a provisional statement	1,443.00	1,482.00	01/04/25	C
License application (provisional statement holders)	1,082.00	1,112.00	01/04/25	C
<b>Betting premises tracks</b>				
New premises application	2,500.00	2,500.00	01/04/20	D
Annual fee	1,000.00	1,000.00	01/04/22	D
Application to vary	1,250.00	1,250.00	01/04/22	D
Application to transfer	698.00	717.00	01/04/25	C
Application for reinstatement	950.00	950.00	01/04/22	D
Application for a provisional statement	2,500.00	2,500.00	01/04/20	D
License application (provisional statement holders)	950.00	950.00	01/04/22	D

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Family Entertainment centres</b>				
New premises application	1,897.00	1,949.00	01/04/25	C
Annual fee	750.00	750.00	01/04/22	D
Application to vary	1,000.00	1,000.00	01/04/20	D
Application to transfer	699.00	718.00	01/04/25	C
Application for reinstatement	950.00	950.00	01/04/22	D
Application for a provisional statement	1,938.00	2,000.00	01/04/25	C
License application (provisional statement holders)	950.00	950.00	01/04/21	D
<b>Adult gaming centres</b>				
New premises application	1,923.00	2,000.00	01/04/25	C
Annual fee	832.00	855.00	01/04/25	C
Application to vary	1,000.00	1,000.00	01/04/20	D
Application to transfer	699.00	718.00	01/04/25	C
Application for reinstatement	986.00	1,013.00	01/04/25	C
Application for a provisional statement	1,919.00	2,000.00	01/04/25	C
License application (provisional statement holders)	1,046.00	1,075.00	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Scrap Metal Dealers Act 2013</b>				
Application for a new scrap metal site licence	1,053.00	1,082.00	01/04/25	C
Application for a new scrap metal collectors licence	341.00	351.00	01/04/25	C
Application for a variation of an existing site licence to a collectors licence	171.00	176.00	01/04/25	C
Application for a variation of an existing collectors licence to a site licence	889.00	914.00	01/04/25	C
Application for a variation of an existing licence not listed above	236.00	243.00	01/04/25	C
Renewal application for a site licence under Scrap Metal Dealers Act 2013	1,053.00	1,082.00	01/04/25	C
Renewal application for a collectors licence under Scrap Metal Dealers Act 2013	317.00	326.00	01/04/25	C
Lost licence replacement	32.00	33.00	01/04/25	C
<b>Marriage Act 1949</b>				
Wedding Registration				
New application Part A fee	830.00	853.00	01/04/25	C
New Application Part B fee	223.00	230.00	01/04/25	C
Note: Total fee parts A and B £1083				
Renewal of Premises Licensing				
Renewal Part A fee	240.00	247.00	01/04/25	C
Renewal Part B fee	223.00	230.00	01/04/25	C
Note: Total fee parts A and B £477				

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Primary Authority</b>				
Annual Fee, pays for 20 hours work (Enterprise and Regulatory Reform Act)	1,521.00	1,563.00	01/04/25	C
Hourly rate, agreed in advance for work beyond 20 hours.	78.00	81.00	01/04/25	C
<b>Food</b>				
Health Export Certificates (these are issued on request to food businesses who wish to export foodstuff outside the EU. They are provided to assist local exporters in meeting the food safety requirements. Only the local authority can provide them).	66.00	68.00	01/04/25	C
Food Hygiene Rating Requested rerating inspection, New charge for 2017. Can only be supplied by the local authority by the Enterprise Act. No Vat applicable	292.00	300.00	01/04/25	C

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>ENVIRONMENTAL ENFORCEMENT</b>				
<b>Environmental offences</b>				
<b>Fixed penalty notices</b>				
Levels are set by legislation and London Councils Transport and Environment Committee Guidelines.				
Fly Tipping	400.00	400.00	01/04/20	A
Householder Duty of Care	400.00	400.00	01/04/22	A
Fail to produce Waste Transfer Notes	300.00	300.00	01/04/20	A
Litter	150.00	150.00	01/04/20	A
Fail to comply requirement or condition in Abatement Notice	110.00	110.00	01/04/20	A
Fail to comply Community Protection Notice	100.00	100.00	01/04/20	A
Fail to comply Public Space Protection Order	100.00	100.00	01/04/20	A
Fail to produce authority to carry waste	300.00	300.00	01/04/20	A
Fail to comply with receptacles notice (Commercial)	110.00	110.00	01/04/20	A
Unlicensed Street Trading	150.00	150.00	01/04/20	A
Fail to comply conditions Street Trading License / temp License	100.00	100.00	01/04/20	A
Fail to produce a Street Trading Licence / Temp Licence on demand	100.00	100.00	01/04/20	A
Making a false statement to obtain a Street Trading Licence	125.00	125.00	01/04/20	A
Resisting or obstructing an authorised officer	250.00	250.00	01/04/20	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Fixed penalty notices (Continue)</b>				
Nuisance Vehicles exposed for sale Unlicensed Trade	150.00	150.00	01/04/20	A
Abandoned Vehicles	200.00	200.00	01/04/20	A
Unauthorised distribution of printed matter	75.00	75.00	01/04/20	A
Fly Posting	150.00	150.00	01/04/20	A
Display advertisement in contravention of regulations	75.00	75.00	01/04/20	A
Graffiti	150.00	150.00	01/04/20	A
Marks / picture/ sign on highway or highway furniture	100.00	100.00	01/04/20	A
Wilful obstruction	100.00	100.00	01/04/20	A
Erect building / fence / hedge on highway	100.00	100.00	01/04/20	A
Deposit skip on highway without authority	100.00	100.00	01/04/20	A
Deposit skip on highway failure to light or sign	100.00	100.00	01/04/20	A
Deposit skip on highway failure to display name and address	100.00	100.00	01/04/20	A
Deposit skip on highway fail to remove	100.00	100.00	01/04/20	A
Deposit skip on highway fail to comply conditions / permit	100.00	100.00	01/04/20	A
Deposit skip on highway fail to remove / reposition	100.00	100.00	01/04/20	A
Deposit material on made up carriageway	100.00	100.00	01/04/20	A
Deposit material within 15 feet of centre carriageway	100.00	100.00	01/04/20	A
Deposit material on highway to interruption of user	100.00	100.00	01/04/20	A

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Fixed penalty notices (Continue)</b>				
Pitching booths / stalls / stands / camp on highway	100.00	100.00	01/04/20	A
Fail to prevent soil / mud / refuse escape to sewer / road	100.00	100.00	01/04/20	A
Fail to remove projection	100.00	100.00	01/04/20	A
Fail to prevent door etc, opening onto street	100.00	100.00	01/04/20	A
Deposit things on highway which cause injury or danger	100.00	100.00	01/04/20	A
Erect scaffold or structure on highway without licence (fail to comply condition)	100.00	100.00	01/04/20	A
<p><i>The above fines are subject to early repayment discounts in line with issued Terms and Conditions.</i></p>				

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**Place  
Planning & Public Protection**

(A) Statutory and Nationally Agreed Charges -

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Letting Agency and Tenant Fees Enforcement Work (Fixed Penalty Notices)</b>				
Requirement breach to belong to a Redress Scheme for Letting Agency/Property Management Work.	Up to £5,000	Up to £5,000	01/04/24	A
Failure to publish/display : (a) Letting agency /property management fees. (b) Statement of client money protection membership. (c) Statement of property Redress Scheme Membership.	Up to £5,000	Up to £5,000	01/04/24	A
Failure to meet/breach of the Tenant's Fees Act 2019 requirements	Up to £30,000	Up to £30,000	01/04/24	A
Breach of requirement to belong to a client money protection Scheme	Up to £30,000	Up to £30,000	01/04/24	A
Failure to display/publish Client Money Protection Membership Certificate or give a copy of certificate free of charge	Up to £5,000	Up to £5,000	01/04/24	A
Maximum Penalty can be applied for each of the above breach/offence				

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

## Place Trading Standards

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>TRADING STANDARDS:</b>				
Trading Standards NE London Metrology Partnership Income Income is credited to the joint trading account				
Section 11 (4) of the Weights and Measures Act 1985				
<b>Measuring Instruments:</b>				
<b>(a) Linear (with or without divisions/sub divisions)</b>				
First Tape	27.70 *	28.50 *	01/04/25	C
<b>(b) Capacity (without divisions, not exceeding 1 litre) - each measure</b>				
	27.30 *	28.10 *	01/04/25	C
<b>(c) Cubic ballast</b>				
Other than brim (each measure)	262.10 *	269.20 *	01/04/25	C
Brim/bucket type (each measure)	262.10 *	269.20 *	01/04/25	C
1. Liquid capacity measures for making and checking average quantity purchases each measure	53.10 *	54.60 *	01/04/25	C

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## Place Trading Standards

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Measuring Instruments (continued):</b>				
2. Templates (per scale)				
First item	93.30 *	95.90 *	01/04/25	C
Second and subsequent items	45.10 *	46.40 *	01/04/25	C
<b>(d) Liquid fuel, Lubricants etc. (each instrument)</b>				
1. Container type (not sub-divided)	159.20 *	163.50 *	01/04/25	C
2. Other types (multi-outlets)				
1 meter tested	219.90 *	225.50 *	01/04/25	C
Each additional meter tested	129.80 *	133.30 *	01/04/25	C
3. Test of peripheral equipment on separate visit (per hour)	155.30 *	159.50 *	01/04/25	C
4. Test of credit card acceptor (per hour)	155.30 *	159.50 *	01/04/25	C
5. MID verification				
1 meter tested	264.00 *	271.20 *	01/04/25	C
Each additional meter	160.40 *	164.80 *	01/04/25	C

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## Place Trading Standards

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Measuring Instruments (continued):</b>				
<b>(e) Intoxicating liquor (each instrument)</b>				
Not exceeding 150ml (individual submissions)	33.10 *	34.00 *	01/04/25	C
Other	36.90 *	37.90 *	01/04/25	C
<b>(f) Each weight (stamping)</b>				
1. Weights exceeding 5kg or not exceeding 500mg, 2cm	20.40 *	21.00 *	01/04/25	C
2. Other weights	15.30 *	15.80 *	01/04/25	C
3. Other weights (more than one submitted)	13.80 *	14.20 *	01/04/25	C
4. Adjusting weights (per hour)	161.70 *	166.10 *	01/04/25	C
<b>(g) Verification - Weighing Machines / Weighing Equipment</b>				
1. Calibrated to weigh only metric:				
Not exceeding 15kg	158.20 *	162.50 *	01/04/25	C
Exceeding 15kg to 100kg	164.60 *	169.10 *	01/04/25	C
Exceeding 100kg to 250kg	188.60 *	193.70 *	01/04/25	C
Exceeding 250kg to 1 tonne	198.00 *	203.40 *	01/04/25	C
Exceeding 1 tonne to 10 tonne	243.00 *	249.60 *	01/04/25	C
Exceeding 10 tonnes to 30 tonnes	511.40 *	525.30 *	01/04/25	C
Exceeding 30 tonnes to 60 tonnes	760.70 *	781.30 *	01/04/25	C

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## Place Trading Standards

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Measuring Instruments (continued):</b>				
2. When testing instruments incorporate peripherals such as remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged at the standard hourly rate:	159.90 *	164.30 *	01/04/25	C
3. Medical weighing scales (per hour)				
Not exceeding 15kg	143.00 *	146.90 *	01/04/25	C
Exceeding 15kg to 100kg	143.00 *	146.90 *	01/04/25	C
Exceeding 100kg to 250kg	158.30 *	162.60 *	01/04/25	C
Exceeding 250kg to 1 tonne	158.30 *	162.60 *	01/04/25	C
<b>Certificate of errors</b>				
For supplying a certificate containing results of errors found on testing (certificate supplied upon request of the submitter, fee applies when no other fee is payable)	73.90 *	75.90 *	01/04/25	C
<b>Measuring Instrument Directive</b>				
Measuring Instruments for liquid fuel and lubricants (No VAT will be charged for initial verification, re-verification will attract VAT) (surcharge over fee listed above)	20% Surcharge *	20% Surcharge *	01/04/24	C

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(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Measuring Instruments (continued):</b>				
<b>Other Weighing or Measuring Equipment</b>				
Brake tester/spring balance type	94.40 *	97.00 *	01/04/25	C
For equipment other than the categories specifically described above, or equipment submitted for testing by means of statistical sampling techniques, or in pursuance of a Community obligation other than EEC. Initial or partial verification per man hour spent at place of submission of equipment etc. (pro rata for one quarter hour periods)	143.00 *	146.90 *	01/04/25	C
<b>Standards Services provided to Other Local Authorities</b>				
Testing and Associated Services (per hour)	133.20	136.80	01/04/25	C
Collection Delivery charge (price shown is per mile) return trip + congestion charge where applicable	1.00	1.00	01/04/20	D
Inspections during standard office hours, including travelling time	133.20	136.80	01/04/25	C
Block Booked and Pre-paid Inspections totalling more than £5,000 (per hour)	93.30	95.90	01/04/25	C

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## Place Trading Standards

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Section 76 of the 1985 Act</b>				
For other services or facilities provided, or for authorisation, certificates or other documents issued in pursuance of a community obligation				
Per man hour spent at place of providing the service, facility etc. (pro rata of one quarter hour periods)	133.20	136.80	01/04/25	C
<b>GLC (General Powers) Act 1985</b>				
Competitive Bidding - Licence Registration fee	437.00	437.00	01/04/23	D
<b>Financial Investigation by Accredited Financial Investigator (LA)</b>				
Where no individual agreement exists, per hour spent by AFI	81.00	81.00	01/04/24	D

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>S106 Monitoring Fees</b>				
Key non-financial obligations (per obligation)	1,093.00	1,123.00	01/04/25	C
Fixed Financial Obligations				
5% of the value of the total contributions				
minimum fee	1,093.00	1,123.00	01/04/25	C
maximum fee	43,720.00	44,920.00	01/04/25	C
Financial Obligations with future calculation				
Per Obligation	1,093.00	1,123.00	01/04/25	C
Additonal 5% of value of total contribution with a:				
minimum fee	1,093.00	1,123.00	01/04/25	C
maximum fee	43,720.00	44,920.00	01/04/25	C

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Other S106 Fees</b>				
Confirmation as to whether S106 obligations have been discharged	165.00	170.00	01/04/25	C
Fee for Request to vary S106 obligations less than 5 years old (does not include monitoring fee if S106 DoV approved)	552.00	567.00	01/04/25	C
<b>Invalid Planning Applications</b>				
Fee for submission of invalid planning application - Full	128.00	132.00	01/04/25	C
Fee for submission of invalid planning application - Householder	64.00	66.00	01/04/25	C
<b>Self Build Register</b>				
Entry onto Self Build register Part 1	100.00	103.00	01/04/25	C
Entry onto Self Build register Part 2	80.00	83.00	01/04/25	C

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**Place  
Planning & Building**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>PLANNING AND BUILDING CONTROL:</b>				
Other Planning requests - per hour (minimum 1/2 hour)	91.00	94.00	01/04/25	C
Other Building Control requests - per hour (minimum 1/2 hour)	91.00	94.00	01/04/25	C
[The Building (Local Authority Charges) Regulations 2010] Committee reports (available from website for free)				
Scanning/Printing Cost per A4 and A3 sheet (minimum charge £2.50)	0.40	0.50	01/04/25	C
Scanning/Printing of plans (per sheet)	25.50	26.20	01/04/25	C
Demolition Notices (Per Site) (larger sites will be assessed separately, customers are invited to contact Building control for a bespoke price)	319.00	328.00	01/04/25	C
Building Control - Dangerous Structure charge				
8am - 5pm - per hour	107.00	110.00	01/04/25	C
5pm - 8am - per hour	128.00	132.00	01/04/25	C
(Travelling costs will also be charged as appropriate as well as Dangerous Structures Consortium Contractors Costs)				

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Planning & Building**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Pre-Application advice</b>				
Pre-Application advice				
Householder/Small Business - Face to Face	128.00 *	132.00 *	01/04/25	C
Householder/Small Business - Written Response	213.00 *	219.00 *	01/04/25	C
Change of Business Premises up to 99 sq.m	382.00 *	393.00 *	01/04/25	C
Pre-Application advice - Residential units/Commercial or Industrial Floor space				
1 residential unit	382.00 *	393.00 *	01/04/25	C
1 residential unit - Follow up advice	191.00 *	197.00 *	01/04/25	C
2-3 residential/100-499sq m floor space	743.00 *	763.00 *	01/04/25	C
2-3 residential/100-499sq m floor space - Follow up advice	266.00 *	274.00 *	01/04/25	C
4-9 residential/500-999 sq. m floor space	1,910.00 *	1,962.00 *	01/04/25	C
4-9 residential/500-999 sq. m floor space - Follow up advice	637.00 *	655.00 *	01/04/25	C
10-24 residential/1000-1999 sq.m floor space/telecoms	4,244.00 *	4,359.00 *	01/04/25	C
10-24 residential/1000-1999 sq.m floor space/telecoms - Follow up advice	1,061.00 *	1,090.00 *	01/04/25	C

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Planning & Building**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Planning Performance Agreements (PPA)</b>				
Initiation Fee	6,048.00	6,212.00	01/04/25	C
Premium Initiation	7,321.00	7,519.00	01/04/25	C
Residential 25-49 Dwellings, Non-residential Up to 3000 sq m	23,900.00	24,600.00	01/04/25	C
Residential 50-100 dwellings, Non-residential Up to 3001 - 5000 sq m, Mineral extraction up to 10 hectares	35,900.00	36,900.00	01/04/25	C
Residential 101-150 dwellings, Non-residential 5001-10000 sq m, Mineral extraction 10.1- 20 hectares	47,800.00	49,100.00	01/04/25	C
Residential 151-300 dwellings, Non-residential Up to 20,000 sq m, Mineral extraction 20.1 – 30 hectares	59,800.00	61,500.00	01/04/25	C
Residential 301-600 dwellings, Mineral extraction more than 30 hectares	83,600.00	85,900.00	01/04/25	C
Residential 601-900 dwellings	107,600.00	110,600.00	01/04/25	C
Residential 901+ dwellings	119,200.00	122,500.00	01/04/25	C
Research, retrieval and copy of one document for domestic properties	50.70	52.10	01/04/25	C
Research, retrieval and copy of one document for non-domestic properties	76.50	78.60	01/04/25	C
For each additional document	24.50	25.20	01/04/25	C
Planning Condition History Search (30 minutes)	46.00	47.30	01/04/25	C
Additional research time (per 15 minutes)	23.00	23.70	01/04/25	C

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**Place  
Planning & Building**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Supply of letter detailing inspections (where no completion certificate exists) per hour	144.00	148.00	01/04/25	C
Request for written confirmation that an Enforcement Notice has been complied with or is no longer of effect	178.00	183.00	01/04/25	C
Request to withdraw Enforcement Notice where the notice is no longer of effect	1,013.00	1,040.00	01/04/25	C
High Hedge Complaint	1,200.00	1,235.00	01/04/25	C

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>LOCAL LAND CHARGES:</b>				
Certain fees are laid down in regulations made under the Local Land Charges Act 1975.				
Fees for Official Local Land Charge Certificates				
Registration of a charge in Part II of the registers	110.00	113.00	01/04/25	C
<b>Official search (including issue of official certificate of search)</b>				
a) in only part of the register (one parcel)	11.30	11.60	01/04/25	C
b) in only part of register (each additional parcel thereafter)	3.50	3.60	01/04/25	C
c) in the whole of the register - post or fax (one parcel)	27.00	27.80	01/04/25	C
d) in the whole of the register - post or fax (each additional parcel thereafter)	7.00	7.20	01/04/25	C
e) in the whole of the register - where the requisition is made by electronic means in accordance with rule 16 (one parcel)	27.00	27.80	01/04/25	C
f) in the whole of the register - where the requisition is made by electronic means in accordance with rule 16 (each additional parcel thereafter)	7.00	7.20	01/04/25	C
Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)	2.35	2.40	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Office copy of any plan or other document filed pursuant to these rules:</b>				
Extract of register in place of personal search				
First Page	3.50	3.60	01/04/25	C
Subsequent pages	1.15	1.20	01/04/25	C
<b>CON29(R) Enquiries</b>				
One parcel of land	129.00	132.00	01/04/25	C
Several parcels of land				
Each additional (fees that exceed 100 to be fixed by arrangement)	55.50	57.00	01/04/25	C
<b>Part 2 Enquiries</b>				
Each printed enquiry	27.50	28.20	01/04/25	C
With exception to Question 4	41.50	42.70	01/04/25	C
With exception of surrounding area enquiries	46.00	47.30	01/04/25	C

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(B) Charges determined by Cabinet

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<b>Copying Charges - Legal Documents</b>				
Certified Copy of Land Search - Paper Copy	19.10	19.60	01/04/25	C
First Page	3.50	3.60	01/04/25	C
Subsequent pages	0.70	0.80	01/04/25	C
Certified copy of extract of Highways Register (letter and extract)	38.50	39.60	01/04/25	C
Certified copy of extract of Highways Register (extract only and collection only)	19.10	19.70	01/04/25	C
<b>New Residential Addresses - (building names included) in an existing road</b>				
1 dwelling	82.00	84.30	01/04/25	C
2 - 5 dwellings	102.00	105.00	01/04/25	C
6 - 25 dwellings	120.00	123.00	01/04/25	C
26 - 45 dwellings	247.00	254.00	01/04/25	C
46 - 100 dwellings	526.00	540.00	01/04/25	C
100+ plots	887.00	911.00	01/04/25	C
Plus an extra fee for each additional 10 dwellings (or part thereof)	120.00	123.00	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>New Residential Addresses (building names included) plus single road name</b>				
1 - 5 dwellings	172.00	176.60	01/04/25	C
6 - 25 dwellings	197.00	202.50	01/04/25	C
26 - 45 dwellings	316.00	324.50	01/04/25	C
46 - 100 dwellings	595.00	611.00	01/04/25	C
100+ plots	957.00	983.00	01/04/25	C
Plus an extra fee for each additional 10 dwellings (or part thereof)	197.00	202.50	01/04/25	C
 For each additional road name	 82.00	 84.30	 01/04/25	 C
<b>New Commercial/Industrial Addresses (building name included) in an existing road</b>				
1 unit	82.00	84.30	01/04/25	C
2 - 5 units	102.00	105.00	01/04/25	C
6 - 10 units	120.00	123.00	01/04/25	C
11+ units	171.00	175.60	01/04/25	C

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Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>New Commercial/Industrial Addresses (building name included) plus a single road name</b>				
1 unit	102.00	105.00	01/04/25	C
2 - 5 units	120.00	123.00	01/04/25	C
6 - 10 units	146.00	150.00	01/04/25	C
11+ units	197.00	202.50	01/04/25	C
For each additional road name	82.00	84.30	01/04/25	C
New street name without any new dwellings or units	82.00	84.30	01/04/25	C
Naming of land parcel	82.00	84.30	01/04/25	C
Renaming of existing road or building (residential, commercial or industrial)	82.00	84.30	01/04/25	C
Plus an extra fee of £27.00 for each additional dwelling or building affected.	27.00	27.80	01/04/25	C
Research time: flat fee for 2 hour research into possible building/street names Non-refundable in the event that the suggested name(s) are not selected. One set of research to be undertaken on each application site only.	157.00	161.50	01/04/25	C

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

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Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
<b>Building Control Fees</b>				
New Dwellings less than 150m <sup>2</sup>				
Number				
1	1,290.00 *	1,325.00 *	01/04/25	C
2	1,721.00 *	1,765.00 *	01/04/25	C
3	2,007.00 *	2,205.00 *	01/04/25	B
4	2,437.00 *	2,645.00 *	01/04/25	B
5	2,725.00 *	3,085.00 *	01/04/25	B
6	3,153.00 *	3,525.00 *	01/04/25	B
For more than 6 dwellings, charges will be assessed individually				

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**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Extensions, garage conversions and loft conversions Separate extensions constructed at the same time may be aggregated together				
Detached non-habitable building having a floor area not exceeding 40m <sup>2</sup> in total				
Fee	627.00 *	644.00 *	01/04/25	C
Fast Track	690.00 *	708.00 *	01/04/25	C
Garage conversions where the total floor area does not exceed 30m <sup>2</sup> including means of access and work in connection with that extension.				
Fee	627 *	644.00 *	01/04/25	C
Fast Track	690.00 *	708.00 *	01/04/25	C
Any extension of loft conversion where the total floor area of which does not exceed 30m <sup>2</sup> including means of access and work in connection with that extension				
Fee	800.00 *	822.00 *	01/04/25	C
Fast Track	880.00 *	904.00 *	01/04/25	C
Any extension or loft conversion where the total floor area of which exceeds 30m <sup>2</sup> , but does not exceed 60m <sup>2</sup> including means of access and work in connection with that extension.				
Fee	1,102.00 *	1,132.00 *	01/04/25	C
Fast Track	1,212.00 *	1,245.00 *	01/04/25	C

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Any extension or loft conversion where the total floor area of which exceeds 60m <sup>2</sup> , but does not exceed 100m <sup>2</sup> including means of access and work in connection with that extension				
Fee	1,309.00 *	1,345.00 *	01/04/25	C
Fast Track	1,440.00 *	1,480.00 *	01/04/25	C
Extension or loft conversion or garage conversion of more than 100m <sup>2</sup> , please refer to charges for other works, otherwise contact building control for individually assessed charges				
For estimated cost of works exceeding £200,000, please contact building control for individually assessed charges. Building Safety Regulator work (per hour)	114.54	118.00	01/04/25	C

**Basis of Increase:**

- A - Statutory/National
- B - To be agreed by Cabinet and/or subject to corporate savings plan
- C - Inflationary and rounding increases
- D - A local charging policy that deviates from the Corporate Charging Policy

**Place  
Planning & Public Protection**

(B) Charges determined by Cabinet

\*VAT inclusive

Income Source	Charges 2024/25 (from April 2024) £	Charges 2025/26 (from April 2025) £	Operative Date of Latest Notified Charge	Basis of Increase
Charges for other works				
Estimated Cost of Work				
£0 - £2,000	318.00 *	Withdrawn *	01/04/25	C
£2,000 - £5,000	477.00 *	Withdrawn *	01/04/25	C
£0 - £5,000		490.00 *	01/04/25	NEW
£5,000 - £10,000	627.00 *	644.00 *	01/04/25	C
£10,000 - £20,000	819.00 *	841.00 *	01/04/25	C
£20,000 - £30,000	996.00 *	1,023.00 *	01/04/25	C
£30,000 - £40,000	1,143.00 *	1,174.00 *	01/04/25	C
£40,000 - £50,000	1,288.00 *	1,323.00 *	01/04/25	C
£50,000 - £60,000	1,396.00 *	1,434.00 *	01/04/25	C
£60,000 - £70,000	1,504.00 *	1,545.00 *	01/04/25	C
£70,000 - £80,000	1,612.00 *	1,656.00 *	01/04/25	C
£80,000 - £90,000	1,734.00 *	1,781.00 *	01/04/25	C
£90,000 - £100,000	1,853.00 *	1,903.00 *	01/04/25	C
£100,000 - £120,000	1,981.00 *	2,034.00 *	01/04/25	C
£120,000 - £140,000	2,141.00 *	2,199.00 *	01/04/25	C
£140,000 - £170,000	2,269.00 *	2,330.00 *	01/04/25	C
£170,000 - £200,000	2,530.00 *	2,598.00 *	01/04/25	C

**Basis of Increase:**

A - Statutory/National

B - To be agreed by Cabinet and/or subject to corporate savings plan

C - Inflationary and rounding increases

D - A local charging policy that deviates from the Corporate Charging Policy



**THE COUNCIL TAX RESOLUTION**

The Council has to formally resolve that it calculates certain figures, which broadly are:

- its gross expenditure, including contingency and levies (but not precepts)
- its gross income from fees & charges and other sources, specific grants, external finance from the Government, and any surplus/deficit on the collection fund
- the difference between the two, being the amount which the Council needs for its own services to be paid from the collection fund, defined as the Council Tax requirement
- the basic amount of Council Tax for the net position of all these figures, including precepts, and
- the amount of Council Tax for each other category of dwelling.

The Council is also required to formally approve the management of the Council's treasury management functions, including the Treasury Management Strategy Statement, Prudential Indicators and Minimum Revenue Provision Statement; the proposed revenue budget for both the General Fund and Schools' Delegated Budgets; the Capital Strategy & Programme and the Housing Revenue Account.

**Cabinet recommends the Council to adopt the following resolutions as set out below.**

**The effect of adopting these resolutions would be to set the Council Tax for a Band D property at £2,313.55**

**RECOMMENDATIONS**

1. That it be noted that under delegated powers the Chief Finance Officer has calculated the amount of 90,151 (called T in the Act and Regulations) as its Council Tax base for the year 2025/26 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) made under Section 31B of the Local Government Finance Act 1992 as amended.
2. That the amount of £164,361,000 be now calculated as the Council Tax requirement for the Council's own purposes for 2025/26, with £26,147,000 of that amount being ringfenced for Adult Social Care.

3. That the following amounts be now calculated by the Council for the year 2025/26 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a)	723,762,000	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	(559,401,000)	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	164,361,000	being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
(d)	£1,823.17	being the amount at (c) above divided by the taxbase, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

4. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in the table below as the amounts of Council Tax for 2025/26 for each of the categories of dwellings.

<b>Valuation Bands London Borough of Havering</b>			
	<b>Havering</b>	<b>Adult Social Care</b>	<b>Total</b>
	<b>£ p</b>	<b>£ p</b>	<b>£ p</b>
A	1,022.09	193.36	1,215.45
B	1,192.44	225.59	1,418.03
C	1,362.78	257.81	1,620.59
D	1,533.13	290.04	1,823.17
E	1,873.83	354.49	2,228.32
F	2,214.52	418.95	2,633.47
G	2,555.22	483.40	3,038.62
H	3,066.26	580.08	3,646.34

5. That it be noted for the year 2025/26 the major precepting authority (the GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below as proposed by the Mayor.

<b>Valuation Bands Greater London Authority</b>	
	<b>£ p</b>
A	326.92
B	381.41
C	435.89
D	490.38
E	599.35
F	708.33
G	817.30
H	980.76

6. That, having calculated the aggregate in each case of the amounts at 7 and 8 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2025/26 for each of the categories of dwellings shown below:

<b>Valuation Bands</b>	<b>£ p</b>
A	1,542.37
B	1,799.44
C	2,056.48
D	2,313.55
E	2,827.67
F	3,341.80
G	3,855.92
H	4,627.10

7. That Council having considered the principles approved under the Local Government Finance Act 1992 by the Secretary of State for Communities and Local Government concludes that the Council's basic relevant amount of Council Tax for 2025/26 is not excessive.

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## APPENDIX F

### The Council's Revenue Budget 2025/26

Budget Area	Revised 24/25 Budget (m)	Grant and CT increase (m)	Growth (m)	Savings (m)	Opening 25/26 budget (m)
Starting Well	71.760		14.990	-0.620	86.130
Living Well	47.150		12.230	-1.540	57.840
Ageing Well	48.550		12.710	-3.250	58.010
<b>TOTAL PEOPLE BUDGET</b>	<b>167.460</b>	<b>0.000</b>	<b>39.930</b>	<b>-5.410</b>	<b>201.980</b>
Environment	12.760		6.930	-0.070	19.620
Planning and Public Protection	4.740		0.500		5.240
Housing and Property	-1.150		1.120	-0.030	-0.060
<b>TOTAL PLACE BUDGET</b>	<b>16.350</b>	<b>0.000</b>	<b>8.550</b>	<b>-0.100</b>	<b>24.800</b>
<b>TOTAL RESOURCES BUDGET</b>	<b>5.930</b>		<b>2.780</b>	<b>-0.800</b>	<b>7.910</b>
<b>TOTAL ONE SOURCE SHARED</b>	<b>5.360</b>				<b>5.360</b>
Concessionary Fares	6.500		0.890		7.390
Treasury Management	11.880		10.680	-0.140	22.420
Levies	18.910		0.410		19.320
Contingency	1.000				1.000
Grants (excluding SFA)	-43.710	-5.670			-49.380
Corporate Budgets	12.360	0.410	14.930	-1.200	26.500
Contribution to Pension Fund	9.480		0.500	-1.500	8.480
Capitalisation Directive	-14.000	-71.210	14.000		-71.210
<b>TOTAL CORPORATE BUDGETS</b>	<b>2.420</b>	<b>-76.720</b>	<b>41.410</b>	<b>-2.840</b>	<b>-35.480</b>
<b>BUDGET REQUIREMENT</b>	<b>197.520</b>	<b>-76.720</b>	<b>92.670</b>	<b>-9.150</b>	<b>204.570</b>
Settlement Funding Assessment	-39.500	-0.600			-40.100
Council Tax	-158.020	-5.350		-1.100	-164.470
<b>FUNDING</b>	<b>-197.520</b>	<b>-5.950</b>	<b>0.000</b>	<b>-1.100</b>	<b>-204.570</b>

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# Appendix G



**Haverling**  
LONDON BOROUGH

<b>Name</b>	<b>The London Borough of Havering, Budget Consultation Analysis 2025</b>
<b>Version number</b>	V2
<b>Status</b>	Final Includes all online and paper copies
<b>Authors</b>	Louise Warner (Insight Team) Sue Verner (Engagement and Participation Team)
<b>Date</b>	Cabinet Wednesday 5 February 2025



## Budget 2025 Consultation

Website: <https://consultation.havering.gov.uk/corporate/budget25>

Open Date: 22 November 2024

Close Date: 3 January 2025

Responses	
Mobile (phone or tablet)	400
Desktop	183
Paper	25
<b>Total</b>	<b>608</b>

Budget event	Date	Start Time	Attendance
<b>Town Hall, Romford</b>	Wednesday 18 December	7pm to 9pm	14

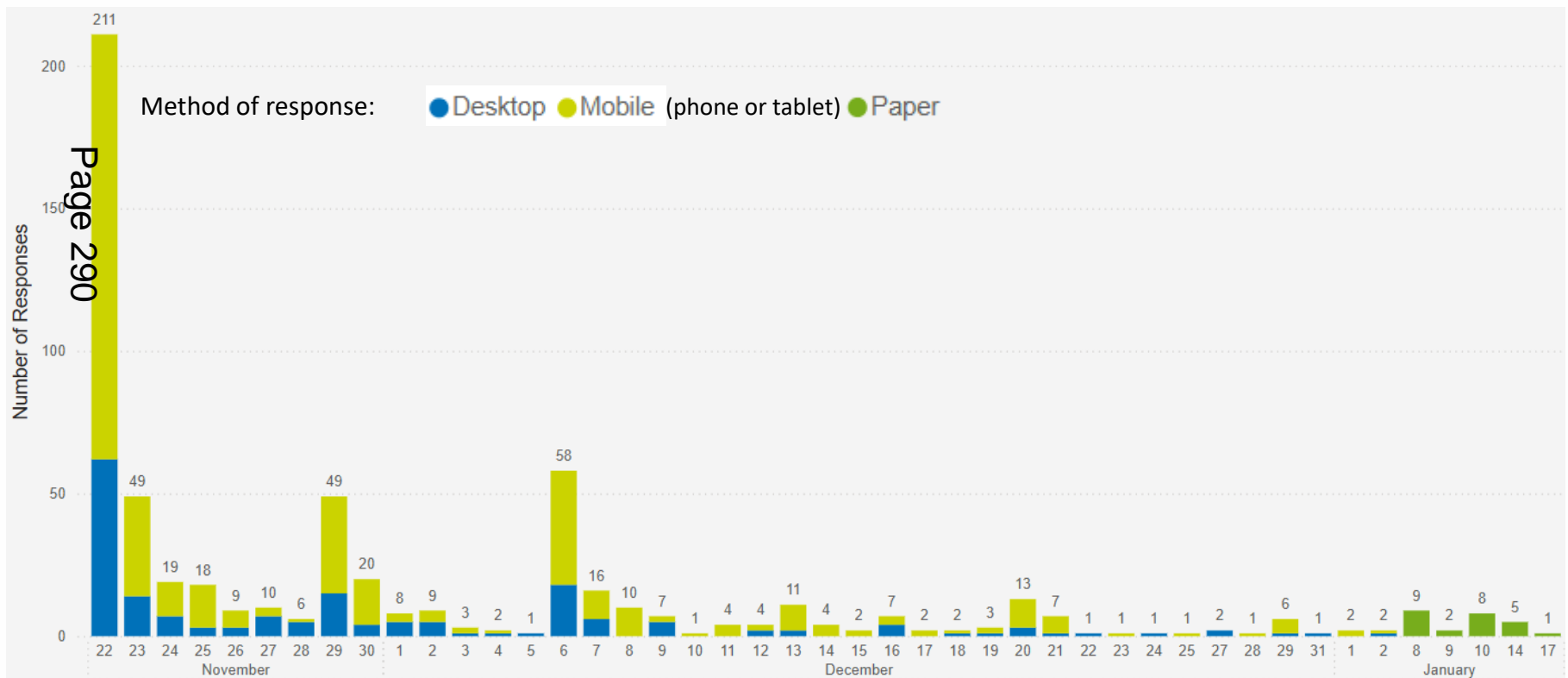
Average time taken to complete = 8 minutes

98% responses were from residents.

# Response breakdown

## Response dates

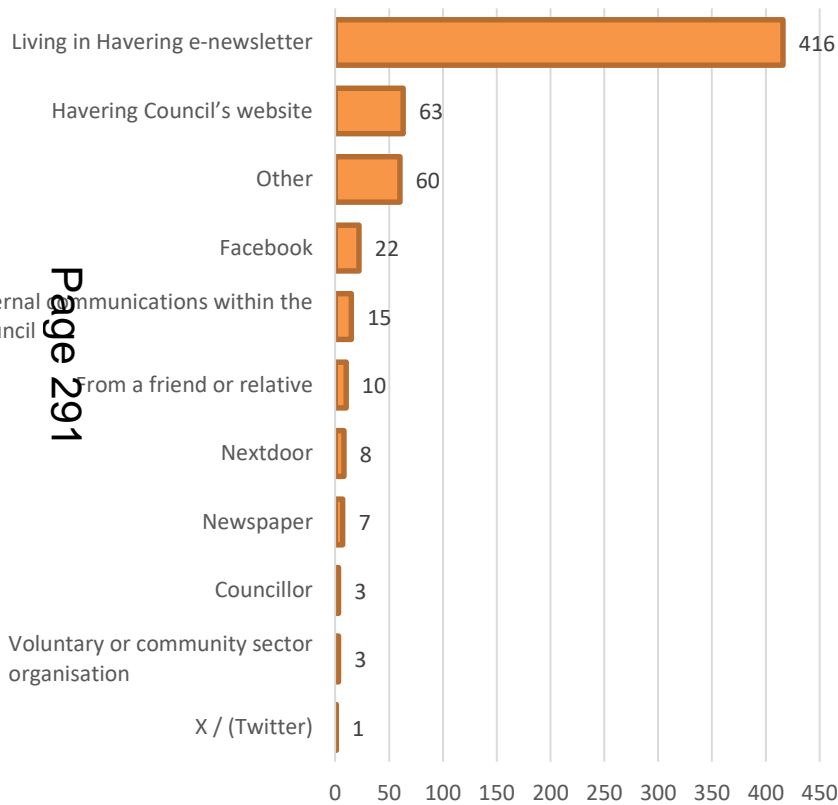
Over a third of responses (35%) were submitted on Friday 22<sup>nd</sup> November, the day the consultation opened. There was an increase in responses every Friday throughout the consultation which is the day the Living in Havering e-newsletter is distributed (except for the Christmas period).



# Response breakdown

## How did you find out about this consultation?

68% of respondents found out about the consultation from the Council's e-newsletter, a further 10% from the Council website.



How did you find out about this consultation?	Number of responses		
	Mobile	Desktop	Paper
Living in Havering e-newsletter	280	133	3
Havering Council's website	42	19	2
Other	34	11	15
Facebook	16	6	0
Internal communications within the Council	6	7	2
From a friend or relative	9	0	1
Nextdoor	5	3	0
Newspaper	4	2	1
Councillor	2	1	0
Voluntary or community sector organisation	1	1	1
X/(Twitter)	1	0	0
<b>Total</b>	<b>400</b>	<b>183</b>	<b>25</b>

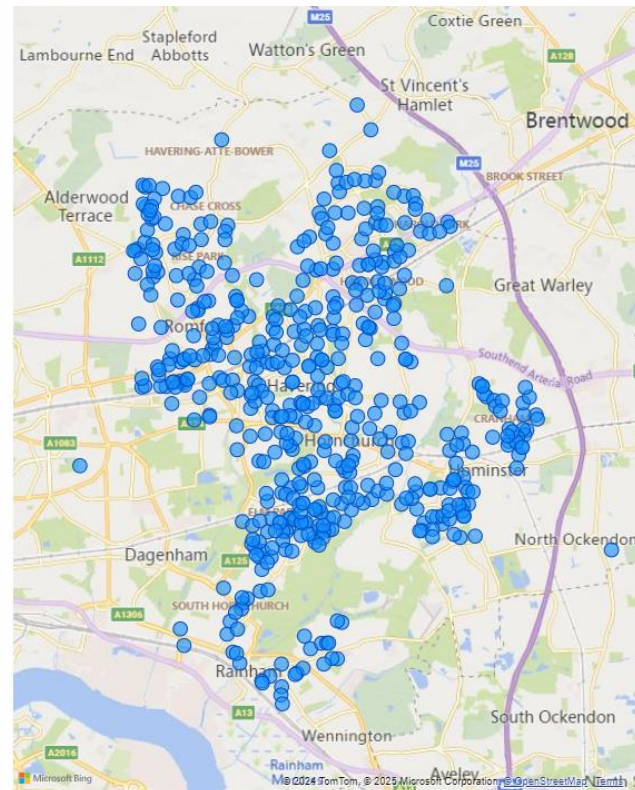
# Response breakdown

## In what capacity are you completing this consultation?

98% of responses were from Havering residents.

The highest number of responses were from the RM12, RM11, RM14 and RM3 postcode areas.

In what capacity are you completing this consultation?	Number of responses	
	Number	Percent
*Respondents were able to select more than one answer		
I am a resident of Havering	594	97.7%
I work for Havering Council (resident)	23	3.8%
I represent a community group in Havering	10	1.6%
I represent / own a local business	9	1.5%
I represent a charity that covers the Havering area	8	1.3%
I represent a public sector organisation	4	0.7%
I work for Havering Council (non-resident)	3	0.5%
I am a Councillor	2	0.3%
Other	3	0.3%



Postcode	Survey responses	
	Number	Percent
RM12	104	18%
RM11	97	17%
RM14	92	16%
RM3	79	13%
RM7	48	8%
RM13	47	8%
RM1	47	8%
RM2	35	6%
RM5	33	6%
Other	5	<1%
<b>Total</b>	<b>587</b>	<b>100%</b>
<i>Not answered</i>	21	-

## Employment Status

There were 439 responses to this question, and 169 not answered.

Of those who provided a response, the majority were employed (201) or retired (183).

Comparison with employment data suggests almost twice as many retired residents responded (42%) than the Havering average (22%). This is also reflected in the age profile of respondents.

Employment status	Consultation responses		Havering average	
	Number	Percent	Number	Percent
Employed (permanent, self-employed, or fixed-term)	201	45.8%	124,294	61%
Unemployed (looking and not looking for work)	18	4.1%	7,211	3.5%
Retired	183	41.7%	43,978	22%
Other (including student and prefer not to say)	37	8.4%	2,801	14%
<b>Total</b>	<b>439</b>	<b>100%</b>	<b>203,500</b>	<b>100%</b>
<i>Not answered</i>	<i>169</i>	-	-	-

\*Averages for Havering population aged 18 and over, taken from ONS 2021 Census builder. N.B. These figures have been calculated to allow a comparison with the budget respondent cohort (aged 18 plus) only, and do not reflect official employment / unemployment statistics which are based on population aged 16-64 and therefore exclude the significant number of retired Havering residents. Actual numbers from Census 2021 included for clarity.

# Diversity monitoring

## Gender

There were 440 responses to this question, and 168 not answered. Of those who provided a response, 49.3% were female and 47.3% male, which is almost identical to the borough average.

Gender	Survey responses		Havering average
	Number	Percent	Percent
Female	217	49.3%	52.6%
Male	208	47.3%	47.4%
Another description (including non-binary and prefer not to say)	15	3.4%	Not available
<b>Total</b>	<b>440</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	168	-	-

## Faith, religion, belief

There were 429 responses to this question, and 179 not answered. Of those who provided a response, 53% were Christian, which is similar to the borough average. 36% had no religion, compared to the borough average of 29%.

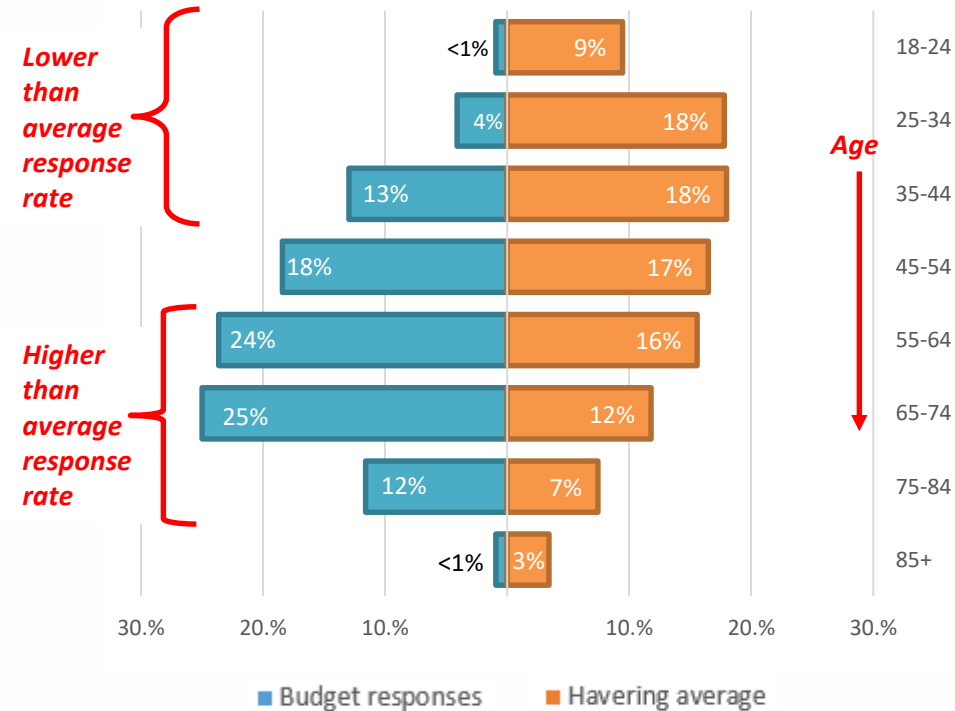
Religion	Survey responses		Havering average
	Number	Percent	Percent
Buddhist	1	<1%	<1%
Christian	229	53%	55%
Hindu	7	2%	2%
Jewish	2	<1%	1%
Muslim	3	<1%	5%
Sikh	1	<1%	2%
No religion	153	36%	29%
Other	3	1%	<1%
Prefer not to say	30	7%	5%
<b>Total</b>	<b>429</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	179	-	-

\* Census 2021: <https://www.ons.gov.uk/datasets/create>

## Age

There were 440 responses to this question, and 168 not answered. There was a significantly lower proportion of responses from younger age groups (18-24 and 25-34), and a significantly higher proportion of responses from older age groups (65-74 and 75-84) than the borough average.

Age	Survey responses		Havering average (aged 18 and over only)*
	Number	Percent	Percent
18-24	4	0.9%	9.5%
25-34	18	4.1%	17.8%
35-44	57	13.0%	18.0%
45-54	81	18.4%	16.5%
55-64	104	23.6%	15.6%
65-74	110	25.0%	11.8%
75-84	51	11.6%	7.4%
85+	4	0.9%	3.4%
Prefer not to say	11	2.5%	-
<b>Total</b>	<b>440</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	168	-	-



\*Census 2021: <https://www.ons.gov.uk/datasets/create>

## Ethnic origin

There were 435 responses to this question, and 173 not answered. Of those who provided a response, 87% were 'White or White British', which is greater than the borough average of 79%. There were fewer responses from Asian / Asian British and Black / Black British residents than the borough average.

## Sexual orientation

There were 432 responses to this question, and 176 not answered. Of those who provided a response, 88% were heterosexual. There is no data available for a comparison with the borough average.

Ethnic origin	Survey responses		Havering average
	Number	Percent	Percent
Asian or Asian British	17	3.9%	10%
Black or Black British	9	2.1%	7%
Mixed or multiple ethnic group	9	2.1%	2%
Other ethnic group	8	1.8%	2%
White or White British	378	86.9%	79%
Prefer not to say	14	3.2%	-
<b>Total</b>	<b>435</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	173	-	

Sexual orientation	Survey responses	
	Number	Percent
Straight or heterosexual	379	87.7%
Gay or lesbian	11	2.5%
Bisexual	4	1%
Another description	-	-
Prefer not to say	38	8.8%
<b>Total</b>	<b>432</b>	<b>100%</b>
Not answered	176	-

\* Census 2021: <https://www.ons.gov.uk/datasets/create>



## Marital status

There were 409 responses to this question, and 169 not answered.

Of those who provided a response, the majority were married (59%). This is higher than the borough average.

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Marital status	Consultation responses		Havering average
	Number	Percent	Percent
Married or civil-partnership	256	58.9%	48%
Single	90	20.7%	33%
Co-habiting	30	6.9%	12%
Widowed	32	7.4%	6%
Another description	4	<1%	1%
Prefer not to say	23	5.3%	-
<b>Total</b>	<b>435</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	<i>173</i>	<i>-</i>	

\* Census 2021: <https://www.ons.gov.uk/datasets/create>. Ages 18 and over only.

## Disability

There were 436 responses to this question, and 172 not answered. Of those who provided a response, 31% considered themselves to have a disability, impairment or health-condition. This has been compared to data from the Census 2021 for Havering residents aged 18 and over only. A higher proportion of respondents who consider themselves to have a disability responded to the consultation than the borough average.

Of the 136 respondents declaring a disability, the most common disability was long-term illness, followed by sensory e.g. hearing or sight impairment.

Do you consider yourself to have a disability, impairment or health-condition?	Consultation responses		Havering average
	Number	Percent	Percent
Yes	136	31%	17.3%
No	277	64%	82.7%
Prefer not to say	23	5%	-
<b>Total</b>	<b>436</b>	<b>100%</b>	<b>100%</b>
<i>Not answered</i>	172	-	

Description of disability* *respondents were able to select more than one description	Number of responses	
	Number	Percent
Sensory	42	20.5%
Physical	38	18.5%
Mental illness	33	16.1%
Developmental or Educational	11	5.4%
Learning disability / condition	3	1.5%
Long-term illness	58	28.3%
Other	20	9.8%

\* Census 2021: <https://www.ons.gov.uk/datasets/create>. Ages 18 and over only.

## Issues affecting Havering

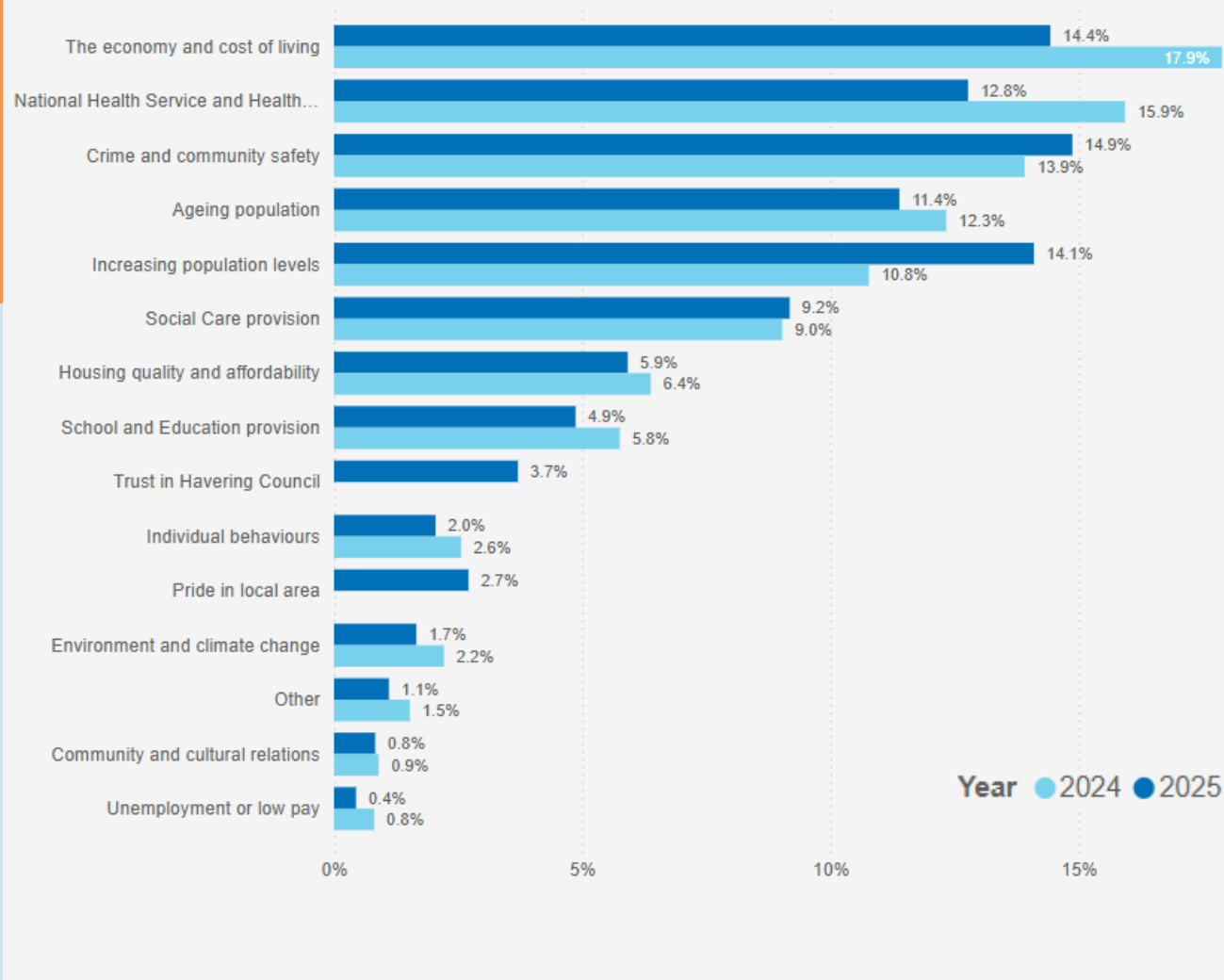
What would you say are the three most important issues Havering is likely to face in the next year?

The top 3 issues reported were:

- Crime and community safety
- The economy and cost of living
- Increasing population levels

Between 2024 and 2025 there has been a rise in concern over increasing population levels and crime in Havering.

Concerns about the economy/cost of living and the NHS/ Healthcare provision in Havering, whilst still high, have reduced since 2024.



The following category was removed from the 2025 consultation responses: 'Another public health pandemic'. Answers for 2024 have been added to the 2024 'other' category for comparison. New categories for 2025 are 'Pride in Local Area' and 'Trust in Havering Council'. This needs to be considered when comparing the response rates for each category between the two years.

## Issues affecting Havering – further analysis

Responses to this question have been analysed by gender, age and postcode. The most significant observations are:

### Gender

Top 3 concerns for men:

- (i) Crime & community safety (44%)
- (ii) Economy & Cost of Living (42%)
- (iii) Ageing population (39%)

Top 3 concerns for women:

- (i) Increasing population levels (45%)
- (ii) NHS & Healthcare provision (45%)
- (iii) Economy & Cost of Living (45%)

Men were almost twice as likely to be concerned about 'trust in Havering Council' than women. (15% men compared to 8% women).

### Age

All age groups had 'Economy & Cost of Living' as a top 3 concern, (except 85+ which was joint 4<sup>th</sup>).

Residents aged 65 and over were less likely to be concerned about 'crime' in Havering than younger residents. (50% aged 18-64 compared to 25% residents aged 65 and over).

Concerns about the 'environment and climate change' were most prevalent in the youngest (18-24) and oldest (85+) age categories. (50% aged 18-24 and 25% aged 85+ compared to an average of 5%).

Concerns about 'social care provision' increased with age.

### Postcode

Concerns about 'increasing population levels' were present in all postcode areas, with the greatest concerns in the RM2 and RM7 postcodes. (54% from RM2 and RM7 compared to an average of 42%).

Residents in RM14 were more likely to be concerned about 'social care provision' than any other postcode. (43% from RM14 compared to an average of 27%).

'Cost of living' concerns were far lower in RM1 and RM2 than in RM3 and RM13. (30% from RM1 and RM2 compared to over 50% from RM3 and RM13).

At least 1 in 3 residents from any postcode area was concerned about 'crime', with the greatest concern from RM13. (53% from RM13 compared to an average of 44%).

# Concerns and Issues

## Issues affecting you personally

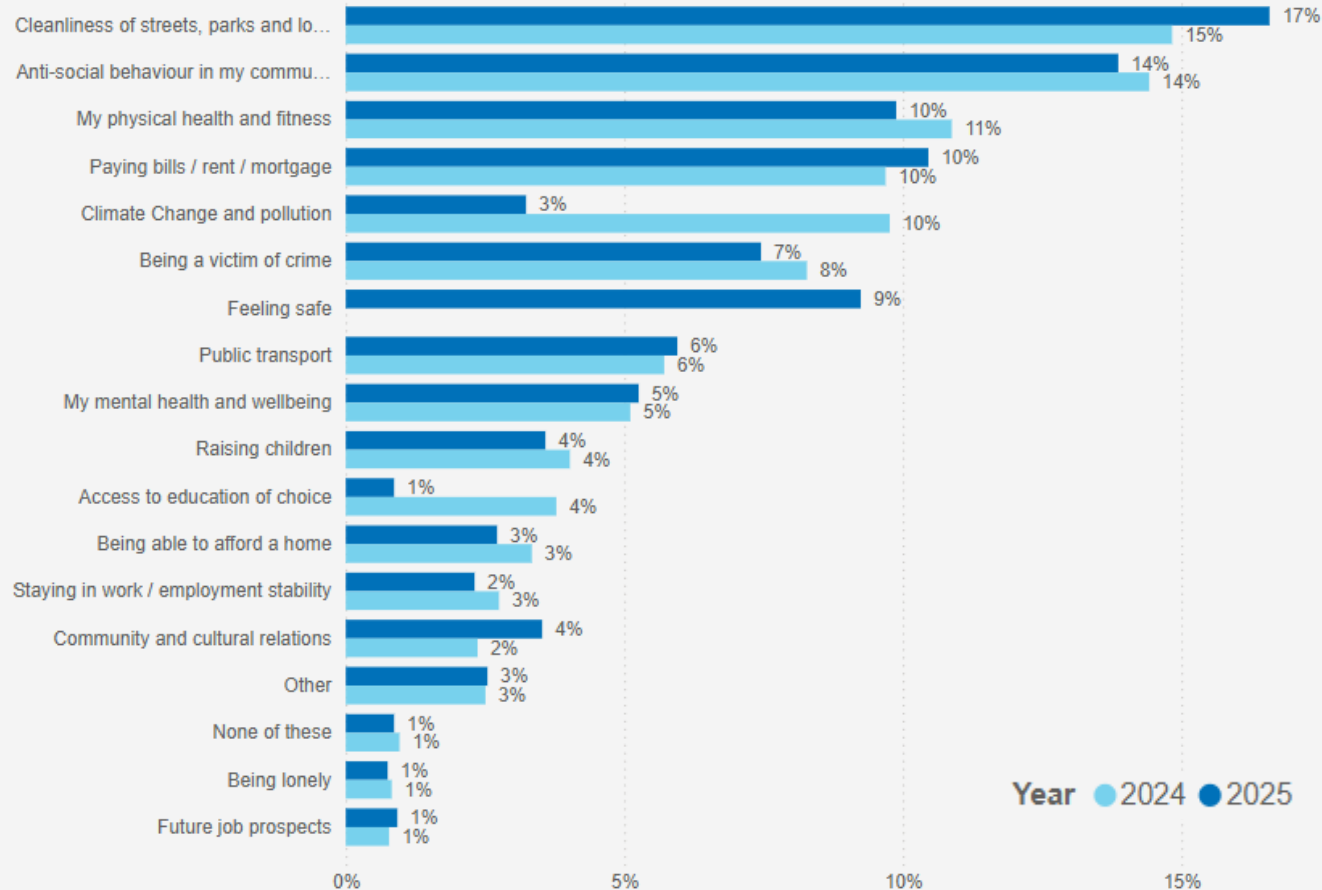
### Which three things are you personally most concerned about at the moment?

The top 3 issues reported were:

- Cleanliness of street and local area
- Anti-social behaviour in my community
- Paying bills / rent / mortgage

Between 2024 and 2025 there has been an increase in concern over cleanliness of streets, parks and the local area, and also concern over community and cultural relations.

Concerns about climate change and pollution have significantly reduced.



The following categories from the 2024 budget consultation have been combined into one option for 2025:

'The Local Environment/Pollution' and 'Climate Change' to 'Climate Change and Pollution'. 'Educational provision' was changed to 'Access to education of choice'.

'Feeling Safe' is a new category for 2025.

This needs to be considered when comparing the response rates for each category between the two years.

## Issues affecting you – further analysis

Responses to this question have been analysed by gender, age and postcode. The most significant observations are:

### Gender

Top 3 personal concerns for men:

- (i) Cleanliness of streets, parks and local area (54%)
- (ii) Anti-social behaviour in my community (39%)
- (iii) My physical health and fitness (32%)

Top 3 personal concerns for women:

- (i) Cleanliness of streets, parks and local area (42%)
- (ii) Anti-social behaviour in my community (41%)
- (iii) Feeling safe (35%)

Men were almost twice as likely to report concerns about 'climate change' (13% of men compared to 7% of women) and more likely to report concerns about the 'cleanliness of streets, parks and the local area' (54% of men compared to 42% of women).

More women than men were concerned about 'feeling safe' (35% of women compared to 21% of men).

### Age

All age groups reported the 'cleanliness of streets, parks and local area' as a top 3 concern.

Younger residents were more likely to report concerns about 'being able to afford a home', 'staying in employment' and 'future job prospects'.

Older residents were more likely to report concerns over their 'physical health and fitness'.

Concerns about 'public transport' were greatest in the under 25s and 75-84 age groups, which suggests these are the biggest users of public transport / least likely to own or drive their own vehicle.

### Postcode

Concerns about 'anti-social behaviour' and the 'cleanliness of the local area' were in the top 3 concerns of all postcode areas.

Concerns about 'public transport provision' were most common in the RM13 postcode area. (26% of responses compared to an average of 17%).

Residents in the RM1 and RM11 postcode areas were more likely to report concerns about 'being a victim of crime' and 'feeling safe' than average (60% of responses were from these postcode areas compared to an average of 48%). Residents in the RM14 postcode area were least likely to report these concerns (41%).

## Thinking about your personal concerns, is there anything the Council can do to help you with these?

There were 318 comments.

These themes reflect residents' desire for a safer, cleaner and more efficient community with better services and support.

### **Public Safety and Policing**

Many residents express concerns about the lack of visible police presence and the need for more officers on the streets to address crime and antisocial behaviour.

### **Council Efficiency and Accountability**

Residents want a more efficient council that stops wasting money and is more accountable to the people of the borough.

### **Healthcare Access**

There are concerns about the time it takes to get GP and hospital appointments, and the need for better healthcare services.

### **Community Involvement**

Residents feel that the council should be more involved in the community and listen to the concerns of the people.

### **Housing and Development**

There are calls for more housing, particularly family homes, and concerns about overdevelopment and the impact on green spaces.

### **Social Services and Support**

There is a need for better support for vulnerable residents, including the elderly and those with disabilities.

### **Environmental concerns**

Residents want the council to adopt green working practices and consider the impact of climate and the environment in their decision-making.

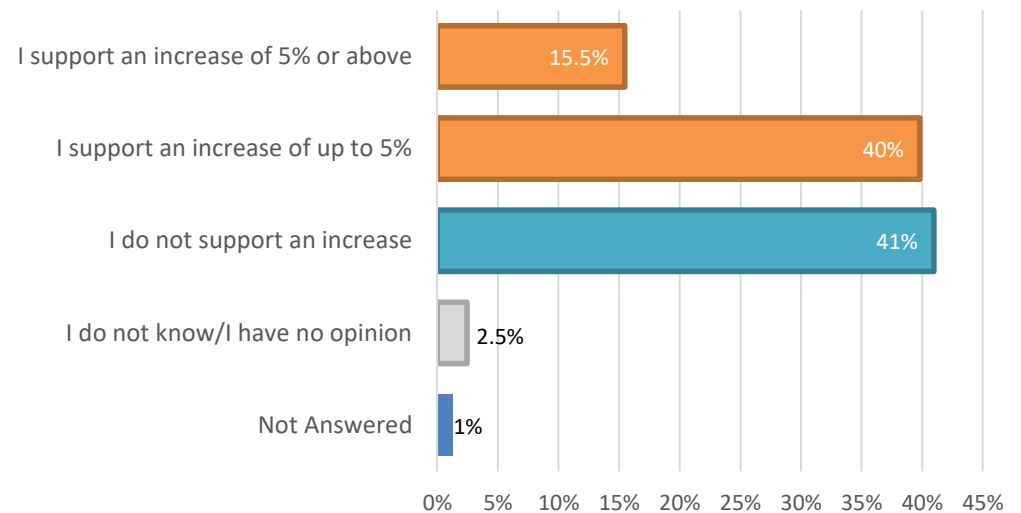
## Do you support an increase in Council Tax?

There were 600 responses to this question, and 8 not answered.

Overall, 55% of respondents support an increase in Council Tax (40% support an increase of up to 5%, and 15% support an increase of 5% or above).

41% of respondents do not support an increase.

Do you support an increase in Council Tax?	Consultation responses	
	Number	Percent
I support an increase of 5% or above	94	15.5%
I support an increase of up to 5%	242	40%
I do not support an increase	249	41%
I do not know / I have no opinion	15	2.5%
Not answered	8	1%
<b>Total</b>	<b>608</b>	<b>100%</b>





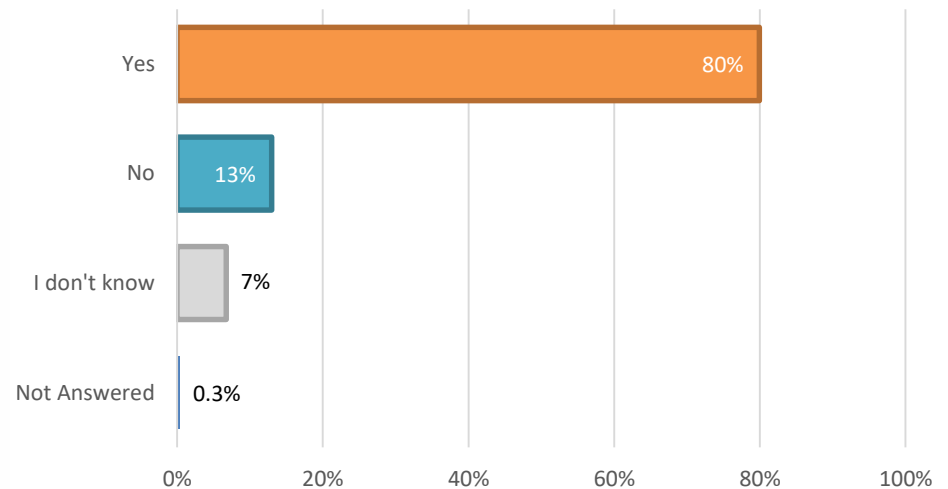
## Do you agree with a Council Tax premium for furnished (second) homes?

There were 606 responses to this question, and 2 not answered.

80% of respondents support an increase in the Empty Homes Premium.

13% of respondents do not support an increase.

Do you agree with a Council Tax premium for furnished (second) homes?	Consultation responses	
	Number	Percent
Yes	486	80%
No	79	13%
I do not know	41	7%
Not answered	2	<1%
<b>Total</b>	<b>608</b>	<b>100%</b>



## Please tell us your views on the Council Tax proposals

There were 323 comments.

These themes reflect the diverse opinions and concerns of residents regarding council tax and its impact on their lives.

<b>Council Tax Increases</b>	Many comments express concerns about the affordability of council tax increases, especially for pensioners and low-income households. There is general sentiment that any increase above 5% would be unaffordable to many residents.
<b>Empty and Second homes</b>	There are mixed opinions on charging a premium for empty and second homes. Some believe that second homes are a luxury and should be taxed if left empty, while others want exceptions in cases like long-term hospital stays, care homes or probate delays.
<b>Council Efficiency and Spending</b>	Some comments highlight the need for the council to improve efficiency and reduce wasteful spending. Suggestions include better management of council resources, reducing high salaries, and cutting down on unnecessary projects.
<b>Social Care and Essential Services</b>	There is an emphasis on the importance of funding essential services such as social care, policing and education. Some residents are willing to support a council tax increase if it ensures the maintenance or improvement of these services.
<b>Fairness and Equity</b>	The theme of fairness is prevalent, with many comments suggesting that council tax should be based on the ability to pay.
<b>Government Funding</b>	A recurring theme is the need for increased government funding to support local councils to alleviate the burden on local taxpayers.

## Please let us know of anything else you would like us to consider as we set the budget for 2025/2026.

There were 298 comments. Themes reflect residents' concerns and suggestions for improving the quality of life in Havering.

### **Community and Public Spaces (49)**

There are concerns about the state of public spaces, including the need to deal with begging and anti-social behaviour (9), improving street cleanliness, roads and lighting (25) and making better use of community spaces (15).

### **Mental Health and Social Care (17)**

Improving mental health services for vulnerable children and adults and supporting flexible working for caregivers to reduce social care pressures are highlighted (17).

### **Council Services and Efficiency (95)**

Suggestions include limiting pay rises for MPs, Councillors and employees (24), better monitoring of funding allocation, and reducing waste and inefficiency in council operations (71).

### **Taxation and Funding (36)**

There are strong opinions on council tax, with many opposing increases and suggesting alternative funding methods, such as tiered tax increases (15) and seeking more funding from central government (21).

### **Cost of Living (37)**

Residents voiced their concerns about the rising cost of living (25) and urged for a reduction in parking fees to help businesses retain their customers (12)

### **Housing and Development (31)**

Comments address the need for better management of housing developments, reducing the number of low-grade flats (9) and concerns that infrastructure cannot support population growth (22).

### **Crime and Safety (7)**

Residents express concerns about crime, vehicle theft and shoplifting, and suggest an increasing police presence (7).

### **Environmental Issues (9)**

There are calls for better waste management, including the use of wheelie bins instead of black bags, maintaining rubbish collections and addressing issues like fly-tipping (9).

### **Libraries (16)**

The importance of keeping libraries open and finding alternative ways to support them is emphasised (16).

## Key points for noting:

<b>Responses</b>	<ul style="list-style-type: none"><li>• <b>608</b> residents responded</li><li>• <b>68%</b> found out about the consultation from the <b>Living in Havering e-newsletter</b></li></ul>
<b>Representation</b>	<ul style="list-style-type: none"><li>• <b>98%</b> of responses were from <b>Havering residents</b></li><li>• Almost <b>twice as many retired</b> residents responded than the Havering average</li><li>• There was a <b>lower proportion</b> of responses from <b>minority ethnic</b> groups than the Havering average</li><li>• There was a <b>low</b> proportion of responses from <b>younger</b> age groups (18-24 and 25-34)</li><li>• There was a <b>high</b> proportion of responses from <b>older</b> age groups (65-74 and 75-84)</li></ul>
<b>Council Tax</b>	<ul style="list-style-type: none"><li>• <b>55%</b> of respondents <b>support an increase</b> in Council Tax</li><li>• <b>41%</b> of respondents <b>do not support an increase</b></li></ul>
<b>Empty Homes Premium</b>	<ul style="list-style-type: none"><li>• <b>80%</b> of respondents <b>support an increase</b> in the Empty Homes Premium</li></ul>
<b>Concerns</b>	<ul style="list-style-type: none"><li>• The <b>top 3 issues affecting Havering</b> were: Crime and community safety, The economy and cost of living, Increasing population levels</li><li>• The <b>top 3 personal issues</b> were: Cleanliness of street and local area, Anti-social behaviour in my community, Paying bills / rent / mortgage</li></ul>

## Section 25 Statement – Statement of Robustness

1. Introduction and background
  - 1.1 Section 25 of the Local Government Act 2003 requires Chief Financial Officers to report to their authorities about the robustness of estimates and the adequacy of reserves when determining their budget and level of Council Tax. Authorities are required to consider their Chief Financial Officer's report when setting the level of Council Tax.
  - 1.2 As I write this report, Havering's financial position has markedly worsened since last year and the Council's annual structural deficit has more than doubled compared to the 24/25 budget.
  - 1.3 On 13<sup>th</sup> December, I submitted Havering's draft request for Exceptional Financial Support (EFS) to the Minister of Housing, Communities and Local Government (MHCLG).
  - 1.4 I must be clear that without Exceptional Financial Support, currently offered through a Capitalisation Direction, Havering would be unable to set a legally balanced budget for 2025/26.
  - 1.5 In respect of the 2025/26 budget setting process, Havering's EFS request amounts of c£71m on a mid-case basis and almost £89m on a worst-case basis. For context, the net controllable budget Havering can directly finance will be £205m next financial year and the EFS will equate to 35% of the net budget on a mid-case basis and 43% on a worst-case basis.
  - 1.6 Havering's financial position has resulted from years of systemic underfunding together with rapidly increasing provider costs which can now no longer be contained through the funding it has available. Havering has always been very prudent in its financial decision making and has not taken excessive commercial risks.
  - 1.7 An EFS, if agreed, will only provide a temporary solution to cover the Council for one year only. The Council's structural deficit will continue to grow year on year unless the proposed funding reforms resolves two things. Firstly to redress the imbalance of funding across Local Government and secondly to adequately fund local government as a whole to meet the demands and service pressures.

1.8 This Statement sets out the following

- Havering's financial challenge
- Robustness of the budget, risks, inflation and legislative requirements
  - Housing Revenue account
  - Dedicated schools grant
- Identification and delivery of savings
- Reserves, contingencies
- S114 considerations
- Summary and Conclusion

## 2 Havering's financial challenge

- 2.1 Havering's financial challenges are well-versed. Over 66% of the Council's Core Spending Power is made up of Council Tax compared to 36% of Inner-London funding and 55% of Outer London. Time and time again, Havering receives proportionately less grant than is required to deliver its core services.
- 2.2 In addition to Havering's inadequate funding, Havering has the second largest proportion of older people population and has seen the 4<sup>th</sup> fastest growing children's population nationally since the 2011 census. Despite the borough's demographic profile, Havering receiving the third lowest Settlement Funding Assessments in London of £40.1m.
- 2.3 There has been a 70% increase in children with Education, Health and Care Plans since 2019 which has added huge pressures to the Council's special educational needs transport costs and increased the High Needs deficit on the Dedicated Schools grant.
- 2.4 The Fair Cost of Care analysis has driven up the cost of placements and new packages of care have increased by 45% in cost per week, per service user since 2022/23.

- 2.5 Changes in tax laws have in part driven private landlords to exit the housing market which has resulted in the increase use of bed and breakfast, nightly let accommodation to meet our statutory Housing duties.
- 2.6 The culmination of the pressures described above has left the Council with an estimated budget gap of £71m for 25/26 and £450m cumulatively over the 4 year medium term financial plan.

### **3 Robustness of the budget, risks, inflation and legislative requirements**

- 3.1 The budget setting process in 2024/25 saw c£66m of growth being added to the budget, with around £18m being held back to manage additional risks and unforeseen costs.
- 3.2 In order to balance the budget, Members agreed to £15.3m of additional savings, a 4.99% increase in Council Tax (£7.5m) and a capitalisation direction of up to £32.5m. Based on the current forecast position, the Council has exceeded its capitalisation direction by £2m and is forecast to require £2m in from general balances in respect of the current financial year. Without a capitalisation direction, the budget the Council can finance directly through grant income, council tax and fees/charges is £197.5m. During 24/25, the £32.5m capitalisation direction was 16% of the Council's direct controllable net budget. It is important to emphasise the £32.5m gap is the Council's structural budget deficit and will be carried forward as a baseline amount each year until something fundamental changes to how the funding is allocated.
- 3.3 To set the budget for 25/26, the Council has allocated £28.4m of growth to recognise service demands, demographic pressures and has built in £5.2m for inflationary pressures. Most notably, the main legislative change in service delivery will be around the collection of food waste. The MTFs has built in £4.2m for capital investment to top up the £1.9m grant received so far and £2.1m in revenue costs in 2025/26, rising to £3.8m in a full year to fund delivery of the new service. The Government is expected to make further announcements on funding in due course
- 3.4 Members will be asked to approve £10.3m of savings and recommended to approve a 4.99% increase in Council Tax which will result in income of £7.9m. Including additional government grant of £5.9m, the standalone budget gap for 25/26 is estimated to be £36.7m. Coupled with the structural deficit c/fwd from

24/25, the gap for 25/26 will be £71.2m on a mid-case basis and potentially up to £89m on a worst-case basis.

- 3.5 Similarly, the budget setting process for 26/27 will start with the structural deficit carried forward from 25/26 and Havering's financial position will begin to worsen exponentially until the funding reforms take place.

### Housing Revenue Account

- 3.6 Havering's Housing Revenue Account is balanced, albeit very tightly. The HRA has reserves of around £5.5m and I have set a rule whereby the reserves must be maintained at 10% of the annual income as a minimum each year. This is achieved throughout the 30-year annual business plan. If at any point, the reserves dip below the 10% threshold, a decision will be made to delay expenditure on aspects of the Regeneration Programme that are not currently in contract.

### Dedicated Schools Grant (DSG)

- 3.7 The Council currently has a cumulative deficit of £15m which is estimated to increase to £35m by the end of 2024/25 financial year. Havering is part of the Department for Education's "Delivery Better Value" programme and the cumulative deficit, although has grown rapidly, is still in line with the upper bounds estimated by the DBV programme.
- 3.8 The Government have yet to decide on the continuation of the DSG statutory override, which is due to expire in March 2026. If the override is lifted, the forecast deficit by March 2026 is forecast to be around £65m, which will more than wipe out the entirety of the Council's earmarked and unearmarked reserves. The forecast £65m deficit does not consider the 700 outstanding EHCP assessments that the team are currently progressing.

## **4 Identification, delivery and implementation of savings**

- 4.1 Since 2010, the Council has delivered over £160m of savings, most of which has been re-invested into front line service delivery in Adults and Children's social care.
- 4.2 In terms of Havering's record of savings delivery, over the past 6 years, the Council has delivered around 74% of savings.



- 4.3 However, it has become increasingly difficult to identify new/alternative savings to address the extent of the budget deficit going forward.
- 4.4 Havering's total discretionary income budget equates to £28m and even a 50% increase would be insufficient to address the cumulative deficit and is on the unrealistic assumption that price has no impact on demand.
- 4.5 Around 80% of the Council's service spend is now on the People directorate with the remaining 20% on other services. Even if the two other directorates Place and Resources were removed altogether, it would be insufficient to respond to the cumulative structural deficit.
- 4.6 Havering's unit costs are among the lowest compared to its neighbouring boroughs and Havering's collection rates for Council Tax and NNDR are high-performing – top third for Council Tax and top five in London.
- 4.7 Officers will continue to make efficiencies, and I will continue to drive an effective financial management culture throughout the Council, alongside the Council's leadership team. The weekly recruitment panel and the spend control panels will continue to operate throughout 25/26 and Finance being at the heart of every decision will be paramount in how the Council operates on a day-to-day basis.

## **5 Reserves and Contingencies**

- 5.1 Havering's reserves remain low but did not see a dramatic decline due to the Council applying for a Capitalisation Direction for the 23/24 overspend.
- 5.2 The Council's earmarked reserves stand at £35m and are estimated to reduce by £25m at year end to reflect spend against the projects financed through reserves.
- 5.3 The Council has £10.2m of unearmarked reserves and the intention is to increase the unearmarked reserves to c10% of the Council's net budget to £20m, which will equate to 2 months of payroll costs as a measure.

5.4 The Council holds a £1m general contingency within its net budget.

## 6 Delivery of Corporate Plan and the Council's vision

6.1 In recent years, Havering has stripped out costs and cut back funding on a number of the services it provides.

6.2 The refresh of the Corporate Plan has been carried out through the lens of what can be achieved within the existing funding envelope, considering the workload load impact of the teams that are already stretched to the core.

6.3 In addition to funding millions of demographic and demand led pressures, investment must go into fund digital capabilities and programme management activities to drive much needed change and service improvements which will built upon gradually. The MTFs builds in £4.4m to invest in supporting change delivery. This may be inadequate, but it is certainly a starting point compared to where the Council has been in the past.

## 7 Consideration of a S114 report

7.1 The S114 legislation dates back to 1988 and in itself, does not and will not resolve the Council's structural funding deficit. The section applicable to Havering's financial is set out below:

Excerpt from 1988 of the Local Government Finance Act, S114 (3)

**(3)The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.**

7.2 Issuance of a S114 report will trigger a number of steps outlined but not limited to the below:

- Immediate spending restrictions, except for essential services and statutory obligations
- Council meeting within 21 days of issuing the report to decide on actions to be taken

- The council will conduct a thorough review of its finances and develop an Improvement and Recovery Plan. This plan outlines steps to achieve a balanced budget, which may include cost-cutting measures, asset sales, and seeking additional financial support from the government
- The Council must communicate the report with various stakeholders, partners, government departments and auditors and plans to address the report. The council will closely monitor its financial position and report on progress regularly. If the financial situation does not improve, further S114 notices may be issued

7.3 Seeing as Havering's financial position has arisen through years of systemic underfunding, my issuance of a S114 report will not enable the Council to set a balanced budget without exceptional financial support from the Government.

7.4 Issuing a S114 report is something I will consider carefully if the Council's financial position continues to significantly deteriorate after the Government have implemented the funding reforms as by then, the Council will have an indication of the likelihood of receiving adequate funding to enable service provision within its revised funding envelope.

## 8 Summary and Conclusion

8.1 Havering's financial challenge remains acutely difficult and has significantly worsened since the budget was set in 2024/25. It is only with a capitalisation direction that the Council can set a balanced budget for 2025/26. The Council financial position is not sustainable and as much as the expenditure aspect of the budget is robust, the funding is woefully short resulting in the need for exceptional financial support.

8.2 A capitalisation direction is only a short-term solution and will only add to Havering's debt year on year. The annual deficit is estimated to be £71.2m for 2025/26 and the cumulative amount borrowed to finance capitalisation directions will be over £200m by end of 26/27 unless a funding solution is identified.

8.3 Officers will continue to deliver statutory services and will constantly drive efficiencies in everything we do. However, unless the funding reforms adequately funds Havering to deliver the legally required statutory services, Havering will continue to require Exceptional Financial support or whatever its equivalent guise is in future.

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# **London Borough of Havering**

## **Summary:**

### **Council Tax Support Scheme 2025/26**

#### **Introduction**

Each local authority is required by Section 9 of the Local Government Finance Act 2012 (the Act) to produce its own Council Tax Support scheme to reduce the liability of working age applicants whom it considers to be in financial need.

This document summarises the proposed Council Tax Support Scheme (2025 scheme) from April 2025 which the Council has produced in accordance with of Schedule 4 of the Act.

The Council adopted its own local scheme which has due regard to the Department for Levelling Up, Housing and Communities' policy intentions and unequivocally protects pensioners.

Havering's Council Tax Support scheme has been interpreted and applied in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 which set out what must be included in the scheme.

#### **Summary of Council Tax Support Scheme from April 2025**

The 2025/26 scheme will adopt the existing Council Tax Support scheme in place at 31 March 2025 including the following amendments in place since 1 April 2019:

1. The maximum Council Tax Support is 75% of the Council Tax due for working age claimants who are not considered disabled. This means that every working age household that is not considered disabled will continue to pay a minimum charge of 25% towards their Council Tax bill.
2. The maximum Council Tax Support is 80% of the Council Tax due for working age claimants who are considered disabled. This means that every working age household that is considered disabled continues to pay a minimum charge of 20% towards their Council Tax Bill

**Disabled claimants for the purposes of the scheme are defined as people who have a disability income that entitles them to one of the following premiums: disability, severe disability, enhanced disability, disabled child and/or carer when calculating their benefit.**

#### **Havering's Local Council Tax Support Scheme**

In this document 'the current scheme' means Havering's existing Council Tax Support scheme which was adopted in January 2013 and then amended with effect from April 2014, 2015 and again with effect from April 2019.

Unless expressly stated otherwise, the provisions outlined below relate solely to working age applicants under the current scheme.

This document summarises the Council's proposed Scheme for eligible working age Council Tax payers to receive Council Tax support.

The scheme applicable to pensioners is defined in The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, Part 3, and Schedules 1 to 6, which is adopted within this scheme.

The procedure for the application and calculation of the 2025 scheme is summarised below and is made in accordance with Schedules 7 and 8 of the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012.

The principles embodying the Local Council Tax Support Scheme include:

- Local authorities will be expected to manage significant reductions in subsidised expenditure.
- Regulations have been set to protect claimants of state pension credit age.
- Local authorities will consult on their schemes with precepting authorities and the public.
- The Council will adopt the final scheme before 31 March 2025 or the default scheme will apply.
- Local authorities should aim to protect vulnerable groups.
- In developing schemes, local authorities should consider incentivising claimants into work.

The Local Council Tax Support Scheme includes the following:

- Introduction and definitions
- Prescribed of persons
- Provisions relating to entitlement under the scheme
- Applicable amounts
- Maximum Council Tax Reduction
- Amount of reduction under the scheme
- Assessment of Income and Capital under the scheme
- Students
- Applications
- Extended reductions
- Period of entitlement and changes of circumstances
- Schedules

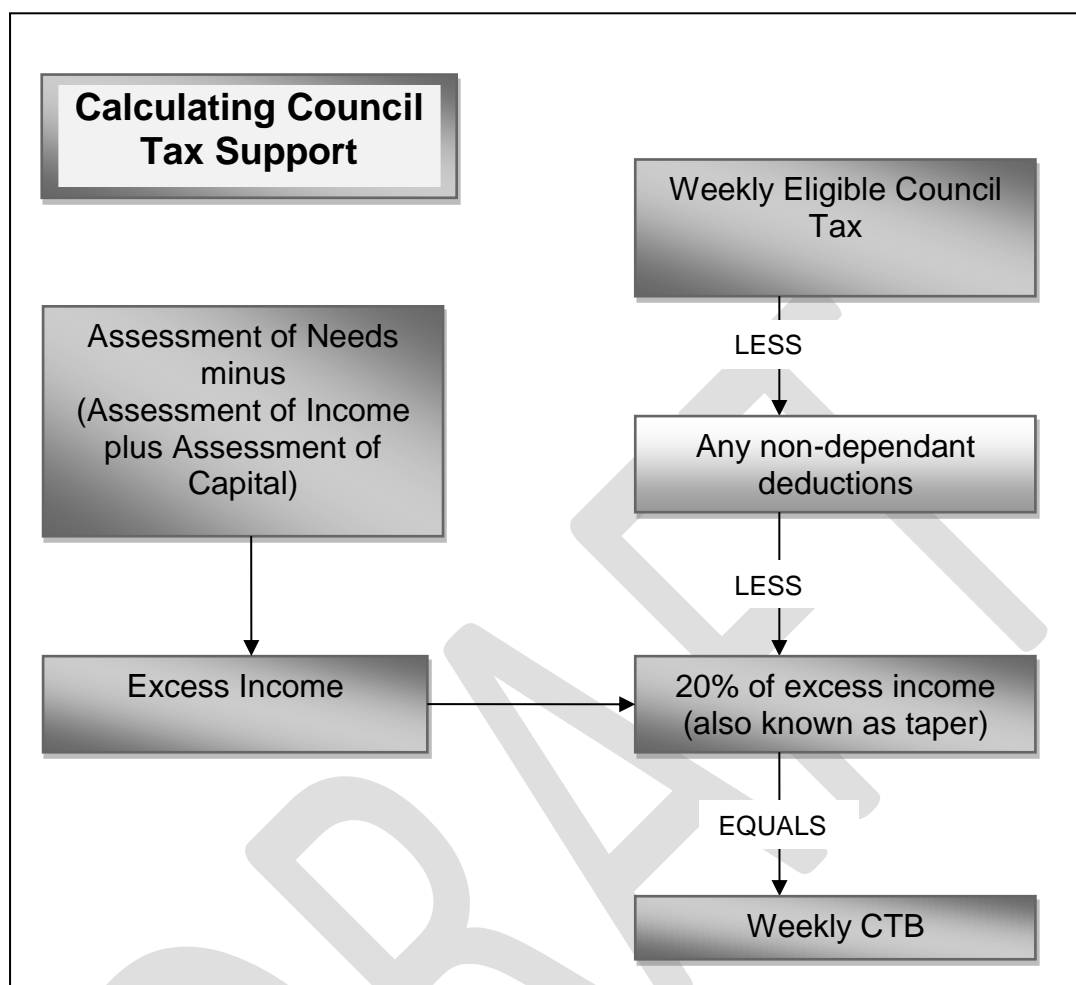
### **The Council Tax Support Calculation**

The starting point for all calculations of Council Tax Support is the claimant's 'maximum benefit'. This is the claimant's weekly eligible Council Tax less any non-dependant deductions that apply.

Income and capital are compared to the claimant's applicable amount. Any income over the applicable amount is known as the Excess Income.

The claimant qualifies for maximum support less 20% of any excess income figure. The 20% reduction to the maximum benefit is known as a taper.

Claimants in receipt of Job Seeker's Allowance, Income Support or Universal Credit have already been assessed by the Department for Work and Pensions (DWP) as having income lower than their applicable amount and so will receive maximum Council Tax support less any non-dependant deductions.



### Non-dependant deductions

A non-dependant deduction is an amount of Council Tax that is due from the CTS claimant because there is another adult (non-dependant), who is not the claimant's partner, living in the household who receives an income. This reduces the amount of CTS a claimant will receive which is described in paragraph 30A of the 2025 scheme as follows:

- (1) Subject to the following provisions of this regulation, the non-dependant deductions in respect of a day referred to in regulation 29A (maximum Council Tax benefit) shall be—
  - (a) in respect of a non-dependant aged 18 or over in remunerative work,  $\text{£}20.00 \times \frac{1}{7}$ ;
  - (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply,  $\text{£}6.00 \times \frac{1}{7}$ .
- (2) In the case of a non-dependant aged 18 or over to whom paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

- (a) Less than £224.00, the deduction to be made under this regulation shall be that specified in paragraph (1) (b);
- (b) Not less than £224.00 but less than £389.00, the deduction to be made under this regulation shall be £9.00;
- (c) Not less than £389.00 but less than £484.00, the deduction to be made under this regulation shall be £15.00.

From April 2014 onwards, the eligible weekly Council Tax used to calculate Council Tax support shall be no higher than the weekly Council Tax Band D value for a property in Havering.

Paragraph 29A (1) of the CTS scheme 2025/26 provides that:

- (1) Subject to paragraphs (2) to (5), the amount of a person's maximum Council Tax benefit in respect of a day for which he is liable to pay Council Tax, shall be 85 per cent of the amount A/B where—
  - (a) A is the amount set by the appropriate authority as the Council Tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
  - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under regulation 58 (non-dependant deductions).
- (2) In calculating a person's maximum Council Tax benefit any reduction in the amount that person is liable to pay in respect of Council Tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.
- (3) The level of any Council Tax Support awarded shall be restricted to the level of band D
- (4) Subject to paragraph (5), where a claimant is jointly and severally liable for Council Tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the claimant who is a student to whom regulation 45(2) (students who are excluded from entitlement to Council Tax benefit) applies, in determining the maximum Council Tax benefit in his case in accordance with paragraph (1), the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.
- (5) Where a claimant is jointly and severally liable for Council Tax in respect of a dwelling with only his partner, paragraph (4) shall not apply in his case.

From April 2019 onwards, Maximum Council Tax Support for working age claimants is 25% (previously 15%). The exception is working age claimants classified as disabled for the purposes of the CTS scheme where maximum Council Tax support is reduced by 20% (previously 15%).

This means that working age households (not disabled) continue to pay a minimum charge of 25% of their Council Tax Bill and working age disabled households continue to pay a minimum charge of 20% of their Council Tax bill.

Paragraph 29A of the CTS scheme 2025/26 provides that:

- (1) Subject to sub-paragraphs (2) to (5), for persons in classes D to E in this scheme a person's maximum Council Tax benefit in respect of a day is 75 per cent



for working age (not disabled) & 80% for working age (disabled) of the amount A/B where—

(a) A is the amount set by the authority as the Council Tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30A (non-dependant deductions: persons who are not pensioners) and any award restricted to the level of Band D

From April 2015 onwards, the amount of savings and investments people are allowed to have and still be entitled to claim CTS was reduced from £16,000 to £6,000.

The CTS scheme 2013/14 and 2014/15 did not accept claims from applicants who have savings and investments of more than £16,000. These individual were not entitled to any CTS.

From April 2015, applicants who have more than £6,000 in savings or investments are not eligible to claim and therefore have no entitlement to CTS.

Paragraph 23 of the CTS scheme 2025/26 states that:

- (1) The class of person described in this paragraph consists of -
- (a) Persons in class A and B whose capital exceeds £16,000
  - (b) Persons in class D and E whose capital exceeds £6,000.

From April 2015 onwards, Second Adult Rebate was abolished.

Second Adult Rebate supported working age Council Tax payers whose income was too high in their own right for Council Tax Support but who had other adults living in the household whose income was low.

### **Applications for Council Tax Support**

***This part applies to both pension-age and working-age applicants***

The following procedure has been set in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, referred to as 'the Regulations' below.

Entitlement to CTS is dependent on an application being made in the following way:

An application may be made:

- (a) In writing
- (b) By means of an electronic communication or
- (c) By telephone following publication by the Council of a number for this purpose.

The form provided by the Council for this purpose must be properly completed, and the Council may require the applicant to complete the form in the proper manner, and may further require that further information and evidence is provided by the applicant.

An application will be made defective if the applicant does not provide all of the information the Council requires.

Applications made by telephone will only be accepted if the applicant provides a written statement of their circumstances in the format required by the Council.

The Council will allow a certain length of time for applicants to correct any defects in their application.

The Regulations provide for which classes of people are eligible to make application for Council Tax Support.

### **Evidence and information**

Any person who makes an application or any person to whom a reduction under the CTS scheme 2025/26 has been awarded shall furnish such certificates, documents, information and evidence in connection with the application or award, or question arising out of it as may reasonably be required by the Council in order to determine the person's entitlement. Where the Council requests information it shall inform the applicant or person of their duty to notify the Council of any change of circumstances and shall indicate the kind of changes of circumstances which are to be notified.

Matters related to the electronic communication of information, proof of delivery and content of information will be determined in accordance with Part 4 of Schedule 7 of the Regulations.

Where the person is a pensioner paragraph 7(4) (5) (6) and (7) of Schedule 8 of the Regulations apply which specify matters relevant to evidence and information related to pensioners.

### **Amendment and withdrawal of applications**

Any person who has made an application may amend it at any time before a decision had been made by serving a notice in writing to the Council in accordance with paragraph 8 of Schedule 8 of the Regulations.

### **Decisions by the Council**

The Council will make a decision in respect of any application for a reduction under this scheme in accordance with the criteria set out within the CTS scheme 2025 rules.

The decision will be made within 14 days or as soon as reasonably practicable of the Council receiving at its designated office the properly completed application or the information requested to complete it or the evidence required. The date upon which the Council is deemed to have received the properly completed application shall be determined in accordance with paragraphs 6 of Schedule 1, paragraph 7 and Part 1

of Schedule 7 of the Regulations being satisfied, or as soon as reasonably practicable thereafter.

The Council will notify the applicant or any person affected by its decision under the scheme in writing forthwith, or as soon as reasonably practicable.

Any person affected to whom the Council sends or delivers a notification of a decision to may, within one month of the notification of the decision, request in writing from the Council a statement setting out the reasons for its decision on any matter set out in the notice.

Following receipt of a request for a written statement the Council will provide this within 14 days or as soon as reasonably practicable thereafter.

Where an award or payment of reduction is made the time and manner of granting the reduction under the scheme will be in accordance with Part 5 of Schedule 8 of the Regulations.

### **Change of circumstances**

For persons who are not pensioners the date on which changes of circumstances are to take effect will be determined in accordance with paragraph 4 of Part 2 of Schedule 8 of the Regulations.

### **Procedure for making an appeal**

Any applicant who is not in agreement with the decision of the Council taken under this scheme may service a notice in writing on the Council setting out their reasons and grounds upon which they believe the Council has made the wrong decision.

Following receipt of an appeal in writing the Council will:

- (1) Consider the appeal
- (2) Notify the applicant in writing of the following:
  - (i) Any decision not to uphold the appeal and the reasons for that; or
  - (ii) That steps are being taken to proceed with the appeal and set out what steps.

Where an applicant remains dissatisfied following receipt of any written notice sent by the Council in response to their appeal, they may within two months of the service of that notice, appeal to the valuation tribunal.

### **Applications for further discretionary reductions**

Under Section 13A(1)(c) of the Local Government Finance Act 1992 and The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, the Authority will consider applications for a further reduction in Council Tax.

There will be financial implications in that the cost of any reduction will be a direct cost to the Council. The cost of any discretionary reduction will, therefore, have to be met by the rest of the Council Taxpayers.

Applications must be made in writing or by prescribed electronic communications.

The Council will, in making decisions for further discretionary reductions, have due regard to its duties under The Child Poverty Act 2010, The Housing Act 1996, and The Equality Act 2010.

The Council will review all relevant matters when deciding whether to award a reduction including, but not limited to:

- The circumstances of any other person with whom the applicant is jointly and severally liable for Council Tax.
- The overall financial situation of the applicant and the applicant's family.
- The effect the council believes making an award will have on the applicant and any members of the applicant's family.
- Protecting the public purse and maintaining financial budgets.

A person who applies for a discretionary reduction may request that the Council review its decision. Any such request must be made in writing and be received within one month of the date the notification of the decision.

If practicable, another more senior officer, will reconsider the decision in light of all available evidence and, if appropriate amend it. Any change may lead to either a reduction or an increase in any award.

A further right of review will be available against the decision as reviewed which will be considered by a manager but only against the legality of the decision and not the actual outcome.

**1 Discount for Council Tax Payers Paying in Full**

The Council has agreed in the past to offer a discount to Council Tax payers who pay their Council Tax in full. It is necessary for Cabinet to recommend Council to agree a specific resolution for this purpose or for any change proposed as the current assumption is that the discount remains at 1.5%. Cabinet should note that a similar discount is not permitted under business rate regulations. Any revenue foregone by offering a 1.5% discount is offset by the notional interest earned on the advance payment of Council Tax.

**Resolution**

“Any Council Tax payer who is liable to pay an amount of Council Tax to the authority in respect to the year ending on 31 March 2026, who is served with a demand notice under Article 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 and who makes payment to the authority of the full balance of the estimated amount shown on that demand by 1 April 2025, may deduct a sum equivalent to 1.5% from the estimated amount and such reduced amount shall be accepted in full settlement of that estimated amount”.

The Council meeting in February will receive a resolution in the form required reflecting the recommendations of Cabinet.

**2. Policy regarding war pension income in relation to Housing Benefit Assessment**

The Housing Benefit regulations 2006 make provision for the disregard of the first £10 of War Pension income in the assessment of Housing Benefit entitlement. The Social Security Contributions and Benefits Act 1992 makes further provision that Local Authorities may modify the Housing Benefit scheme by disregarding a further amount or all War Pension Income as part of a local policy.

Since the London Borough of Havering was first established, the custom of disregarding this income in full has been carried out by staff assessing Housing Benefit entitlement.

It has been noted on the council's annual Housing Benefit Assurance Process (HBAP) audit report for benefit paid out in respect of 2021/22, that the council was unable to evidence the decision to adopt a local policy to disregard War Pension income, and so it is necessary for the council to formally record its local policy of disregarding this income in full in the assessment of Housing Benefit. There is already a corresponding disregard of this income in the council's Local Council Tax Support scheme rules.

The legislation which covers these arrangements is as follows:

- The Housing Benefit Regulations 2006 paragraph 40(2) and schedule 5
- Housing Benefit (Persons who have attained the age qualifying for the State Pension Credit) Regulations 2006 paragraph 33(9) and schedule 5
- Sections 134 and 139 of the Social Security Administration Act 1992 provide the Council with the discretion to modify the Housing Benefit scheme by disregarding a further amount, or all, of specified war disablement pensions and payments.
- The Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007 (as amended) prescribe which pensions and payments are in scope for the local policy.

# Equality & Health Impact Assessment (EqHIA)

## Document control

<b>Title of activity:</b>	Council Tax Support Scheme 2025
<b>Lead officer:</b>	Chris Henry, Head of Council Tax & Benefits, Exchequer & Transactional Services, oneSource
<b>Approved by:</b>	Sarah Bryant, Director of Exchequer & Transactional Services
<b>Date completed:</b>	January 2025
<b>Scheduled date for review:</b>	November 2024

<b>Did you seek advice from the Corporate Policy &amp; Diversity team?</b>	Yes
<b>Did you seek advice from the Public Health team?</b>	No
<b>Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?</b>	No

# 1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact [EqHIA@havering.gov.uk](mailto:EqHIA@havering.gov.uk) for advice from either the Corporate Diversity or Public Health teams. Please refer to the Guidance in Appendix 1 on how to complete this form.

## About your activity

1	<b>Title of activity</b>	Council Tax Support Scheme 2025		
2	<b>Type of activity</b>	This is a scheme which provides assistance to people on low incomes to help them pay their Council Tax.		
3	<b>Scope of activity</b>	<p>The Council Tax Support (CTS) Scheme helps many working age people on low incomes pay their Council Tax bills.</p> <p>While Government funding is insignificant, the Council is committed to maintaining the current 2024 CTS scheme in 2025.</p> <p>The proposed scheme will continue to protect pensioners by law who will get the same level of council tax support as they do now which be up to 100%.</p> <p>Disabled working age applicants can have up to 80% off their Council Tax Bill. Working age applicants can have up to 75% off their Council Tax bill.</p> <p>It is proposed the CTS 2025/26 Scheme remains unchanged for working age and pension age claimants in 2025/26.</p>		
4a	<b>Are you changing, introducing a new, or removing a service, policy, strategy or function?</b>	No		
4b	<b>Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?</b>	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.
4c	<b>Does the activity have the potential to impact (either positively or negatively) upon any factors which determine</b>	No		



	<b>people's health and wellbeing?</b>			
<b>5</b>	<b>If you answered YES:</b>	<b>Please complete the EqHIA in Section 2 of this document.</b> Please see Appendix 1 for Guidance.		

<b>Completed by:</b>	Chris Henry, Head of Council Tax & Benefits
<b>Date:</b>	January 2025

## 2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

<b>Background/context:</b>
<p>The Council has a statutory obligation to provide a local Council Tax Support Scheme under the Local Government Act 2012.</p> <p>The Council proposes to maintain the Council Tax Support (CTS) Scheme in place since April 2022/23 for 2025/26. The scheme provides assistance to people on low incomes to help them pay their Council Tax.</p>

<b>Who will be affected by the activity?</b>
<p>The 2025 scheme will continue to protect pensioners who will get the same level of Council Tax Support as they do now. This can provide up to 100% off their Council Tax bill.</p> <p>Disabled working age applicants can have up to 80% off their Council Tax Bill. Working age applicants can have up to 75% off their Council Tax bill.</p> <p>At 31 December 2024, 8,293 working-age claimants and 4,918 pensionable age claimants were in receipt of Council Tax Support.</p> <p>Support remains in place through the Council Tax Discretionary policy for those who suffer hardship. Support workers and advisors continue to direct customers where appropriate to the online application which is available on the Havering website.</p> <p>In terms of the number of Council Tax Support Claimants and their household and personal status, the overall total, compared to last year, has decreased from 13,585 to 13,211 (Dec 23 to Dec 24), recognising fewer applications due to the end of the pandemic and the opening up of the economy.</p>

<b><u>Council Tax Support Case Group Descriptions</u></b>	<b><u>Count</u></b>
Elderly-Passported-War Pensioners	1
Elderly-Passported-Severe Disability	1,022
Elderly-Passported-Carer	121
Elderly-Passported-Family Premium - 1 Child	3
Elderly-Passported-Family Premium	5
Elderly-Passported-Working	16
Elderly-Passported-Non Dependant	367
Elderly-Passported-Other	1,219
Elderly-Non-Passported-War Pensioners	5
Elderly-Non-Passported-Severe Disability	445
Elderly-Non-Passported-Carer	122
Elderly-Non-Passported-Family Premium - 1 Child	2
Elderly-Non-Passported-Family Premium	1
Elderly-Non-Passported-Working	50
Elderly-Non-Passported-Non Dependant	290
Elderly-Non-Passported-Other	1,249
<b>Total Elderly (37%)</b>	<b>4,918</b>
Working Age-Passported-Severe Disability	624
Working Age-Passported-Enhanced Disability	493
Working Age-Passported-Disability	18
Working Age-Passported-Carer	31
Working Age-Passported-Disabled Child Premium	3
Working Age-Passported-Lone Parent Child Under 5	3
Working Age-Passported-Family Premium - 2 Child	4
Working Age-Passported-Family Premium - 1 Child	10
Working Age-Passported-Family Premium	2
Working Age-Passported-Working	2
Working Age-Passported-Non Dependant	43
Working Age-Passported-Other	113
Working Age-Non-Passported-War Pensioners	1
Working Age-Non-Passported-Severe Disability	1,383
Working Age-Non-Passported-Enhanced Disability	665
Working Age-Non-Passported-Disability	571
Working Age-Non-Passported-Carer	929
Working Age-Non-Passported-Disabled Child Premium	62
Working Age-Non-Passported-Lone Parent Child Under 5	647
Working Age-Non-Passported-Child Under 5	120
Working Age-Non-Passported-Family Premium - 5 and Above	4
Working Age-Non-Passported-Family Premium - 4 Child	32
Working Age-Non-Passported-Family Premium - 3 Child	107
Working Age-Non-Passported-Family Premium - 2 Child	357
Working Age-Non-Passported-Family Premium - 1 Child	654
Working Age-Non-Passported-Family Premium	168

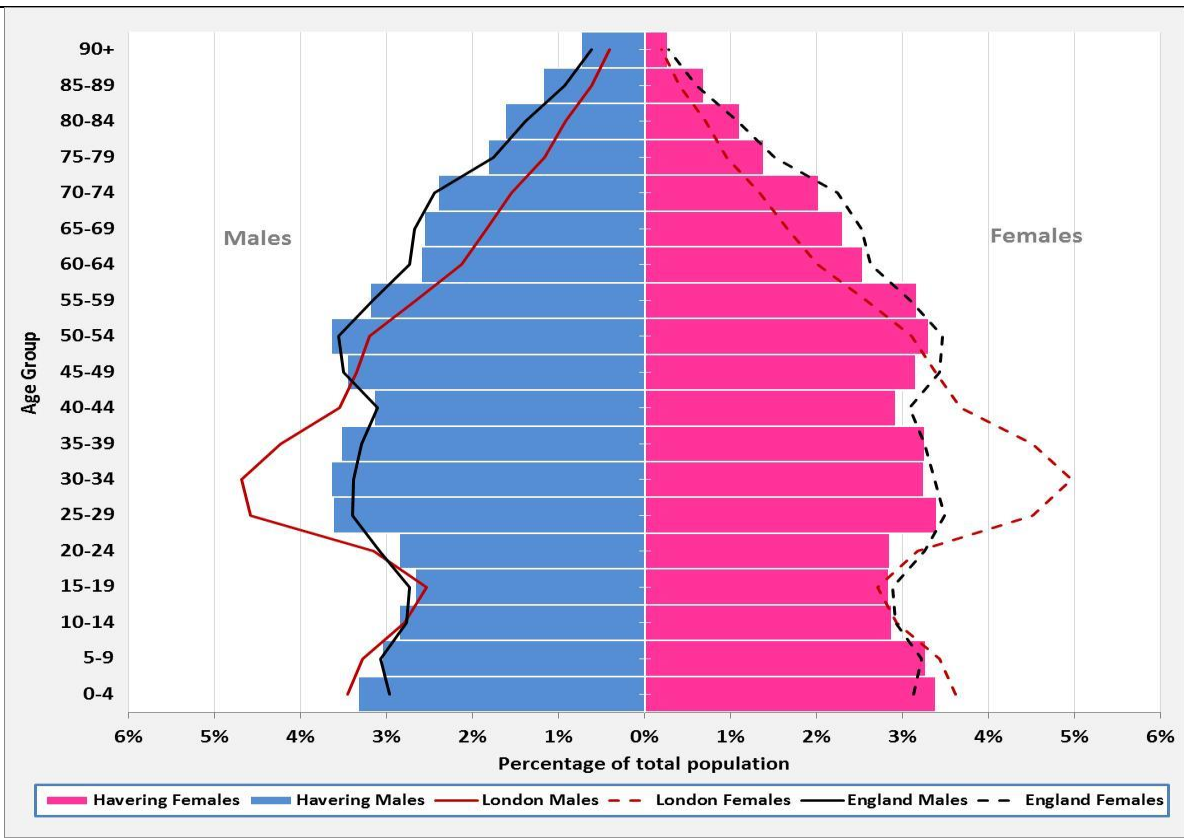
Working Age-Non-Passported-Working	224
Working Age-Non-Passported-Non Dependant	184
Working Age-Non-Passported-Other	771
Working Age-Non-Passported-Care Leavers	68
Total Working Age (63%)	8,293
Grand Total Working Age & Elderly)	13,211

Protected Characteristic - Age: Consider the full range of age groups		
<i>Please tick (✓) the relevant box:</i>	<p><b>Overall impact:</b> There are no changes proposed to the CTS 2025/26 Scheme.</p>	
<b>Positive</b>	<p>The impact of this scheme, as compared to the current scheme will remain the same as in the Equality Impact Analysis prepared in Oct 2021. <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a></p> <p>London Borough of Havering has the oldest population in London with a median age of approximately 40 years old, as recorded in the 2011 census. Legislation means that the 2025/26 scheme will continue to protect pensioners by law. Consequently, the pension age scheme and the working age scheme have become more disparate overtime.</p> <p>From 2011 to 2016, Havering experienced the largest net inflow of children across all London boroughs. 4,580 children settled in the borough from another part of the United Kingdom during this six year period.</p> <p>Within the scope of the 2025 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts.</p>	
<b>Neutral</b>		✓
<b>Negative</b>		
<i>*Expand box as required</i>		
<p><b>Evidence:</b></p> <p>At present approximately 63% of Council Tax Support claimants are working age and 37% are pension age. For comparison, the working age population (18-64 years) in Havering is 76% and the pension age population is 24%.</p> <p>A full range of online services are available including a Text relay service: 18001 01708 434343. Customers can contact the council online or by telephone to the dedicated Call Centre. Customer Services staff are able to give advice and assist. Outside organisations such as Peabody, CAB and Age UK are widely promoted to provide assistance to the elderly population.</p>		

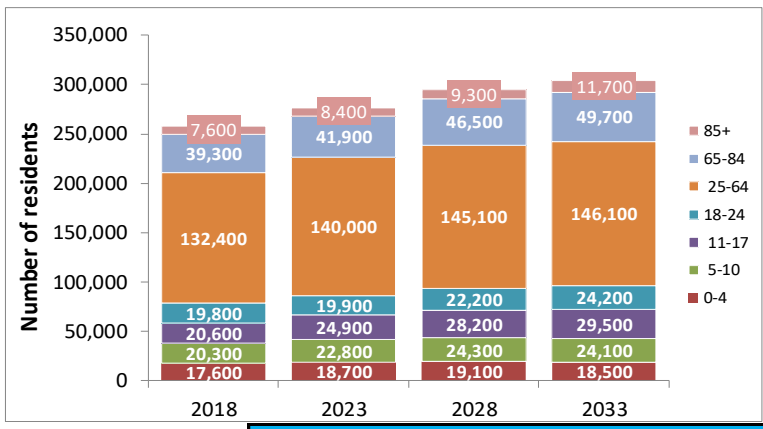
The table below shows the breakdown of current (mid-2017) population by gender and five-year age bands.

AGE BAND (YEARS)	MALE	FEMALE	PERSONS
00-04	8,671	8,553	17,224
05-09	8,371	7,820	16,191
10-14	7,359	7,306	14,665
15-19	7,277	6,833	14,110
20-24	7,316	7,308	14,624
25-29	8,688	9,295	17,983
30-34	8,325	9,355	17,680
35-39	8,344	9,038	17,382
40-44	7,491	8,078	15,569
45-49	8,064	8,879	16,943
50-54	8,463	9,333	17,796
55-59	8,103	8,183	16,286
60-64	6,504	6,664	13,168
65-69	5,903	6,577	12,480
70-74	5,191	6,158	11,349
75-79	3,539	4,672	8,211
80-84	2,836	4,157	6,993
85-89	1,756	3,032	4,788
90+	706	1,891	2,597
<b>All Ages</b>	<b>122,907</b>	<b>133,132</b>	<b>256,039</b>

The population pyramid compares the population figures for Havering with London and England by five-year age bands. The pyramid shows a much older age structure for the population of Havering compared to London but similar to England.



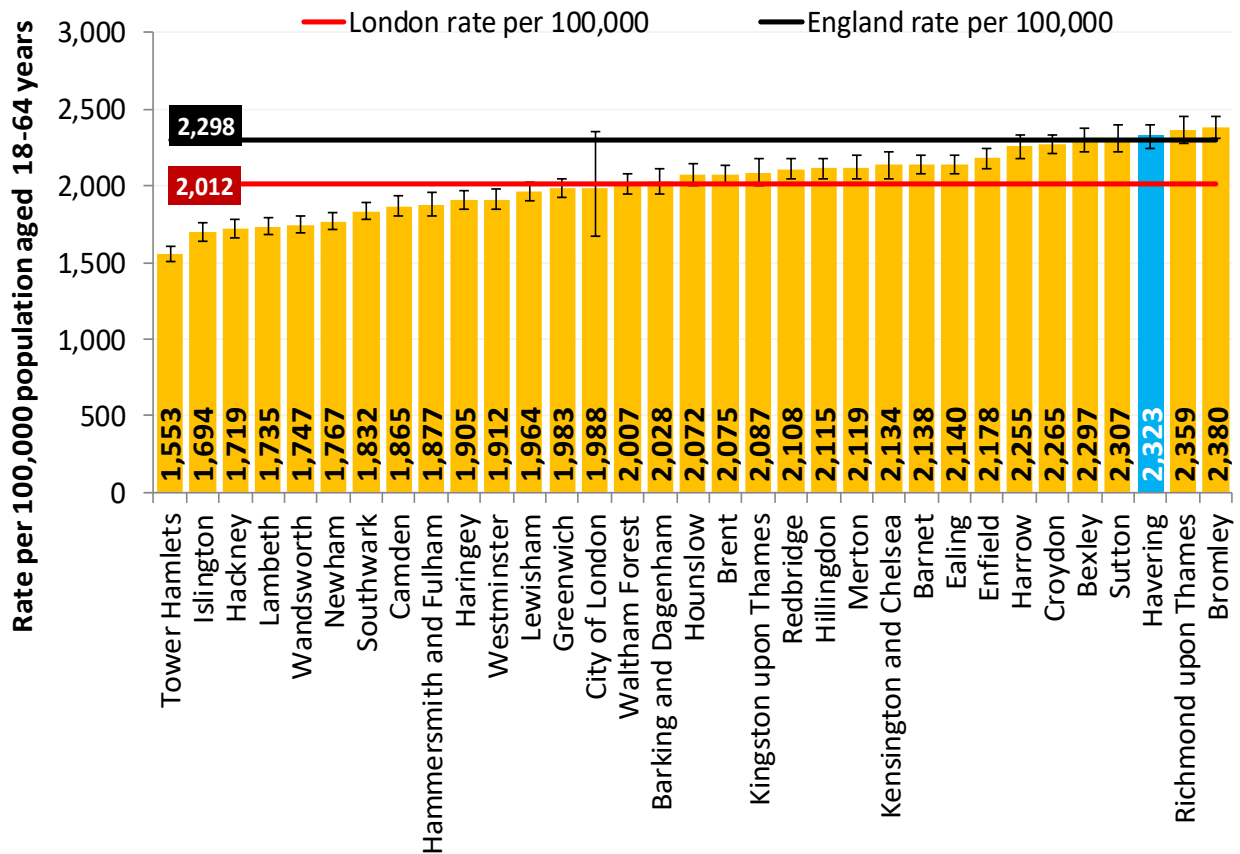
Projected Population Increases by Age Group



Age Group	Percentage change from 2018 to		
	2023	2028	2033
0-4	6%	9%	5%
5-10	12%	20%	19%
11-17	21%	37%	43%
18-24	1%	12%	22%
25-64	6%	10%	10%
65-84	7%	18%	26%
85+	11%	22%	54%

<p><b>Sources used:</b></p> <ul style="list-style-type: none"> <li>• Council Tax Support caseload data Dec 24</li> <li>• This is Havering 2018 version 4.1 (August 2018) <i>produced by public health intelligence</i></li> <li>• Mid-year population estimates 2017; Office for National Statistics (ONS)</li> <li>• GLA 2016 based Demographic Projections – Local Authority population projections Housing Led Model</li> </ul>
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<p><b>Protected Characteristic - Disability:</b> Consider the full range of disabilities; including physical mental, sensory and progressive conditions</p>	
<p>Please tick (✓) the relevant box:</p>	
<b>Positive</b>	<p><b>Overall impact:</b></p> <p>There are no changes proposed to the CTS 2025/26 Scheme.</p>
<b>Neutral</b>	<p>The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in October 2021. <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a></p>
<b>Negative</b>	<p>Within the scope of the 2025 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts.</p> <p>The Recovery Policy also sensitively considers vulnerable persons under whom disabled CTS applicants are categorized, in the collection of Council Tax.</p>
<p><b>Evidence:</b></p> <p>In 2017, 3,506 adults (aged 18-64 years) were estimated to be living with serious physical disabilities in Havering. The estimated rate of serious physical disabilities in Havering (2,323 per 100,000 population aged 18-64 years) is similar to England but significantly higher than London average and one of the highest rates of London local authorities. The rationale for this is likely due to the relatively older population in Havering compared to other London boroughs.</p>	



In terms of Council Tax Support, disabled claimants are defined as people who have a disability income that entitles them to one of the following premiums: disability, severe disability, enhanced disability, disabled child and/or carer when calculating their benefit. Approximately 58% of working age Council Tax Support claimants meet the above definition, much higher than the overall population average.

Disabled people are historically disadvantaged and face greater barriers when accessing (information about) services and therefore disabled households are considered to be more vulnerable than other households. Disabled people who are unable to work receive higher levels of state benefits and while based on the proposals they will be subject to the 20% liability reduction, disabled working age claimants are likely to have a higher income than other unemployed, working age claimants whose council tax support will also be reduced.

A full range of online services are available and a Text relay service exists: 18001 01708 434343. Customers can contact the council online or by telephone to the dedicated service Call Centre. Details of AccessAble are available on the council's website. Customer Services staff are able to advise and assist, as can Havering's Community Learning Disability Team (CLDT) which assists adults with a learning disability and their carers. The Language Shop also exists providing the following services:

- Proofing and editing of translated documents;
- Reproduction of print material in large print;
- Reproduction of print material in Braille;
- Audio and transcription services;
- Subtitling;

Reproduction of information in “Easy Read” (simplifying information using pictures and plain English);  
 Certification and authenticity checks of documents  
 Other outside organisations such as Peabody, CAB and Age UK are widely promoted to provide assistance customers with disabilities

**Sources used:**

Council Tax Support caseload data Dec 2024  
 This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*  
 Peabody  
 CAB  
 Age UK  
 The Corporate Translation & Interpreting Policy  
 The Language Shop

Protected Characteristic - Sex/gender: Consider both men and women	
Please tick (✓) the relevant box:	
<b>Positive</b>	<input type="checkbox"/>
<b>Neutral</b>	<input checked="" type="checkbox"/>
<b>Negative</b>	<input type="checkbox"/>

**Overall impact:**

There are no changes proposed to the CTS 2025/26 Scheme.

The impact of this scheme, as compared to the scheme available in 2024/25 will remain the same as in the Equality Impact Analysis prepared in October 2021. [Equality & Health Impact Assessment \(EqHIA\)](#)

Due to the fact that only one claim is submitted per household, it is difficult to fully consider the implications the proposals will have on this protected characteristic.

However, equalities monitoring indicates that the majority of claims (68%) are made by females (married and single titles) compared with males. We also know that lone parents, part-time workers and carers are more likely to be women.

The proposals are therefore considered to have a disproportionate impact on women.

Within the scope of the 2025 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts  
 The Council has considered the indirect discrimination and the legitimate aim of balancing the budget in the context of significant savings required. We also consider it is proportionate because the Council’s budget situation is such that there are no feasible alternatives. Since 2013, Government grant for Council Tax Support was withdrawn and the scheme has been funded by the Council from



its own resources.

**Evidence:**

**Breakdown of Council Tax Support Applicants by Gender**

<b>Female</b>	<b>8,983</b>	<b>68%</b>
<b>Male</b>	<b>4,228</b>	<b>32%</b>

**Breakdown of Havering population by gender**

<b>MALE</b>		<b>FEMALE</b>		<b>TOTAL</b>
122,907	48.0%	133,132	52.0%	256,039

The table below shows the breakdown of current (mid-2017) population by gender and five-year age bands.

<b>AGE BAND (YEARS)</b>	<b>MALE</b>	<b>FEMALE</b>	<b>PERSONS</b>
<b>00-04</b>	8,671	8,553	17,224
<b>05-09</b>	8,371	7,820	16,191
<b>10-14</b>	7,359	7,306	14,665
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<b>20-24</b>	7,316	7,308	14,624
<b>25-29</b>	8,688	9,295	17,983
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<b>40-44</b>	7,491	8,078	15,569
<b>45-49</b>	8,064	8,879	16,943
<b>50-54</b>	8,463	9,333	17,796
<b>55-59</b>	8,103	8,183	16,286
<b>60-64</b>	6,504	6,664	13,168
<b>65-69</b>	5,903	6,577	12,480
<b>70-74</b>	5,191	6,158	11,349
<b>75-79</b>	3,539	4,672	8,211
<b>80-84</b>	2,836	4,157	6,993
<b>85-89</b>	1,756	3,032	4,788
<b>90+</b>	706	1,891	2,597
<b>All Ages</b>	<b>122,907</b>	<b>133,132</b>	<b>256,039</b>

**Sources used:**

Council Tax Support caseload data Dec 2024  
 This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*  
 Havering Data Intelligence Hub  
 Office of National Statistics (ONS)

**Protected Characteristic - Ethnicity/race:** Consider the impact on different ethnic groups and nationalities

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  There are no changes proposed to the CTS 2025/26 Scheme.  The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in October 2021. <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>  Our data shows that BME claimants are slightly over-represented amongst working age claimants receiving Council Tax Support.  There could be a negative impact of the proposals on people from Black and Minority Ethnic (BME) groups. This could imply that BME groups experience more difficulty in finding employment.  Support is in place through the Council Tax Discretionary policy for those who suffer hardship as a result of these proposals in order to mitigate any negative impacts.  Providing comprehensive translation and interpretation services is becoming increasingly important in light of the significant demographic changes occurring across the Borough. Havering's non-English speaking population has grown steadily. It is estimated that the percentage of adults is greater than 10% (last Census only recording if English as main language in a household) Interpretation, translation or alternative formats can be obtained from The Language Shop which includes:  Face to face interpreting (Spoken Language Interpreting, this can be simultaneous or consecutive); Telephone interpreting (connecting to a spoken language interpreter over the telephone); Multilingual telephone information service; Translation (to have written documents translated from the source language to the target language):
<b>Positive</b>	<input type="checkbox"/>	
<b>Neutral</b>	<input checked="" type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	

**Evidence:**

The tables below show the projected figures for the breakdown of Havering by ethnicity/race and for Benefits claimants where they have supplied this information. The data is difficult to compare due to the different classifications of ethnicity used.

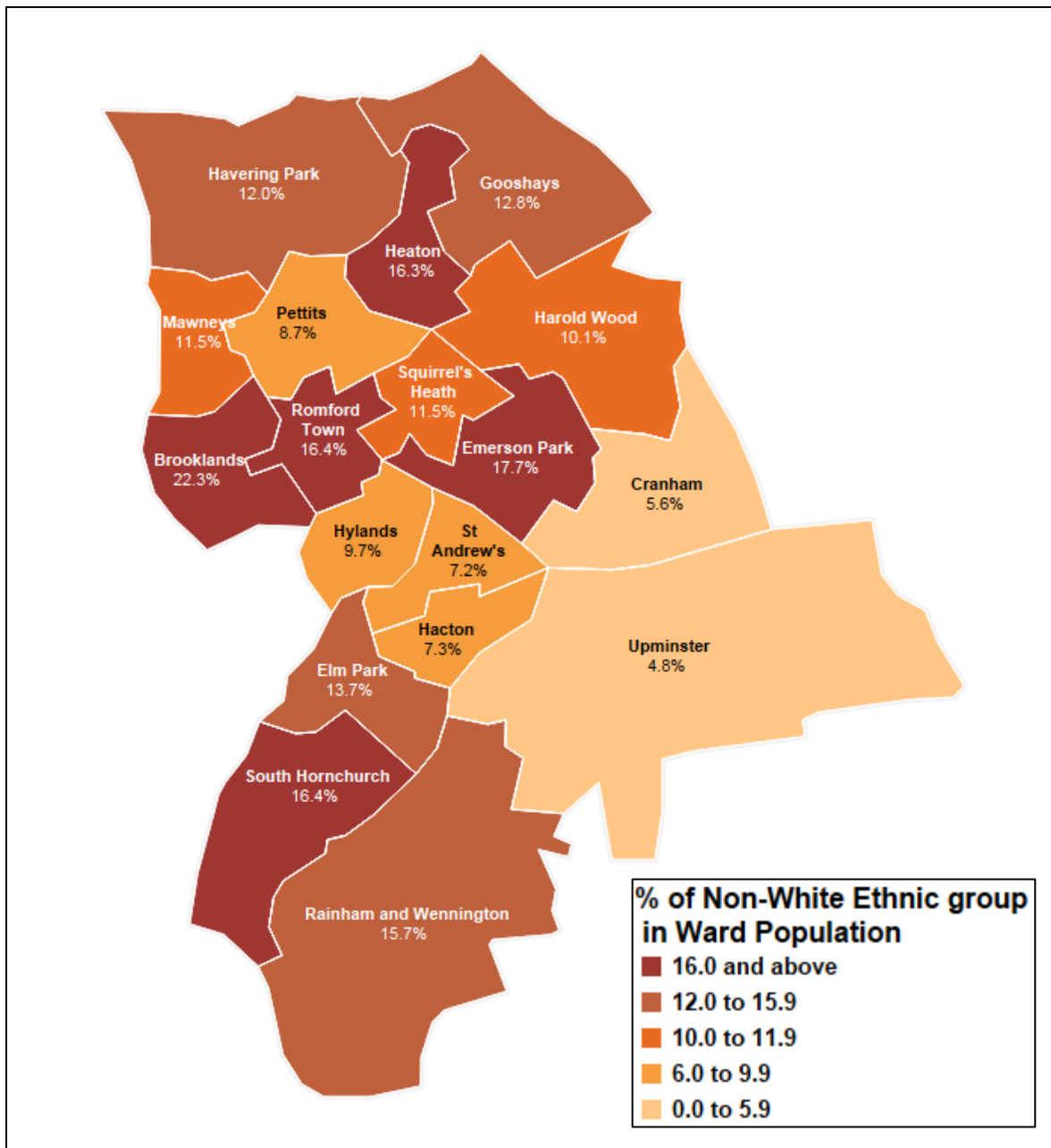
2017 (Havering general population projection)	Number	Percentage of population (%)
All ethnicities	253,478	100.00
White	211,814	83.6
Black Caribbean	3,696	1.5
Black African	10,405	4.1
Black Other	1,510	0.6
Indian	7,405	2.9
Pakistani	2,400	0.9
Bangladeshi	1,883	0.7
Chinese	1,567	0.6
Other Asian	3,652	1.4
Mixed	7,498	3.0
Other	1,648	0.7
<i>BAME<sup>1</sup> Total</i>	<i>41,664</i>	<i>16.4</i>

### Council Tax Support & Housing Benefit Claimants where Equalities information provided Jan 2025

Claimant Population	Number	Percentage of claimants that provided information
Any Other	449	1.9%
Arab	141	0.6%
Asian/Asian British Any Other	334	1.4%
Asian/Asian British Bangladeshi	659	2.8%
Asian/Asian British Indian	440	1.9%
Asian/Asian British Pakistani	701	3.0%
Asian/Other	13	0.1%
Black/Black British African	2,250	9.5%
Black/Black British Any Other	269	1.1%
Black/Black British Caribbean	816	3.4%
Black/Black British Other	7	0.0%
Chinese	55	0.2%
Claimant Declined	63	0.3%
Gypsy/Traveller	46	0.2%
Mixed Any Other	205	0.9%
Mixed White & Black African	172	0.7%
Mixed White & Black Caribbean	346	1.5%
Mixed White and Asian	97	0.4%
Mixed/Other	4	0.0%
Other Ethnic Group	13	0.1%
White & Asian	1	0.0%
White & Black African	8	0.0%
White & Black Caribbean	16	0.1%
White Any Other	2,216	9.3%
White British	14,132	59.6%
White Irish	265	1.1%
<b>Total</b>	<b>23,718</b>	<b>100.0%</b>

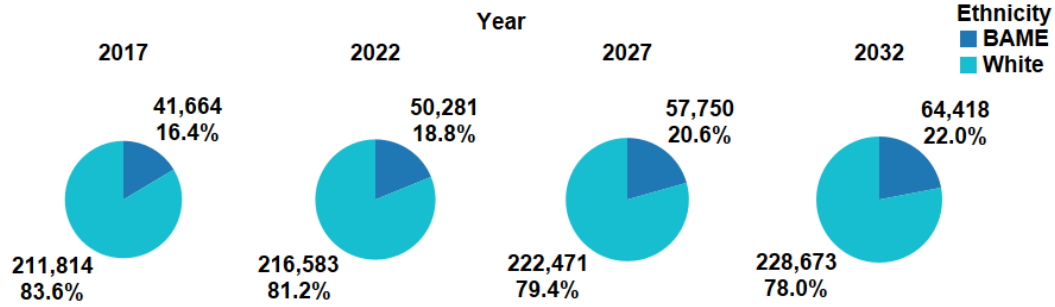
<sup>1</sup> The GLA define BAME differently to the ONS. The GLA does not include a 'White Other' Group. Instead they have one category 'White' that includes 'White British' and 'White Other'.

From the data provided above, it would appear that there is a disproportionate impact on BME claimants. 83.6% of Havering's population are defined as White, compared to 74.2% of benefit claimants who define themselves as White (including 'White: Other').

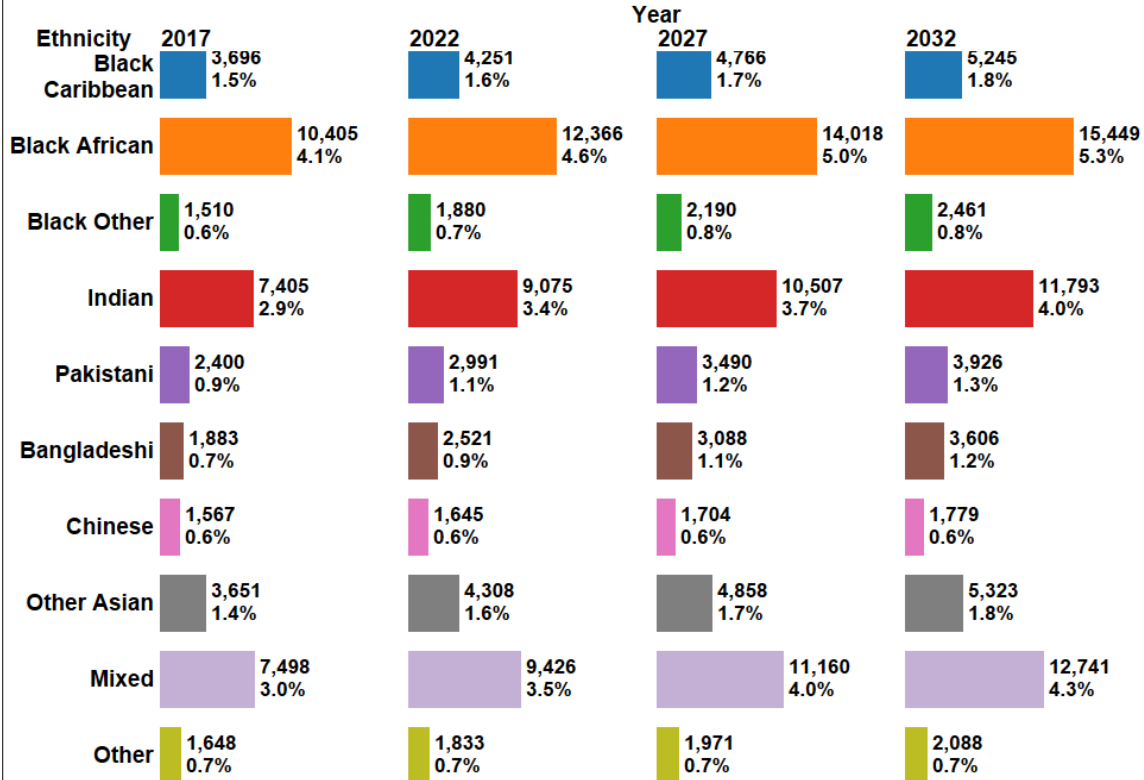


Ethnicity population projections 2017 - 2032

Proportion of Black, Asian and Minority Ethnic (BAME) and White population in Havering



Break down of Havering population classed as BAME



Sources used:

Demographic, Diversity and Socio-economic Profile of Havering's Population March 2018  
 This is Havering 2018 version 4.1 (August 2018)  
 The Corporate Translation and Interpreting Policy  
 The Language Shop  
 Council Tax Support caseload data hb6860 Jan 2025

**Protected Characteristic - Religion/faith:** Consider people from different religions or beliefs including those with no religion or belief

Please tick (✓) the relevant box:

**Overall impact:**

<b>Positive</b>		There are no changes proposed to the CTS 2025/26 Scheme.  The impact of this scheme, as compared to the scheme available in 2024/25 will remain the same as in the Equality Impact Analysis prepared in October 2021 <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>
<b>Neutral</b>	✓	
<b>Negative</b>		

**Evidence:**

**Religion and Belief 2011 Census**

Faith	Number	%
Christian	155,597	65.6%
Buddhist	760	0.3%
Hindu	2,963	1.2%
Jewish	1,159	0.5%
Muslim	4,829	2.0%
Sikh	1,928	0.8%
Other Religion	648	0.3%
No Religion	53,549	22.6%
No Response	15,799	6.7%
<b>Totals</b>	<b>237,232</b>	<b>100.0%</b>

**Sources used:**  
2011 Census

**Protected Characteristic - Sexual orientation:** Consider people who are heterosexual, lesbian, gay or bisexual

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>
<b>Positive</b>		There are no changes proposed to the CTS 2025/26 Scheme.
<b>Neutral</b>	✓	The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 2021. <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>
<b>Negative</b>		There is no information available to make an assessment on the impact of the current scheme on this protected characteristic.

**Evidence:**

**Sources used:**

<b>Protected Characteristic - Gender reassignment:</b> Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth	
<i>Please tick (✓) the relevant box:</i>	
<b>Positive</b>	<input type="checkbox"/>
<b>Neutral</b>	<input checked="" type="checkbox"/>
<b>Negative</b>	<input type="checkbox"/>
<b>Overall impact:</b>	
There are no changes proposed to the CTS 2025/26 Scheme.	
The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 2021 <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>	
There is no information available to make an assessment on the impact of the proposals on this protected characteristic Name changes actioned through uk deed poll office	
<b>Evidence:</b>	
<b>Sources used:</b> ONS	

<b>Protected Characteristic - Marriage/civil partnership:</b> Consider people in a marriage or civil partnership	
<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>	
There are no changes proposed to the CTS 2025/26 Scheme.	
The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 2021 <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>	
Same sex couples and civil partnerships are recognised within the scheme however there is insufficient information available to make an assessment on the impact of the proposals on this protected characteristic	
<b>Evidence:</b>	
<b>Sources used:</b>	

<b>Protected Characteristic - Pregnancy, maternity and paternity:</b> 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>	

<b>Positive</b>		There are no changes proposed to the CTS 2025/26 Scheme.
<b>Neutral</b>	✓	The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 21. <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>
<b>Negative</b>		<p>There is insufficient information available to make an assessment on the impact of the proposals on this protected characteristic. However, working mothers on maternity leave and women with caring responsibilities tend to have less income and/or reduced access to the labour market.</p> <p>It is perceived that there may also be equality implications for parents with young children and babies, particularly lone parents who may experience a negative impact. Support is in place through the Council Tax Discretionary policy for those who suffer hardship as a result of these proposals in order to mitigate any negative impacts.</p>
<b>Evidence:</b>		
<b>Sources used:</b>		
ONS		

<b>Socio-economic status:</b> 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>	✓	There are no changes proposed to the CTS 2025/26 Scheme.
<b>Neutral</b>		The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 2021 <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>
<b>Negative</b>		<p>Council Tax Support is a means tested scheme available to households on low incomes. Therefore, all recipients would be considered to be at a socio-economic disadvantage, particularly lone parents (most likely to be women), part-time workers (most likely to be women), working-age couples on low income, large households (more likely to be from BME backgrounds) and carers (most likely to be women).</p> <p>Support is in place through the Council Tax Discretionary policy for those who suffer hardship as a result of these proposals in order to mitigate any negative impacts.</p> <p>Pension age Council Tax Support claimants will not be affected and will continue to receive similar levels of support with their council tax bills</p>

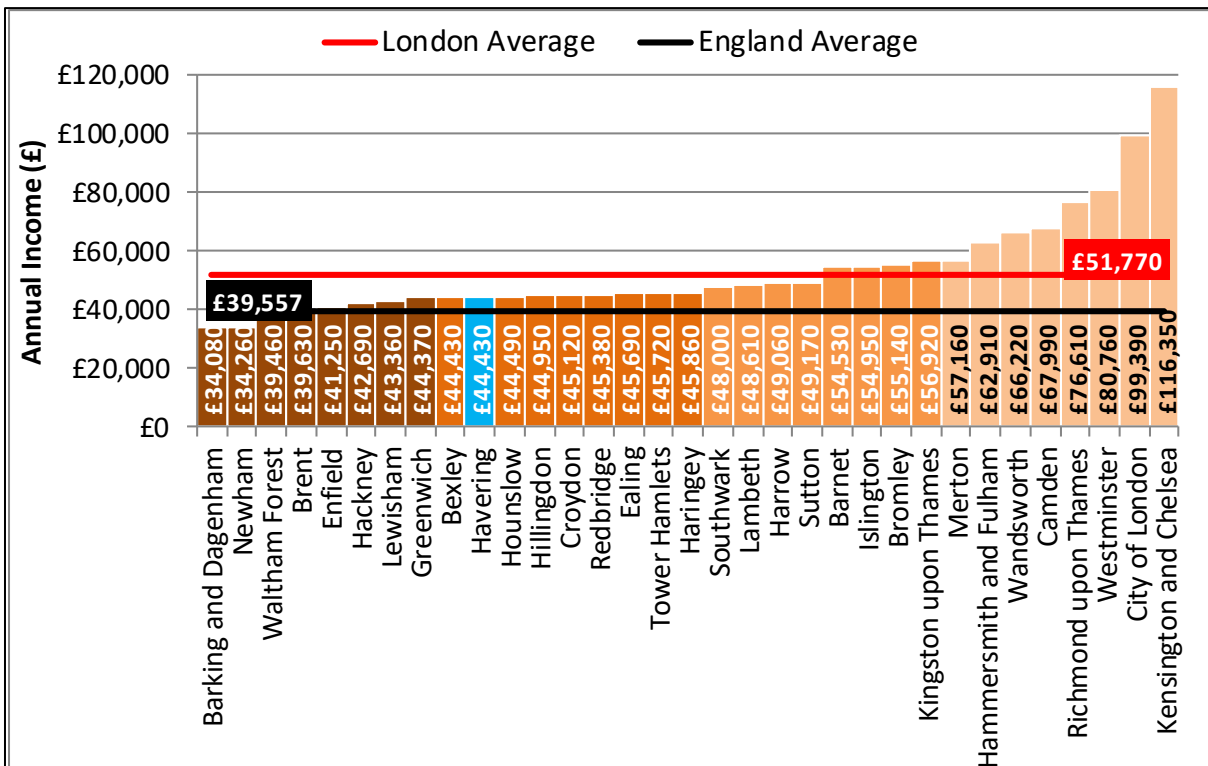


as they do at present.

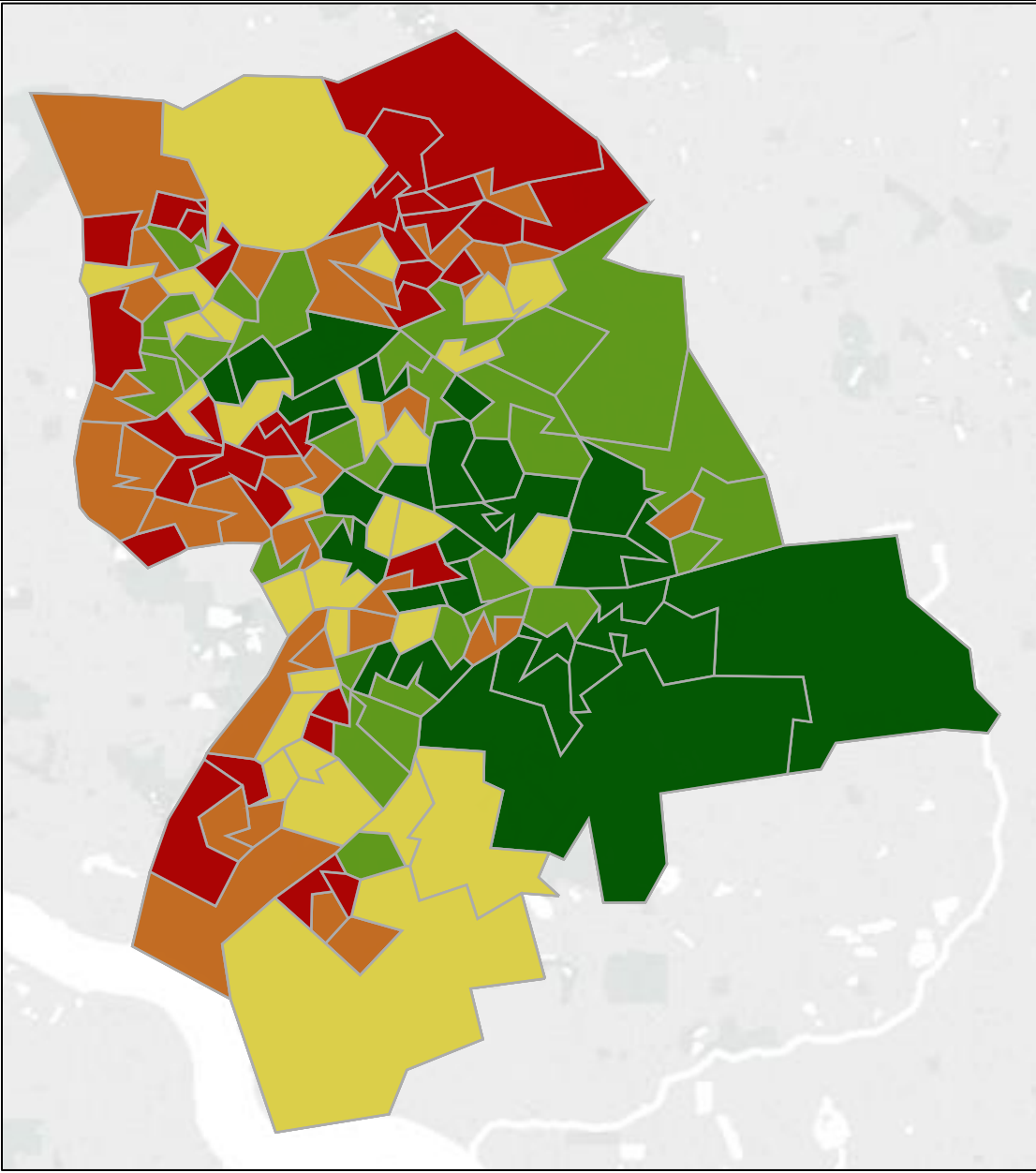
**Evidence:**

- The average gross income per household in Havering (£44,430, as measured in 2012/13) is low in comparison to the London average (£51,770) and slightly higher than the England average (£39,557).
- 77% of households in Havering have at least one car and compared to other local authorities in London, Havering has the second highest proportion of households (32.8%) with 2 or more cars.
- Majority of children in Havering are not poor, but around 8,800 live in income-deprived households. Gooshays and Heaton wards have the highest proportion of children living in poverty.
- About 77.9% of working age residents in Havering were in employment between April and June 2018. Overall employment rate in Havering is higher than London (74.6%) and England (75.9%)
- The proportion of working age residents in Havering claiming out-of-work benefits (6.8%) is significantly lower than England (8.4%).

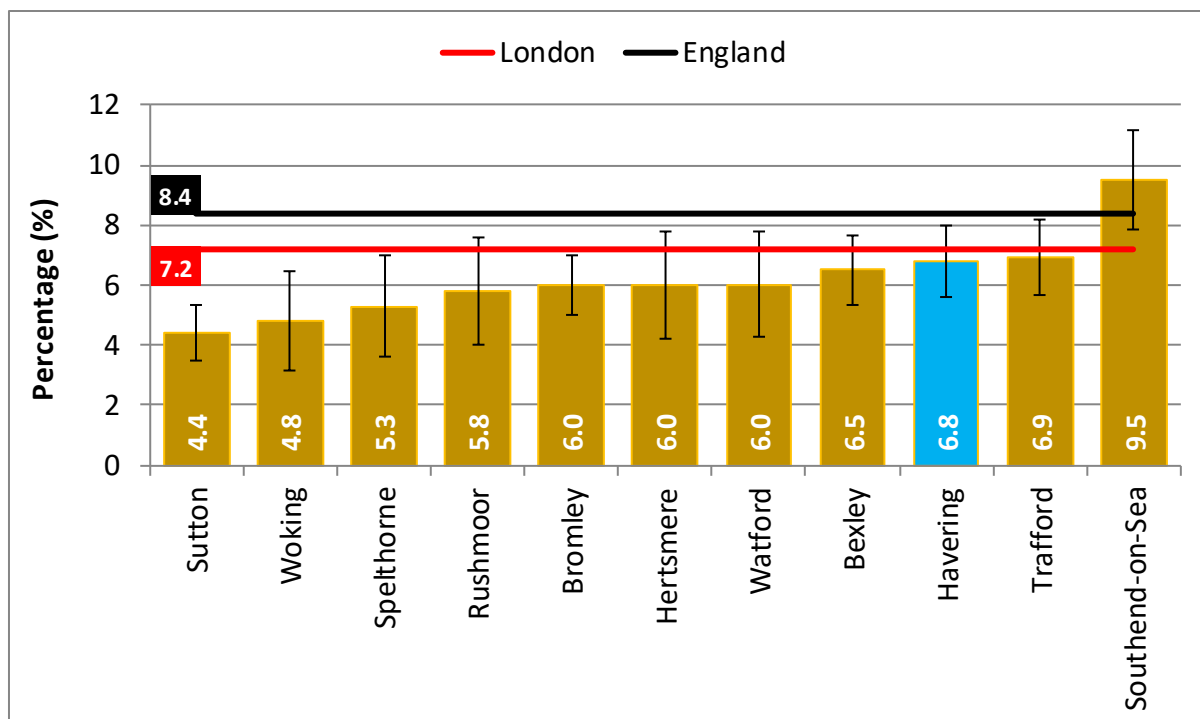
**Income 2012/13**



Income deprivation affecting Children, quintiles within Havering LSOA, 2015



Proportion of working age residents claiming out-of-work benefits in Havering and ONS statistical comparator group, November 2016



**Sources used:**

Council Tax Support caseload data Dec 2024  
 This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*  
 Office of National Statistics (ONS)

**Health & Wellbeing Impact:** 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"/>	There are no changes proposed to the CTS 2025/26 Scheme.
<b>Neutral</b>	<input type="checkbox"/>	The impact of this scheme, as compared to the scheme available in 2024/25, will remain the same as in the Equality Impact Analysis prepared in Oct 2021 <a href="#">Equality &amp; Health Impact Assessment (EqHIA)</a>
<b>Negative</b>	<input type="checkbox"/>	Research has shown there is a clear correlation between poverty and health. Poverty can affect the health of people at all ages. In infancy, it is associated with a low birth weight, shorter life expectancy and a higher risk of death in the first year of life. Children living in poverty are more likely to suffer from chronic diseases and diet-related problems.  Entitlement to Council Tax Support assists low income households to

		pay their council tax bill which in turn contributes to financial wellbeing and alleviates stress and poor mental health
<b>Evidence:</b> <a href="#">health-at-a-price-2017.pdf (bma.org.uk)</a>		
<b>Sources used:</b> <a href="#">health-at-a-price-2017.pdf (bma.org.uk)</a>		

### 3. Outcome of the Assessment

The EqHIA 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:

✓	1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u>	➔	<b>Proceed with implementation</b> of your activity
	2. The EqHIA identified some <u>negative impact</u> which still needs to be <u>addressed</u>	➔	<b>COMPLETE SECTION 4:</b> <b>Complete action plan</b> and finalise the EqHIA
	3. The EqHIA 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	➔	<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>

## 4. Action Plan

Protected characteristic / health & wellbeing impact	Identified Negative impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer
All	✓	<p>Monitor implication of change in Council Tax Support.</p> <p>Opportunities with the Ctax Support Scheme</p>	<p>We will monitor the impact of the continuing scheme and take-up of hardship funds as part of our performance and quality checking systems. The performance data collated, including satisfaction surveys and community profile monitoring will form part of regular reporting arrangements to senior management and members.</p> <p>Citizens' Advice Bureau commissioned to assist provides debt counselling and advice.</p>	December 2024	Nick Foxcroft

		<p>to challenge amount of benefit through internal/external review procedures to maximize support.</p> <p>Availability of the Emergency Assistance Scheme in LB Havering.</p>	Applications monitored & awards recorded by Havering in-house Team.	December 2024	Nick Foxcroft
All	✓	The Council Tax Discretionary Policy	<p>The policy is available on the Internet for any claimant struggling to pay their Council Tax.</p> <p>32 applications were received &amp; awarded in 2020/21. The majority being from Havering care leavers.</p>	December 2024	Chris Henry

			The Discretionary Policy is promoted by several internal departments and external organizations who engage with vulnerable residents.		
Disability	✓	International Day of the Disabled Person  Ctax Recovery Policy. Individual circumstances taken into account.	This is a practical event planned for International Day of the Disabled Person to engage with and advance the rights and wellbeing of persons with disabilities.  The agenda will include public Speakers, open forum discussions and opportunities to develop and contribute local policy.	3 December 2023  December 2024	Jerry Haley date to be confirmed  Chris Henry
Age	✓	Referral to Havering Works to assist careers advice & getting back into employment	Positive outcomes recorded by Havering Works	September 2023	Nick Foxcroft



Socio-Economic	✓	Referral to external bodies for income maximization and debt advice eg CAB, Peabody, The Money Advice Service, Stepchange etc		December 2024	Council Tax & Benefit Services, Housing
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**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).

## 5. 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:**

The EIA will be reviewed on bi-annual basis.

**Scheduled date of review:** May 2025

**Lead Officer conducting the review:** Chris Henry

**Please submit the completed form via e-mail to [EqHIA@haverling.gov.uk](mailto:EqHIA@haverling.gov.uk) thank you.**



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## Appendix L Equality & Health Impact Assessment (EqHIA)

<b>Title of activity:</b>	<b>Havering General Fund Budget 2025/26 and Medium Term Financial Strategy 2025-2029</b>
<b>Lead officers:</b>	Richard Tyler – Head of Financial Strategy
<b>Approved by:</b>	Kathy Freeman – Strategic Director of Resources
<b>Date completed:</b>	January 2025
<b>Scheduled date for review:</b>	January 2026

<b>Did you seek advice from the Corporate Policy &amp; Diversity team?</b>	Yes
<b>Did you seek advice from the Public Health team?</b>	Yes
<b>Does the EqHIA contain any confidential or exempt information that would prevent it from being published it on the Council's website?</b>	No

## 1. About the activity

1	Title of activity	2025 Council Revenue Budget and 2025-2029 Medium Term Financial Strategy
2	Type of activity	The report sets the budget and proposed Council Tax level for 2025/26. The report sets out the proposed MTFFS for 2025-29
3	Scope of activity	<p>This EQUIA is in place to consider the recommendations in this report and to ensure that all characteristics have been considered in making these recommendations.</p> <p>The recommendations in this report are to</p> <ol style="list-style-type: none"> <li>1. <b>Agree</b> the savings proposals as set out in the report</li> <li>2. Agree the proposed Fees and Charges schedule as set out in the report</li> <li>3. Agree the proposed 2.99% increase in core Council Tax for 2025/26</li> <li>4. Agree the proposed additional 2% Council tax increase for the Adult Social Care Precept</li> <li>5. Agree the proposed Council Band D basic amount of Council Tax for 2025/26 of £1,823.17 being the amount calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax excluding the GLA precept for the year</li> <li>6. Agree the proposed Council Tax requirement for 2025/26 to be set at £164.361m as set out in <b>Appendix E</b> of the report</li> <li>7. Agree the budgets proposed in this report</li> <li>8. Agree the Council Tax Support Scheme for 2025/26 as set out in <b>Appendix I</b> to this report (unchanged from 2024/25).</li> <li>9. Agree Council Tax discounts for early payment to be given at a rate of 1.5% as set out in <b>Appendix J</b> of this report.</li> </ol>

4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	No	It should be noted that where there is a change in service provision the financial impact is included in this report but the actual policy and implementation will be in separate reports with a separate specific EQUIA completed where appropriate
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	

<b>Completed by:</b>	Richard Tyler Head of Financial Strategy
<b>Date:</b>	January 2025

## 2. The EqHIA

### Background/context:

Each year the Council is required to set a balanced budget and propose a level of Council Tax for the following year. The budget process will include a series of assumptions for which the impact on residents and users of services need to be considered in making decisions.

The Assumptions include:

Inclusion of Demographic and Unit Cost pressures in the budget to meet demand  
Inclusion of growth and investment to improve efficiency in the borough  
Inclusion of savings proposals  
Inclusion of fees and charges uplifts  
Recommended Council Tax increase

The impact of these assumptions on different characteristics of residents and users are considered in this document.

It should be noted that this report also recommends the 2025/26 Council Tax Support Scheme. A separate EQUIA has been completed for this decision which is shown elsewhere in this report.

The Council has a Public Sector Equality duty under the Equality Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share protected characteristics and those who do not.
- Foster good relations between people who share protected characteristics and those who do not.

Firstly, all recommendations in the budget papers adhere to these principles and the decisions taken are all made with this in mind. The majority of the savings in the budget report are internal efficiencies which will improve outcomes and save money. As such these do not have a direct impact on the public and so do not feature directly in this assessment

The equality duty covers nine protected characteristics: age, disability, sex/gender, ethnicity/ race, religion/faith, sexual orientation, gender re-assignment, marriage/civil partnership and pregnancy. This means that the first aim of the duty applies to this characteristic but that the other aims (advancing equality and fostering good relations) do not apply.

Equality implications are assessed by reviewing the potential impact on those with protected characteristics as defined in the Equality Act 2010 and then given a score of either, no equalities implications or a positive, negative, or neutral impact.



No equalities implications indicate the proposal has no impact at all (either advantageous or adverse) on those who share protected characteristics.

A positive impact means the proposal is likely to benefit groups who share protected characteristics, leading to better outcomes for some or all these groups, helping to foster good relations between different groups and/or supporting equality of opportunity.

A neutral impact indicates that a proposal might potentially have equalities implications (i.e. a positive and/or adverse impact on those who share a particular protected characteristic) but that these impacts can be effectively mitigated or otherwise balance out.

A negative impact means the work or decision is likely to have an adverse impact on groups who share protected characteristics, potentially leading to worse outcomes or undermining good relations. In cases where a negative impact is anticipated, services should consider what actions can be taken to reduce or mitigate this impact.

### **Who will be affected by the activity?**

The Council provides services to all residents in the Borough and as such outward facing decisions on the budget and Council Tax will impact all residents

## Protected Characteristic - AGE

Positive

X

### Demographic Pressures Social Care

#### Overall impact: Positive

The Council is fully committed to supporting the needs of vulnerable people in the borough regardless of age.

This growth will help support the directorate through its challenging operating context and help address the wider pressures on its budget. This growth will help ensure the directorate is able to continue meeting the needs of older people and/ or people with mental health needs, learning disabilities, and physical disabilities in the borough.

The Growth within Starting Well will enable the continuation of support to young people in the borough including managing caseloads and ensuring vulnerable children receive continuing care. The growth also allows for recognised pressures due to the increased demand on home to school transport

### Meeting Housing Demand

#### Overall impact: Positive

The Council has a statutory Housing duty to families and individuals with a Housing need. The additional growth in this service will enable temporary accommodation solutions for those of all age who meet that statutory requirement.

The Council continues to advance longer term solutions to the Housing crisis but the growth in the budget will ensure service delivery will continue at its current level for 2025/26

### Growth and Investment to improve efficiency

#### Overall Impact: Neutral

The Growth and investment will improve the Councils digital offer and will help modernise the Council improving efficiency. There are no proposals however which will have direct impact based on the age of the population. The Council is seeking to improve its digital offer but the initial growth is to develop capacity in order to do this. If the Council changes its service offer in the future as a result of digital advances it will conduct a full EQUIA before taking any final decisions

## **Savings and Efficiencies**

### **New Proposals: No Impact**

The new savings and efficiencies listed in **Appendix C** are either internal efficiencies, increases in income or developing in house solutions to meet social care demand. None of these savings are expected to have any negative impact on service delivery for residents and users

It should be noted that the budget also includes full year impacts of savings previously agreed at the 2024 Council Tax setting meeting. Once again the majority of these decisions will have no negative impact on residents and users.

### **Potential Negative Impact 24/25 saving**

The proposal however to review library provision included in last years budget has had a full consultation process and EQUIA the impact of which has been fully considered in reaching decisions on this saving. It is recognised that reductions in library provision may have a negative impact on both younger and older members of the population

## **Fees and Charges Increase**

### **Overall Impact Neutral**

Fees and Charges are proposed to increase by 2.7% for most discretionary services. This is in line with the current level of inflation so there is an assumption that the new fees will continue to be in line with users ability to pay. Staff members have reviewed every individual fee and fees have been frozen where it was considered that a fee increase would not be appropriate. Equally there are a number of areas where fee increases vary from the 2.7% but in all these cases officers have undertaken a full review of market conditions including benchmarking against other authorities and consideration of the user market before recommending the fee increases.

There are no obvious positive or negative impacts based on age for these proposals

## **Council Tax Increase 4.99% (including 2% for Adult Social Care)**

### **Overall Impact Negative**

The Government in their funding assumptions assumes Local Authorities will increase Council Tax to the referendum cap of 4.99%. The Council is therefore obligated to action this increase as it is part of the Governments assumed Core Spending Power increase. Increasing the Council Tax by 4.99% could have a negative impact on all age groups with the increase

	<p>impacting those with a lower income groups greater, affecting their ability to pay given the current economic situation.</p> <p>It is clear that an increase of 4.99% would impact more greatly for people with lower incomes, however, to balance that at the same time, a higher increase helps in mitigating further cuts to services which would disproportionately impact residents with lower incomes.</p> <p>Havering has offered support where possible to vulnerable residents through the Council Tax Support scheme which set out elsewhere in this report. The Council will seek to help its most vulnerable residents wherever possible but recognises a Council Tax increase will have a potential negative impact on a number of our residents</p>
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**Evidence:**

The estimated population of Havering is. It has a median age of approximately 39.2 and the highest percentage of people aged over 65 (18%) out of the London boroughs, although this is below the proportion of over 65's for England as a whole.

Population by age range in Havering, London and England including percentage of the population

Age	Havering	%	London	%	England	%
0 - 4	17,167	6.6	595,799	6.6	3,239,447	5.7
5 - 9	17,251	6.6	606,333	6.7	3,539,458	6.3
10 - 14	15,719	6.0	550,753	6.1	3,435,579	6.1
15 - 19	14,105	5.4	474,456	5.3	3,115,871	5.5
20 - 24	14,117	5.4	556,594	6.2	3,472,522	6.1
25 - 29	17,407	6.7	757,848	8.4	3,771,493	6.7
30 - 34	18,900	7.3	822,084	9.1	3,824,652	6.8
35 - 39	18,698	7.2	779,934	8.7	3,738,209	6.6
40 - 44	16,677	6.4	677,463	7.5	3,476,303	6.2
45 - 49	15,913	6.1	598,535	6.7	3,638,639	6.4
50 - 54	17,227	6.6	569,938	6.3	3,875,351	6.9
55 - 59	16,644	6.4	508,722	5.7	3,761,782	6.7
60 - 64	14,308	5.5	405,576	4.5	3,196,813	5.7
65 - 69	11,672	4.5	318,142	3.5	2,784,300	4.9
70 - 74	12,035	4.6	280,432	3.1	2,814,128	5.0
75 - 79	8,509	3.3	196,419	2.2	2,009,992	3.6
80 - 84	6,833	2.6	150,980	1.7	1,449,189	2.6
85+	7,469	2.9	152,480	1.7	1,406,410	2.5

Household types in Havering are mainly composed of pensioners or married couples with dependants<sup>2</sup>, with the highest proportion of one person households occupied by a persons aged 65 years and over, at 48% of one person households. 32% of the over 65 population live in a one-person household.

It is projected that the proportion of people aged 0-15 and over 65 will increase, with a slight decrease in the proportion of working age population<sup>3</sup>.

**Life Expectancy**

A new-born male baby in the UK today can expect to live for 79.2 years and a girl to 82.9 years, with 22.6% of new-born boys and 28.3% of new-born girls projected to live to 100 years.

The life expectancy at age 65 years in Havering is 19 years for males and 21.7 years for females. The life expectancy at birth for people living in Havering is 80.2 years for males and 83.9 years for females.

## Protected Characteristic - DISABILITY

		<b>Demographic Pressures Social Care</b>
<b>Positive</b>	<b>X</b>	<b>Overall impact: Positive</b>
		The Council is fully committed to supporting the needs of people with disabilities in the borough.
		This growth will help support the directorate through its challenging operating context and help address the wider pressures on its budget. This growth will help ensure the directorate is able to continue meeting the needs of older people and/ or people with mental health needs, learning disabilities, and physical disabilities in the borough.
		The Growth within Starting Well will enable the continuation of support to young people with disabilities and learning difficulties in the borough ensuring these vulnerable children are cared for. The growth also allows for recognised pressures due to the increased demand on home to school transport which will have a positive impact on younger people with disabilities in the borough through enabling access to services
		<b>Meeting Housing Demand</b>
		<b>Overall impact: Positive</b>
		The Council has a statutory Housing duty to families and individuals with a Housing need. The additional growth in this service will enable temporary accommodation solutions for those of all age who meet that statutory requirement.
		The Council continues to advance longer term solutions to the Housing crisis but the growth in the budget will ensure service delivery will continue at its current level for 2025/26
		<b>Growth and Investment to improve efficiency</b>
		<b>Overall Impact: Positive</b>
		The Growth and investment will improve the Councils digital offer and will help modernise the Council improving efficiency. There is planned investment in special education needs which will have a positive impact on young people with this characteristic in the borough. The Council is seeking to improve its digital offer but the initial growth is to develop capacity in order to do this. If the Council changes its service offer in the future as a result of digital advances it will conduct a full EQUIA before taking any final decisions

## **Savings and Efficiencies**

### **Overall Impact: No Impact**

The new savings and efficiencies listed in **Appendix C** are either internal efficiencies, increases in income or developing in house solutions to meet social care demand. None of these savings are expected to have any negative impact on service delivery for residents and users

It should be noted that the budget also includes full year impacts of savings previously agreed at the 2024 Council Tax setting meeting. Once again the majority of these decisions will have no negative impact on residents and users.

### **Potential Negative Impact**

The proposal however to review library provision has had a full consultation process and EQUIA the impact of which has been fully considered in reaching decisions on this saving. It is recognised that reductions in library provision may have a negative impact on people with disabilities in the borough

## **Fees and Charges Increase**

### **Overall Impact Neutral**

Fees and Charges are proposed to increase by 2.7% for most discretionary services. This is in line with the current level of inflation so there is an assumption that the new fees will continue to be in line with users ability to pay. Staff members have reviewed every individual fee and fees have been frozen where it was considered that a fee increase would not be appropriate. There are also a number of areas where fee increases vary from the 2.7% but in all these cases officers have undertaken a full review of market conditions including benchmarking against other authorities and consideration of the user market before recommending the fee increases.

There are no obvious positive or negative impacts based on disability for these proposals

### **Overall Impact Negative**

## **Council Tax Increase 4.99% (including 2% for Adult Social Care)**

The Government in their funding assumptions assumes Local Authorities will increase Council Tax to the referendum cap of 4.99%. The Council is therefore obligated to action this increase as it is part of the Governments assumed Core Spending Power increase. Increasing the

Council Tax by 4.99% could have a negative impact on all age groups through ability to pay given the current economic situation.

It is clear that an increase of 4.99% would impact more greatly for people with lower incomes, however, to balance that at the same time, a higher increase helps in mitigating further cuts to services which would disproportionately impact residents with lower incomes.

Havering has offered support where possible to vulnerable residents through the Council Tax Support scheme which set out elsewhere in this report. The Council will seek to help its most vulnerable residents wherever possible but recognises a Council Tax increase will have a potential negative impact on a number of our residents

## Evidence

The following shows the estimated prevalence of various disabilities in Havering in 2020 for working age people<sup>2, 3</sup>.

Number of people aged 18-64 with disabilities in Havering by age band, 2020

Age band	Number with learning disability	Number with Impaired mobility	Number with serious visual impairment	Number with moderate or severe, or profound hearing impairment
18-24	519	192	12	347
25-34	911	366	24	791
35-44	882	1,790	23	1,652
45-54	792	1,685	22	4,271
55-64	721	4,438	21	8,143
18-64	3,824	8,471	102	15,204



**Protected Characteristic – SEX/GENDER**

		<p><b>Overall impact: No impact</b></p> <p>There are no obvious implications in this report which will be impacted in any way by the sex or gender of residents</p> <p>Out ward facing decisions such as an increase in Council Tax or fees and charges increases will impact on all residents and there is no evidence to suggest that the sex or gender of residents will result in any differential outcome for residents</p>
Positive		
<b>Neutral</b>	<b>X</b>	
Negative		

Protected Characteristic – ETHNICITY/RACE	
	<b>Overall Impact – No Impact</b>
Positive	There are no obvious implications in this report which will be impacted in any way by users with this protected characteristic
<b>Neutral</b>	<b>X</b>
Negative	Users ethnicity or race is not in any way impacted by the decisions in this report, with the exception of the Councils continued commitment to tackling harassment, hate crime or any form of abuse or discrimination.
<p><b>Evidence:</b>            Havering continues to be considered one of the most ethnically homogenous places in London, with 83% of its residents recorded as White British in the 2011 census, higher than both London and England.</p> <p>Table 8 – Population of Havering, London, and England by ethnicity<sup>1</sup></p>	

It is estimated that the ethnically homogenous characteristic of Havering is gradually changing due to its growing cultural diversity. In this regard, the Borough’s white population is projected to decrease from the current 84% to 78% in 2032.

The BME population, notably those from Black African heritage (though many of whom are likely to be British born) is projected to increase from 4.1% in 2017 to 5.3% of the Havering population in 2032. The number of Black & minority ethnic group residents in the borough is expected to rise from 18% currently to 22% by 2032.

This is further highlighted in the GLA ethnic projections (2020) There are approximately 40,500 (18%) people from BAME (Black Asian Minority Ethnic) groups living in Havering, the majority being of a Black African ethnicity (11,700, 4.5%).

The UK poverty rate is twice as high for black & minority ethnic groups as for white British groups. Nationally, ethnic minority groups are more likely than white British households to spend a high proportion of income on rent, regardless of whether they live in social or private rented housing.

## Protected Characteristic – RELIGION/FAITH

		<b>Overall impact: No Impact</b>
Positive		There are no obvious implications in this report which will be impacted in any way by users with this protected characteristic
<b>Neutral</b>	<b>X</b>	
Negative		
		The decisions in this report will not have any specific impact on the race or faith of residents. The Councils will continue to have zero tolerance of any form of harassment, hate crime or domestic abuse and will in its policies endeavour to ensure all residents are treated fairly and equally.

### Evidence:

Most recent available data shows that most Havering residents are Christians:

Religion and Belief, Havering

Faith	Number	%
Christian	155,597	65.6%
Buddhist	760	0.3%
Hindu	2,963	1.2%
Jewish	1,159	0.5%
Muslim	4,829	2.0%
Sikh	1,928	0.8%
Other Religion	648	0.3%
No Religion	53,549	22.6%
No Response	15,799	6.7%
<b>TOTALS</b>	<b>237,232</b>	<b>100%</b>

### Sources:

1 - Office for National Statistics (ONS)

**Protected Characteristic – SEXUAL ORIENTATION**

		<b>Overall impact: No Impact</b>
Positive		There are no obvious implications in this report which will be impacted in any way by users with this protected characteristic
<b>Neutral</b>	<b>X</b>	The decisions in this report will not have any specific impact on individuals with this characteristic. The Councils will continue to have zero tolerance of any form of harassment, hate crime or domestic abuse and will in its policies endeavour to ensure all residents are treated fairly and equally.
Negative		

**Evidence:**

Nationally an estimated two-thirds (64%) of LGBTQ+ people had experienced anti-LGBTQ+ violence or abuse and 18% have experienced homelessness at some point in their lives <sup>2</sup>

**Sources:**

1 - Stonewall LGBTQ+ - Facts and figures (Galop - Hate crime report)

## Protected Characteristic - Gender reassignment

		<b>Overall impact: No Impact</b>
Positive		There are no obvious implications in this report which will be impacted in any way by users with this protected characteristic
<b>Neutral</b>	<b>X</b>	The decisions in this report will not have any specific impact on individuals with this characteristic. The Councils will continue to have zero tolerance of any form of harassment, hate crime or domestic abuse and will in its policies endeavour to ensure all residents are treated fairly and equally.
Negative		

### **Evidence:**

There is a deficit in the data held on residents who have undergone or are undergoing gender reassignment. In a similar vein to the protected characteristic of sexual orientation, there is a reticence among residents to disclose this information.

### **Sources:**

No data is currently available concerning this protected characteristic.

Protected Characteristic - Marriage/Civil partnership		
		<b>Overall impact: No Impact</b>
Positive		There is no qualitative or quantitative data to suggest that the policy would have a greater or lesser effect on people on account of their marital or civil status
<b>Neutral</b>	<b>X</b>	
Negative		
It is thought that the policies and decisions in this report will not have any negative impact on persons relating to this protected characteristic.		
<b>Evidence:</b>		
<b>Sources:</b> No data is currently available concerning this protected characteristic.		

Protected Characteristic - Pregnancy, maternity and paternity		
		<b>Overall impact: No Impact</b>
Positive		There is no qualitative or quantitative data to suggest that the policy would have a greater or lesser effect on people on account of their marital status
<b>Neutral</b>	<b>X</b>	
Negative		It is thought that the policies and decisions in this report will not have any negative impact on persons relating to this protected characteristic.
<b>Evidence:</b>		
<b>Sources:</b> No data is currently available concerning this protected characteristic		

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## CABINET

**5 February 2025**

**Subject Heading:**

**5 Year Capital Programme and Strategy – 2025/26 to 2029/30**

**Cabinet Member:**

**Councillor Christopher Wilkins**  
Finance

**ELT Leads:**

**Kathy Freeman**  
Strategic Director of Resources

**Report Author and contact details:**

**Mark White**  
Capital Strategy Manager

**Policy context:**

This report presents the Council's 5 year Capital Strategy and associated Capital Programme for agreement by Cabinet and recommendation on to Council for consideration and approval.

**Financial summary:**

The Council is required to approve the Capital Strategy as per the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice. The Council is required to set a balanced budget and the capital strategy and subsequent 5 year capital programme forms part of this process. The financial implications of this strategy are included as part of the 2025/26 Budget and tax setting report elsewhere on this agenda.

**Is this a Key Decision?**

Yes

**When should this matter be reviewed?**

Annually

**Reviewing OSC:**

Overview and Scrutiny Board

**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	[ ]
Resource – A well run Council that delivers for People and Place	[ X ]

**SUMMARY**

The Council is required by statute and as set out in the Prudential Code for Capital Finance in Local Authorities, 2021 Edition, to agree the capital programme and associated capital strategy. Local authorities are required to have regard to the current editions of this code by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) Regulations 2003 [SI 3146].

This report sets out the Authority's Capital Strategy and presents the Council's proposed capital budget for 2025/26 and five year Capital Programme to 2029/30.

**RECOMMENDATIONS**

**Cabinet is asked to:**

1. **Recommend to Council for consideration and approval** the 2025/26 Capital programme of £324m and £1,138m over the full five year period from 2025/26 to 2029/30.
2. **Recommend to Council for consideration and approval** the new capital projects being added to the capital programme for 2025/26 as set out in section 2.3 of this report.
3. **Note** any additional capital needs over and above what is specified in the capital programme for the relevant year will require separate business cases and be agreed by the Strategic Director of Resources (S151 Officer), Capital Strategy manager and Council Members as required and appropriate before being agreed by full Council.
4. **Note** that the Chief Financial Officer be authorised to allocate funding from the Capital Contingency included within the draft Capital Programme.
5. **Note** that externally funded schemes can be added to the capital programme up to £500k as and when funding is confirmed.
6. **Approve** the capital strategy contained within this report noting its impact on both the capital programme and the financial implications for setting the revenue budget for 2025/26 to 2029/30.
7. **Note** the capital prudential indicators included within the capital strategy when approving the capital programme to ensure affordability.

8. **Approve** the Minimum Revenue Provision Policy Statement (section 9 of this report) which determines the amount of money set aside each year for the repayment of debt
9. **Agree** that the Strategic Director of Resources be authorised to re-profile capital budgets mid-year based on the updated forecasts provided by services and reported to the Executive Leadership Team as part of the capital monitoring process. This will assist in producing more accurate information for treasury management purposes.

<b>REPORT DETAIL</b>
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## **1. Capital Strategy**

### **1.1 Overview**

- 1.1.1 This capital strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability
- 1.1.2 The capital strategy is underpinned by Havering's vision to be the Havering you want to be a part of. Underpinning the new vision is the corporate plan and operating model so future capital investment will be focused into the delivery of this vision for the Council.
- 1.1.3 The strategy has been prepared against a background of continuing reductions in funding provided to local authorities by central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic conditions and to rebalance public finances. As a result of these constraints and concerns over revenue affordability the capital strategy is focusing on a 5 year period and, whilst a longer time frame is preferred the yearly nature of the finance settlement and uncertainty over the Council's finances means a shorter capital strategy is required.
- 1.1.4 Along with the uncertainty over central government funding the Council's own resources available to finance capital projects have reduced to a low level and will need replenishing before any further capital investments can be made. As a result the Council is considering and consulting upon a programme of asset disposals to address this situation and help finance the capital expenditure.
- 1.1.5 Projects for inclusion in the capital programme arise from a variety of sources, some of them internally generated and some arising from external factors. The more significant of these can be summarised as follows:

<b>Internal Factors</b>	<b>External Factors</b>
Corporate Priorities, as set out in the Council Plan	Government sponsored programmes e.g. Disabled Facilities Grants and the Schools Basic Needs programme
Investment identified in strategies, policies and plans	Unforeseen Emergency Works
Work needed to maintain property and other Assets	Works required to comply with legislation e.g. disabled access or health & safety requirements
Work needed to maintain the Council's Highways and other Infrastructure	Projects resulting from Partnership Activity
Vehicles, Plant and Equipment replacement needs	Availability of External Funding
ICT Investment and Replacement	Public Expectation that works should be carried out
Invest to Save Projects	

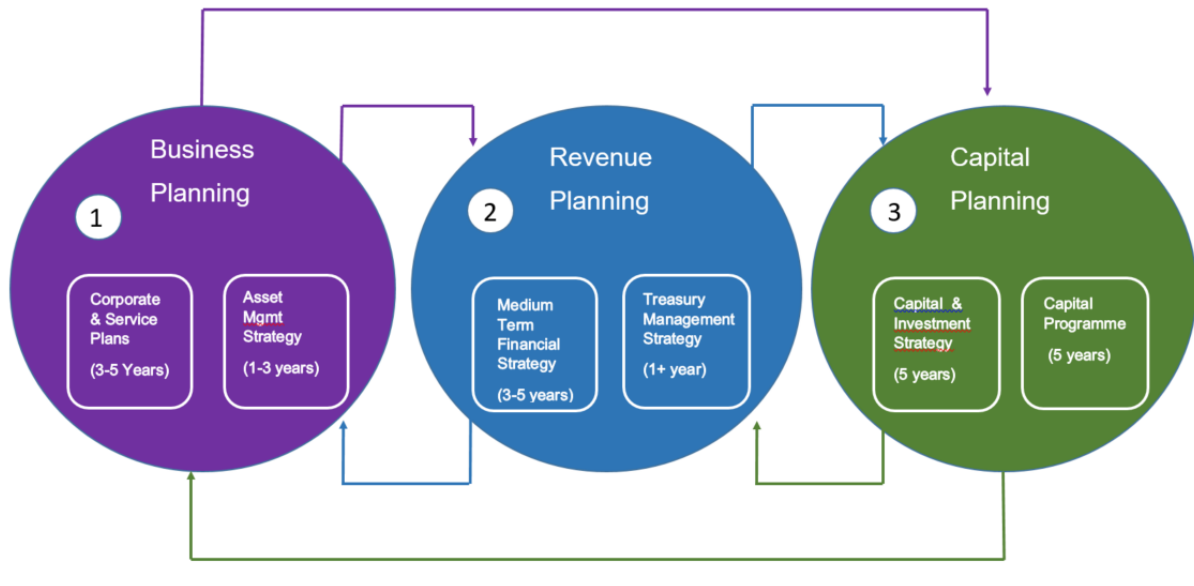
1.1.6 In addition, the Council recognises the vital contribution its Capital Investment Strategy and portfolio play in the economic growth of the borough. The Council is investing in major developments across the borough as part of its ambitious Regeneration programme which will deliver new and replacement affordable homes and enable self-sustaining communities to grow. It also welcomes the opportunity to work with the private sector to deliver its priorities and for the private sector to see Havering as a place it wants to invest in.

1.1.7 As well as the Council's Vision the Capital Strategy has clear links to many other strategies, policies and plans, the most significant of which are shown in the following table:

<b>Links with Other Strategies, Policies and Plans</b>
Asset Management Strategy
Investment Strategy
Medium Term Financial Strategy
Service and Financial Plans
Procurement Strategy
Housing Strategy (HRA Business Plan)
Arts and Cultural Strategy

Climate Change Plan
Treasury Management Strategy Statement (TMSS)

Strategic planning framework



1.1.8 Any additional capital needs over and above what is specified in the capital programme for the relevant year will require separate business cases to justify the proposed expenditure, to be agreed by the Strategic Director of Resources, Capital Strategy manager and Council Members as appropriate before being agreed by full Council.

## **1.2 Asset Management**

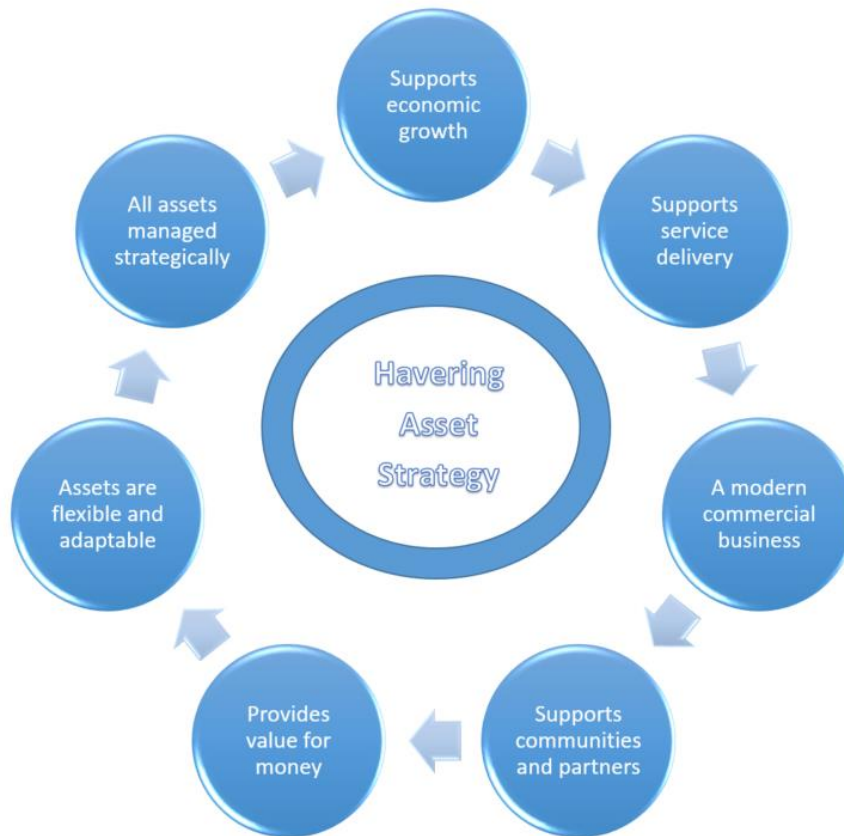
1.2.1 The Council has responsibility for assets used in service delivery including property, highways infrastructure (roads, footpaths, structures and lighting), land and council dwellings. It is important to understand the need, utilisation, condition and the investment and operating cost requirements of assets, whether owned or leased

1.2.2 When prioritising capital expenditure it is essential to understand the long term cost of maintaining and operating existing assets and their fitness for purpose and having consideration of which are deemed essential in continued service delivery or which can be considered for alternative uses. The backlog of maintenance in some key assets is recognised and alternative approaches to longer term solutions will be considered to address the risks this poses rather than continued capital investment by the Council in the same assets

1.2.3 Approved asset management plans are in place for property assets including dwellings that demonstrate the Council's stewardship of assets and a disposals strategy approved by Cabinet is also in place (see section 5 for further details). The

disposals strategy includes using property and land effectively across the Council by using suitable sites for the building of affordable housing.

**The Asset Strategy Model**



**1.3 Investment Property Strategy**

- 1.3.1 The Council retains a property investment portfolio which although primarily held for supporting economic regeneration in the borough, also receives financial gain. These holdings stem from a mixture of historic purchases and assets always owned and held by the Council. The assets are managed by Property Services with the aim of maximising yield from the existing estate by removing liabilities and securing future income streams.
- 1.3.2 The property investment portfolio has a balance sheet value of over £47m and is expected to produce a rental income of circa £4.6m per annum. With economic regeneration being the main objective, the Council accepts higher risk on its commercial investment portfolio than with treasury investments. The principle risk exposure includes voids and falls in capital value. In order to minimise the liability to the Council the portfolio is actively managed by property services on a commercial basis. The income received from the Council's property investment portfolio contributes towards making the Council's funding more sustainable reducing the reliance on government funding, local business rates and council tax.

1.3.3 The Council currently has no plans to increase the number of Investment Properties via the capital programme but will keep this option under consideration. Additions to the investment property portfolio will be subject to business case analysis to demonstrate value for money as a key deciding factor.

#### **1.4 Regeneration**

1.4.1 With central government financial support for local public services declining, the Council has invested in a number of joint ventures and subsidiaries which are included in the capital programme.

1.4.2 Mercury Land Holdings (MLH) is the Council's wholly owned property development company established to:

- Make use of existing Council capital assets
- To contribute to dealing with the housing supply issue in the Borough
- Ensure a mix of housing in terms of type, size and tenure best matched to the needs of Havering
- To support the Council's regeneration and growth aim
- Generate a financial return to support front line services

The Council's investment in MLH in terms of loans and equity are included in the capital programme. The investment is managed via a shareholder's board arrangement and MLH submit a business plan each year with investment plans for consideration and approval by Cabinet.

1.4.3 In addition the Council is the partner in three other regeneration vehicles. One has been established to regenerate the Council's own housing provision, predominantly within the HRA. The other two are to support regeneration and bring in new affordable housing across Havering.

#### **12 Estates programme (HRA)**

Being delivered through the Havering Wates regeneration LLP the programme has delivered the first 197 homes with a further 175 completing soon. The partnership will ultimately see up to 12 council estates regenerated to provide up to 5,000 urgently needed new homes in the borough

#### **Bridge Close (HRA & GF)**

Bridge Close is a dated industrial area close to Romford Station and lies within the Romford ring road. There is significant demand for addition housing and this proposal will provide up to 1,070 new homes. Whilst predominantly a housing scheme The GF element consists of a new school and medical centre that will be delivered as part of the development.

## **Rainham & Beam Park (GF)**

Rainham & Beam Park is the only council regeneration scheme funded from the general fund. The vision for the project is to transformation of a declining industrial area into a new urban community providing much needed affordable housing. Spend to date has been around shaping development proposals, working on compulsory purchase orders and acquiring land for regeneration in Rainham. Activity has reduced due to complications around the delivery of Beam Park Station

- 1.4.4 In addition to the above housing projects there are two Infrastructure projects in the capital programme, Beam parkway and Romford Liveable Neighbourhoods. Both are road/place shaping projects aiming to improve driver and pedestrian safety and increase biodiversity through planting and greening. Both schemes are entirely funded through external grants, community infrastructure levy and S106 planning agreements so there is no impact on revenue expenditure through borrowing.

## **1.5 Governance of capital approvals**

- 1.5.1 The capital programme, which is updated for new proposed schemes, revised profiling, slippage and changes in expenditure projections is presented to full Council every year for approval. The capital programme reported provides financial implications for the current MTFS reporting period of four years, however, with the Council's engagement in longer term capital investments the timeframe over which the capital programme and financing costs are monitored extend beyond this period.
- 1.5.2 The process for including new schemes in the 2025/26 capital programme was undertaken as part of the corporate budget setting process. Due to the Council's financial position, only essential new schemes have been approved with all new projects being considered by senior officers and Members ahead of this report.
- 1.5.3 Any bids for capital funding outside the approved capital programme in year will need to include a business case demonstrating either a clear link to corporate objectives or the requirement to meet an operational imperative, establish the funding source to meet the cost and follow approval processes laid down in the Council's standing orders and financial regulations.
- 1.5.4 The above investments and processes are taking place against a background of austerity and significant uncertainty in the future sources of funding for local government. Therefore a key aim of the Council's capital strategy is that it delivers a financial return on investment, such as capital receipts or new revenue streams, or delivers key strategic priorities and benefits to the borough.
- 1.5.5 Value for money (VFM) is a key component of capital projects. As part of the business case development and evaluation process, projects will need to show that all options have been considered and that the option that has been chosen is cost efficient and effective; VFM does not mean opting for the lowest cost option. The monitoring and management of these projects against the business case



assumptions ensures that the focus on value for money remains for the life of the project.

- 1.5.6 The Council has consciously chosen however, not to invest in purely commercial projects. Its capital investment is primarily related to increasing and improving the provision of a rich mix of housing tenures that help to address the acute housing need in the borough. Whilst there may be a commercial return resulting from a number of the schemes, this is not the predominant focus for the Council.

## **1.6 Access to Borrowing**

- 1.6.1 The government has acknowledged the valuable contribution that local authorities make to the social and economic infrastructure of this country, and is committed to the approach of local decision-making and accountability under the prudential regime when setting its capital programme
- 1.6.2 To support local investment and to encourage capital investment, local authorities can access low cost loans through the Public Works Loan Board (PWLB). The purpose of the PWLB is to offer long-term, affordable loans to support local authority investment in service delivery, housing, economic regeneration, treasury management, and occasionally preventative action, under the prudential regime.
- 1.6.3 In February 2020 Parliament reformed the statutory basis of the PWLB, transferring its lending powers to HM Treasury. In March 2020 the government consulted on revising the PWLB's lending terms to reflect these new governance arrangements, and to end the situation in which a minority of local authorities used PWLB loans to support the acquisition of investment assets primarily for yield. The government published its response to this consultation and implemented these reforms in November 2020.
- 1.6.4 The key change in the PWLB lending change as a result of these reforms is Local Authorities can no longer access PWLB funds without confirmation from the S151 Officer that the authority does not plan to buy investment assets primarily for yield in the next 3 years. This is confirmed both at the start of the year in a return to HM Treasury setting out the authorities capital plans and in any application to the PWLB for additional loans.
- 1.6.5 In addition to borrowing from the PWLB local authorities must not pursue a deliberate strategy of using private borrowing or internal borrowing to support investment in an asset that the PWLB would not support and then refinancing or externalising this with PWLB loans. Under the prudential code, local authorities cannot borrow from the PWLB or any other lender for speculative purposes, and must not use internal borrowing to temporarily support investments purely for yield.
- 1.6.6 As set out in the proposed capital programme below, prudential borrowing is a key financing source in the funding of the authority's capital programme so it is important that the approved capital programme does not include any schemes that

are primarily for investment purposes. Investment assets would usually have one or more of the following characteristics

- Buying land or existing buildings to let out at market rates
- Buying land or buildings which were previously operated on a commercial basis which is then continued by the local authority
- Buying land or buildings other than housing which generate income and are intended to be held indefinitely rather than until the achievement of some meaningful trigger

The Council does not have any such schemes in its proposed capital programme.

## **2. 2025/26 – 2029/30:- Five Year Capital Programme**

### **2.1 Overview**

2.1.1 After taking into consideration the existing approved capital programme and associated re-profiling, new bids and the capital investment plans, the full proposed capital programme has been developed for Members to approve.

2.1.2 Requirements under the Prudential Code and the changes to PWLB lending require the Council to separate out its capital programme between its main Service Spending (education, highways & transport, social care, public health, culture & related services and environmental & regulatory services), Housing (HRA and GF) and Regeneration projects.

The following sections of this report do this:-

- Existing Service Spending capital projects (section 2.2)
- New Service Spending capital projects (section 2.3)
- Revised Housing capital projects (section 2.4)
- Revised Regeneration capital projects (section 2.5)

2.1.3 The capital budgets submitted for approval of expenditure are presented reflecting anticipated slippage from the existing capital programme. Any additional slippage will be reported and rolled forward into 2025/26 as part of the closure of the 2024/25 accounts.

## **2.2 Existing Service Spending Capital Projects**

2.2.1 The existing capital programme was approved as part of the 2024/25 budget setting process. This programme is reviewed as part of the corporate monitoring processes each quarter and the progress against the budget is scrutinised. As a result of this review, re-profiling of certain projects spending plan are identified and have been included in the revised Capital programme in this report.

**Table 1 - Existing Service Spending Capital Programme**

<b>Directorate</b>	<b>2025-26 Budget £m</b>	<b>2026-27 Budget £m</b>	<b>2027-28 Budget £m</b>	<b>2028-29 Budget £m</b>	<b>2029-30 Budget £m</b>	<b>Total Budget £m</b>
Ageing Well	2.330	0.000	0.000	0.000	0.000	2.330
Living Well	0.742	0.000	3.353	0.000	0.000	4.095
Starting Well	18.994	19.000	0.000	0.000	0.000	37.994
<b>People Total</b>	<b>22.065</b>	<b>19.000</b>	<b>3.353</b>	<b>0.000</b>	<b>0.000</b>	<b>44.418</b>
Environment	9.950	7.000	7.000	0.000	0.000	23.950
Housing & Property (GF)	7.506	0.726	0.738	0.500	0.000	9.470
Planning & Public Protection	1.088	0.000	0.000	0.000	0.000	1.088
<b>Place Total</b>	<b>18.544</b>	<b>7.726</b>	<b>7.738</b>	<b>0.500</b>	<b>0.000</b>	<b>34.508</b>
Finance	1.404	0.000	0.000	0.000	0.000	1.404
IT, Digital and Customer	10.716	0.300	0.000	0.000	0.000	11.016
<b>Resources Total</b>	<b>12.119</b>	<b>0.300</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>12.419</b>
<b>Total (Excluding HRA and Regeneration)</b>	<b>52.728</b>	<b>27.026</b>	<b>11.091</b>	<b>0.500</b>	<b>0.000</b>	<b>91.346</b>

2.2.2 The corresponding budget approved for 2025/26 as part of the 2024/25 budget setting process was £33.724m with the difference being slippage and additional externally funding projects added throughout the year.

2.2.3 The funding streams to finance the above spend is as follows

**Table 2 - Existing Service Spending Financing**

<b>Financing</b>	<b>2025-26 Budget £m</b>	<b>2026-27 Budget £m</b>	<b>2027-28 Budget £m</b>	<b>2028-29 Budget £m</b>	<b>2029-30 Budget £m</b>	<b>Total Budget £m</b>
Capital Receipts	9.572	0.050	2.691	0.000	0.000	<b>12.313</b>
Revenue and Reserve Contributions	0.000	0.000	0.000	0.000	0.000	<b>0.000</b>
Grants & Other Contributions	21.729	19.000	0.000	0.000	0.000	<b>40.729</b>
Borrowing	21.428	7.976	8.400	0.500	0.000	<b>38.304</b>
<b>Total Funding</b>	<b>52.728</b>	<b>27.026</b>	<b>11.091</b>	<b>0.500</b>	<b>0.000</b>	<b>91.346</b>

**2.3 New Service Spending Capital Projects**

2.3.1 In addition to the existing capital programme there has also been a review of the future capital requirements undertaken across the business. The updated new bids are shown in Table 3 below. Cabinet is asked to recommend these bids to Council for approval as part of the approval of the total Capital Programme.

**Table 3 – New Service Spending Capital Projects**

<b>Internally Funded Schemes Presented for Approval</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
<b>People - Starting Well</b>						
Newtons Primary School - MUGA Facility	0.446	0.000	0.000	0.000	0.000	<b>0.446</b>
Scotts Primary School - SEN Space	0.451	0.000	0.000	0.000	0.000	<b>0.451</b>
<b>Place - Environment</b>						
Highways (Roads & Pavements)	0.000	0.000	0.000	6.000	6.000	<b>12.000</b>
Highways (Lighting)	0.000	0.000	0.000	1.000	1.000	<b>2.000</b>
<b>Place - Housing &amp; Property</b>						
Town Hall - Heating Replacement	0.150	0.000	0.000	0.000	0.000	<b>0.150</b>
Yew Tree Lodge - New Heating System	0.200	0.000	0.000	0.000	0.000	<b>0.200</b>
Hornchurch Library - Heating	0.040	0.000	0.000	0.000	0.000	<b>0.040</b>
My Place - Acoustic Improvements	0.090	0.000	0.000	0.000	0.000	<b>0.090</b>
Langtons House - External Repairs and Entrance Improvements	0.100	0.000	0.000	0.000	0.000	<b>0.100</b>
Bretons Conditions Works	0.300	0.815	0.000	0.000	0.000	<b>1.115</b>
Bedfords Park Depot	0.080	0.000	0.000	0.000	0.000	<b>0.080</b>
Library Conditions Works	0.600	0.000	0.000	0.000	0.000	<b>0.600</b>
Mercury House External Repairs	0.130	0.000	0.000	0.000	0.000	<b>0.130</b>
<b>Total Internally Funded Schemes</b>	<b>2.588</b>	<b>0.815</b>	<b>0.000</b>	<b>7.000</b>	<b>7.000</b>	<b>17.403</b>

<b>Externally Grant Funded Schemes Presented for Approval</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
<b>Place - Housing &amp; Property</b>						
Schools Conditions Programme (indicative)*	2.580	0.000	0.000	0.000	0.000	<b>2.580</b>
<b>People - Ageing Well</b>						
Better Care Fund/ Disabled Facilities Grant	2.552	0.000	0.000	0.000	0.000	<b>2.552</b>
<b>Place - Environment</b>						
TFL - Core Local Implementation Plan (indicative)	1.432	0.000	0.000	0.000	0.000	<b>1.432</b>
<b>Total Externally Grant Funded Schemes</b>	<b>6.564</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>6.564</b>

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<b>Externally CIL Funded Schemes Presented for Approval</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
<b>People - Living Well</b>						
Brittons Playing Field 3G Football Hub Development	1.200	0.000	0.000	0.000	0.000	<b>1.200</b>
<b>Total New CIL Funded Capital Projects</b>	<b>1.200</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.200</b>

<b>Total New Capital Projects</b>	<b>10.352</b>	<b>0.815</b>	<b>0.000</b>	<b>7.000</b>	<b>7.000</b>	<b>25.167</b>
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\* The indicative schools conditions programme is set out in detail in appendix 2. If the grant differs from the indicative allocation the schemes will be adjusted accordingly.

- 2.3.2 The bids include £0.898m for 2 projects at Newtons and Scotts primary schools. These are as a result of the sale of their respective caretaker houses which required DfE approval with the funds being ploughed back into the schools for capital initiatives.
- 2.3.3 Also included is an additional £7m per year in 2028/29 and 29/30 to extend the existing commitment to the resurfacing of roads and pavements. This is to provide certainty of budgets regarding re-tendering of long term contracts to undertake the work and achieve savings
- 2.3.4 Members are also asked to approve the addition of £2.505m for funding in respect of building works and electrical and mechanical improvement works urgently required across the Council's portfolio of properties. It should be noted that it is currently only possible to address the most urgent legislative compliance and emergency repairs within the current Corporate Landlord budget envelope.
- 2.3.5 In addition to the internally funded new schemes there are other indicative additional grant allocations for the schools condition programme, Disabled Facilities Grant and the TfL Local Implementation Plan for Highways. These sums are funded from a grant allocation and do not incur revenue financing costs.
- 2.3.6 A Community Infrastructure Levy (CIL) scheme was initiated in Havering in 2020/21 and the council receives CIL payments which are available to finance infrastructure spend. There has been significant work undertaken by the Infrastructure Steering Group on a protocol for managing the CIL process and to ensure that the council gets the best added value for the CIL it receives. The aim for the investment of the CIL is to ensure it is utilised to enhance the infrastructure of the council and it should therefore link to the Infrastructure and Local area plan. The development of the CIL monitoring and pipeline forecasting information will enable strategic decisions about where that investment should be made. The latest figures on the availability of CIL identifies the contributions banked and potential pipeline receipts. Prudent financial planning would dictate that the council allocates CIL funding in line with its priorities.

2.3.7 A two speed system has been set up for small bids up to £50k and large bids over £50k. Small bids can be agreed for funding to be released at any point during the year. This is to allow flexibility to deliver smaller projects in a more agile way and making securing match funding more likely. Large bids will be agreed as part of the annual Capital Programme and included in this report. This is in order to allow appropriate consideration of the financial implications taking into account other potential competing demands.

2.3.8 Members are asked to approve £1.2m to create a football hub site developing 2 new 3G artificial turf pitches in addition to the existing single 3g pitch, plus a new pavilion to service these pitches. There is a strategic shortfall of 3G pitches in the borough with a further 7 or 8 required as identified in the refreshed Playing Pitch Strategy. Brittons playing field has been identified as an area of need for these pitches. Brittons is situated in an area of identified deprivation and would benefit local residents to have access to first class facilities on their doorstep. As well as being fully funded from the community infrastructure levy, the project will also introduce a permanent leisure management operator at no cost to the Council to maximise the benefits of the hub site.

2.3.9 The funding streams to finance the proposed new projects are as follows:

**Table 4 – New Service Spending Financing**

<b>Funding Sources of Schemes Presented for Approval</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Capital Receipts	0.898	0.000	0.000	0.000	0.000	<b>0.898</b>
Revenue and Reserve Contributions	0.000	0.000	0.000	0.000	0.000	<b>0.000</b>
Grants & Other Contributions	7.764	0.000	0.000	0.000	0.000	<b>7.764</b>
Borrowing	1.690	0.815	0.000	7.000	7.000	<b>16.505</b>
<b>Total Funding of New Capital Projects</b>	<b>10.352</b>	<b>0.815</b>	<b>0.000</b>	<b>7.000</b>	<b>7.000</b>	<b>25.167</b>

## **2.4 Revised Housing Revenue Account Capital Projects**

2.4.1 The HRA business plan and the 2025/26 HRA Rent Setting report is included elsewhere on this agenda. As well as setting out the revenue budgets for the financial year ending 31<sup>st</sup> March 2026 the plan also sets out the medium term capital programme for Housing. A summary of the plans can be seen in the table below:

**Table 5 – Revised Housing (HRA) Capital Programme**

<b>Proposed HRA Capital Programme</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Stock capital investment	45.239	43.270	39.139	36.849	37.747	<b>202.245</b>
Other Improvements	0.000	0.000	0.000	0.000	0.000	<b>0.000</b>
Development/Acquisition	72.478	29.329	10.181	10.700	3.550	<b>126.238</b>
Demolition & Forward Funding	53.942	76.782	83.142	142.952	73.767	<b>430.585</b>
Other Regeneration	17.415	19.354	0.667	0.500	2.307	<b>40.243</b>
<b>Total HRA Capital Expenditure</b>	<b>189.074</b>	<b>168.735</b>	<b>133.129</b>	<b>191.001</b>	<b>117.372</b>	<b>799.311</b>

2.4.2 Whilst there is no direct provision made for the repayment of debt (and therefore no Minimum Revenue Provision) the inclusion of the repayment of loans has still been included in the long term business plan for the HRA. To reflect this in the service revenue expenditure, unlike in the General Fund, depreciation is a true cost to the service which is then used to finance capital expenditure through the mechanism known as the Major Repairs Reserve (MRR).

2.4.3 Included within the HRA business plan is how the service are proposing to finance the capital expenditure and is summarised in the table below:

**Table 6 – Revised Housing (HRA) Capital Financing**

<b>Proposed HRA Capital Programme</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Major Repairs Reserve (MRR)	10.877	11.222	11.773	12.346	12.820	<b>59.038</b>
RTB receipts (Allowable Debt)	1.516	0.232	0.241	0.250	0.259	<b>2.497</b>
RTB receipts (1-4-1 receipts)	8.285	0.782	2.656	3.869	2.423	<b>18.015</b>
Other Grants & Contributions	52.389	39.090	35.149	26.715	43.287	<b>196.629</b>
Revenue contributions (HRA)	1.733	1.733	1.733	0.000	0.000	<b>5.199</b>
HRA Prudential Borrowing	114.275	115.675	81.577	147.821	58.584	<b>517.933</b>
<b>Total HRA Capital Funding</b>	<b>189.074</b>	<b>168.735</b>	<b>133.129</b>	<b>191.001</b>	<b>117.372</b>	<b>799.311</b>

2.4.4 All HRA regeneration schemes will continue to be reviewed on a regular basis to ensure schemes are still viable and affordable as per the HRA business plan.

## **2.5 Regeneration Capital Projects**

2.5.1 The table below shows a summary of the current spending plans (based on latest business plans) for all of the GF regeneration schemes being proposed. A full listing of the projects can be found in appendix 3.

**Table 7 – Regeneration Capital Programme**

<b>Summary of Regeneration Programme</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Mercury Land Holdings	58.739	76.088	31.801	0.000	0.000	<b>166.628</b>
Rainham & Beam Park	4.840	2.500	2.500	0.000	0.000	<b>9.840</b>
Bridge Close (Medical facilities & School)	0.000	18.969	4.883	0.000	0.000	<b>23.852</b>
Farnham & Hilldene	6.396	12.131	1.266	0.000	0.000	<b>19.792</b>
Other Regeneration Schemes	2.752	0.000	0.000	0.000	0.000	<b>2.752</b>
<b>Total GF Regeneration Programme</b>	<b>72.727</b>	<b>109.688</b>	<b>40.450</b>	<b>0.000</b>	<b>0.000</b>	<b>222.864</b>

2.5.2 It should be noted that the proposed regeneration programme members are being asked to approve within this report is comparable in size to the regeneration programme approved as part of the budget setting process for 2024/25. Budgets for any schemes that Mercury Land Holdings are no longer progressing have been returned to the MLH reactive acquisition fund. Budgets will then be allocated to new projects as and when the schemes have followed the governance process with business cases having been approved.

2.5.3 The proposed funding of these schemes is set out in the table below:

**Table 8 – Regeneration Capital Financing**

<b>Financing</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Capital Receipts	2.537	2.500	2.500	0.000	0.000	<b>7.537*</b>
Revenue and Reserve Contributions	0.102	0.000	0.000	0.000	0.000	<b>0.102</b>
Grants & Other Contributions	2.613	12.185	0.000	0.000	0.000	<b>14.797</b>
Borrowing	67.474	95.004	37.950	0.000	0.000	<b>200.428</b>
<b>Total Funding</b>	<b>72.727</b>	<b>109.688</b>	<b>40.450</b>	<b>0.000</b>	<b>0.000</b>	<b>222.864</b>

\* Use of capital receipts to finance the regeneration programme include £7.5m for potential CPO's relating to the Rainham & Beam Park housing zone. CPO's can only be initiated by the authority so any CPO's undertaken would be funded by receipts generated by immediately selling the property onto the Joint Venture.

2.5.4 With regeneration being the key objective, the Council considers the cost and return of its investment against the importance of building much needed affordable homes in the Borough, and estate renewal programme The principal risk exposures for each regeneration scheme are set out in the individual business cases but include risks such as fall in capital values, inflation and interest rate risk. These risks are managed through the individual business cases which show detailed modelling of the risk factors and their impact. In order that commercial investments remain proportionate to the size of the authority, whilst there is no overall maximum investment limit, every business case is reviewed with the full impact of the decision assessed before a decision to proceed or abandon the scheme being made.

2.5.5 The primary reason for undertaking these schemes is regeneration delivering new homes in accordance with the Councils strategic aims and plans. The business cases have also identified a number of additional benefits arising alongside the



regeneration. One of the benefits is the estimated financial return to the Council that will arise as a result of the delivery of the projects. The return generated from these regeneration projects will offset the budget pressure arising from the capital financing costs of borrowing and provide future funds for reinvestment. There will also be a return to support the Council's Medium Term Financial Strategy from the Council's wholly owned subsidiary Mercury Land Holdings as a result of the Council making loans to the company. Full details of the additional pressures and savings for the individual schemes are included in the Medium Term Financial Strategy.

2.5.6 The primary existence of these regeneration projects are for regeneration purposes and it's important to acknowledge that these income streams can be more volatile than other investments made solely for treasury purposes (details of which are set out in the Treasury Management Strategy Statement (TMSS) elsewhere in the agenda). Members are reminded that over reliance on these income streams should not be made when setting a balanced budget and that by approving these schemes, Members are happy with the overall balance of income that these projects contribute to the budget setting process.

## **2.6 2025/26 to 2029/30 Five Year Capital Programme**

2.6.1 Subject to Member approval, the following table sets out the proposed total combined capital programme for the financial years 2025/26 through to 2029/30 covering the existing capital programme, new bids, HRA and Regeneration:

**Table 9 – Proposed Total Capital Programme**

	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
<b>People</b>						
Ageing Well	4.882	0.000	0.000	0.000	0.000	<b>4.882</b>
Living Well	1.942	0.000	3.353	0.000	0.000	<b>5.295</b>
Starting Well	19.891	19.000	0.000	0.000	0.000	<b>38.891</b>
	<b>26.715</b>	<b>19.000</b>	<b>3.353</b>	<b>0.000</b>	<b>0.000</b>	<b>49.068</b>
<b>Place</b>						
Environment	11.382	7.000	7.000	7.000	7.000	<b>39.382</b>
Housing & Property (GF)	11.776	1.541	0.738	0.500	0.000	<b>14.555</b>
Planning & Public Protection	1.088	0.000	0.000	0.000	0.000	<b>1.088</b>
Regeneration & Place Shaping	72.727	109.688	40.450	0.000	0.000	<b>222.864</b>
	<b>96.972</b>	<b>118.229</b>	<b>48.188</b>	<b>7.500</b>	<b>7.000</b>	<b>277.889</b>
<b>Resources</b>						
Finance	1.404	0.000	0.000	0.000	0.000	<b>1.404</b>
IT, Digital and Customer	10.716	0.300	0.000	0.000	0.000	<b>11.016</b>
	<b>12.119</b>	<b>0.300</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>12.419</b>
<b>Total GF Capital Expenditure</b>	<b>135.807</b>	<b>137.529</b>	<b>51.541</b>	<b>7.500</b>	<b>7.000</b>	<b>339.377</b>
<b>Housing &amp; Property (HRA)</b>	<b>189.074</b>	<b>168.735</b>	<b>133.129</b>	<b>191.001</b>	<b>117.372</b>	<b>799.311</b>
<b>Total Capital Expenditure</b>	<b>324.881</b>	<b>306.264</b>	<b>184.670</b>	<b>198.501</b>	<b>124.372</b>	<b>1,138.688</b>

2.6.2 If the capital programme is agreed the capital expenditure will be financed as follows:

**Table 10 – Financing of Capital Programme**

<b>Financing</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>Total £m</b>
Capital Receipts	22.807	3.564	8.088	4.118	2.682	<b>41.260</b>
Revenue and Reserve Contributions	12.712	12.955	13.506	12.346	12.820	<b>64.339</b>
Grants & Other Contributions	84.495	70.274	35.149	26.715	43.287	<b>259.920</b>
Borrowing	204.867	219.470	127.927	155.321	65.584	<b>773.170</b>
<b>Total Funding</b>	<b>324.881</b>	<b>306.264</b>	<b>184.670</b>	<b>198.501</b>	<b>124.372</b>	<b>1,138.688</b>

### **3. Prudential Indicators**

3.1 Local Authorities are required by regulation to have regard to the Prudential Codes for Capital Finance and Treasury Management. These Prudential Codes require that all capital expenditure, investments and borrowing decisions are prudent, affordable and sustainable.

3.2 In 2021 the Code was updated to report and monitor a suite of Prudential Indicators to support and record local decision making that is publicly accountable. The Prudential Indicators cover the three areas:

- Capital Expenditure
- Treasury Management Indicators
- Affordability

This report focuses primarily on the capital expenditure indicators along with affordability of the capital programme. Treasury Management indicators and affordability are covered within the Treasury Management Strategy Statement.

3.3 Capital expenditure is incurred where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. Details of the Council's policy on capitalisation can be found in the Council's accounting policies included within the annual statement of accounts.

3.4 In 2024/25, including the Housing Revenue Account, the Council is planning capital expenditure of £216.073m as set out in the table below:

**Table 11 – Prudential Indicator: Estimate of Capital Expenditure**

	<b>2023/24 Actual £m</b>	<b>2024/25 Budget £m</b>	<b>2025/26 Budget £m</b>	<b>2026/27 Budget £m</b>	<b>2027/28 Budget £m</b>
Service Spending	41.622	79.017	63.080	27.841	11.091
Regeneration Programme	1.792	22.251	72.727	109.688	40.450
<b>Total General Fund</b>	<b>43.414</b>	<b>101.268</b>	<b>135.807</b>	<b>137.529</b>	<b>51.541</b>
Council Housing (HRA)	82.970	114.805	189.074	168.735	133.129
<b>Total</b>	<b>126.384</b>	<b>216.073</b>	<b>324.881</b>	<b>306.264</b>	<b>184.670</b>

- 3.5 The Service spending on capital projects include highways, schools maintenance and expansions, IT infrastructure and leisure, and these can be seen in the detailed capital programme section of this report.
- 3.6 The Council Housing (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. The HRA capital programme supports the ongoing capital maintenance of the housing stock, the delivery of decent homes standards alongside a significant investment in the 12 Estates regeneration programme and the acquisition of affordable homes across other regeneration schemes, particularly the Bridge Close scheme. The HRA business plan (which includes full details of the proposed HRA capital programme) is an item elsewhere on the agenda.
- 3.7 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

**Table 12 – Prudential Indicator: Capital Financing**

	<b>2023/24 Actual £m</b>	<b>2024/25 Budget £m</b>	<b>2025/26 Budget £m</b>	<b>2026/27 Budget £m</b>	<b>2027/28 Budget £m</b>
Capital Receipts	27.546	38.761	22.807	3.564	8.088
Revenue Contributions & Reserves	8.530	13.343	12.712	12.955	13.506
Grants & Other Contributions	24.731	57.762	84.495	70.274	35.149
Borrowing	65.578	106.207	204.867	219.470	127.927
<b>Total</b>	<b>126.384</b>	<b>216.073</b>	<b>324.881</b>	<b>306.264</b>	<b>184.670</b>

- 3.8 Debt (Borrowing) is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. The Council's full Minimum Revenue Provision statement can be found in section 9 of this report.
- 3.9 The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £97m during 2024/25 raising from £618m to £716m. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

**Table 13 – Prudential Indicator: Estimates of Capital Financing Requirement (CFR)**

	<b>2023/24 Actual £m</b>	<b>2024/25 Budget £m</b>	<b>2025/26 Budget £m</b>	<b>2026/27 Budget £m</b>	<b>2027/28 Budget £m</b>
Service Spending	151.468	168.152	184.773	185.601	185.802
Regeneration Programme	69.877	79.598	144.770	235.952	268.060
Exceptional Financial Support	0.000	32.500	120.075	244.990	396.355
<b>Total GF Capital Financing Requirement</b>	<b>221.345</b>	<b>280.250</b>	<b>449.619</b>	<b>666.542</b>	<b>850.217</b>
Council Housing (HRA)	397.320	435.931	543.249	656.888	735.713
<b>Total Capital Financing Requirement</b>	<b>618.664</b>	<b>716.181</b>	<b>992.868</b>	<b>1,323.431</b>	<b>1,585.930</b>

3.10 The previous tables cover the overall capacity and control of borrowing but within the prudential framework indicators are required to assess the affordability of the capital investment plans. One such indicator is the estimate of the ratio of financing costs to net revenue stream which can then be split between service spend, regeneration and the capitalisation direction. This indicator identifies the trend on the cost of capital against the net revenue stream and is set out in the table below:

**Table 14 – Prudential Indicator: Ratio of GF Financing costs to Net Revenue Stream**

	<b>2023/24 Actual £m</b>	<b>2024/25 Budget £m</b>	<b>2025/26 Budget £m</b>	<b>2026/27 Budget £m</b>	<b>2027/28 Budget £m</b>
<b>Service Spending</b>					
GF Net Revenue Stream	182.000	198.000	204.000	213.000	222.000
Service Capital Financing Costs	12.049	13.290	15.319	17.223	17.484
Ratio of Financing Costs to Net Revenue Stream	6.6%	6.7%	7.5%	8.1%	7.9%
<b>Regeneration Programme</b>					
GF Net Revenue Stream	182.000	198.000	204.000	213.000	222.000
Regeneration Capital Financing Costs	4.960	5.250	7.505	12.774	17.706
Ratio of Financing Costs to Net Revenue Stream	2.7%	2.7%	3.7%	6.0%	8.0%
<b>Exceptional Financial Support</b>					
GF Net Revenue Stream	182.000	198.000	204.000	213.000	222.000
Capitalisation Direction Financing Costs	0.000	0.813	5.439	15.212	28.669
Ratio of Financing Costs to Net Revenue Stream	0.0%	0.4%	2.7%	7.1%	12.9%
<b>Total</b>					
GF Net Revenue Stream	182.000	198.000	204.000	213.000	222.000
Total GF Capital Financing Costs	17.010	19.352	28.264	45.209	63.859
Ratio of Financing Costs to Net Revenue Stream	9.3%	9.8%	13.9%	21.2%	28.8%

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3.11 Similar to the above ratio but a further indicator to demonstrate affordability is the ratio of capital financing costs to Council Tax yield. This shows the proportion of Council Tax being used to finance historic and planned borrowing:

**Table 15 – Prudential Indicator: Ratio of GF Financing costs to Council Tax Yield**

	2023/24 Actual £m	2024/25 Budget £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
<b>Service Spending</b>					
Council Tax Yield	149.000	158.000	164.000	172.000	181.000
Service Capital Financing Costs	12.049	13.290	15.319	17.223	17.484
Ratio of Financing Costs to Council Tax Yield	8.1%	8.4%	9.3%	10.0%	9.7%
<b>Regeneration Programme</b>					
Council Tax Yield	149.000	158.000	164.000	172.000	181.000
Regeneration Capital Financing Costs	4.960	5.250	7.505	12.774	17.706
Ratio of Financing Costs to Council Tax Yield	3.3%	3.3%	4.6%	7.4%	9.8%
<b>Exceptional Financial Support</b>					
Council Tax Yield	149.000	158.000	164.000	172.000	181.000
Capitalisation Direction Financing Costs	0.000	0.813	5.439	15.212	28.669
Ratio of Financing Costs to Net Revenue Stream	0.0%	0.5%	3.3%	8.8%	15.8%
<b>Total</b>					
Council Tax Yield	149.000	158.000	164.000	172.000	181.000
Total GF Capital Financing Costs	17.010	19.352	28.264	45.209	63.859
Ratio of Financing Costs to Net Revenue Stream	11.4%	12.2%	17.2%	26.3%	35.3%

3.12 Whilst the above 2 affordability indicators cover the General Fund the equivalent ratio for the HRA to demonstrate affordability of the HRA capital spend within the HRA business plan is the ratio of capital financing costs to rental income. This shows the proportion of housing rents being used to finance historic and planned HRA borrowing:

**Table 16 – Prudential Indicator: Ratio of HRA Financing costs to HRA Rental Income**

	2023/24 Actual £m	2024/25 Budget £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
<b>Housing Revenue Account</b>					
HRA Rental Income	66.042	73.188	74.475	78.448	81.839
HRA Capital Financing Costs	18.619	20.831	24.479	30.003	34.815
Ratio of Financing Costs to Net Revenue Stream	28.2%	28.5%	32.9%	38.2%	42.5%

- 3.11 Additional Prudential Indicators covering capacity, controls and affordability relating to the Councils treasury position can be found in the Treasury Management Strategy Statement (TMSS) reported elsewhere on the agenda.

#### **4. Disposals Policy**

- 4.1 As the Council has pursued a policy of selling surplus sites for many years it becomes more difficult to identify new sites for disposal that do not pose challenges, either technically or in terms of planning, and especially in respect of objections to disposal that arise in many cases. Nonetheless, constant and on-going appraisal of property assets to identify disposal opportunities is a best practice tenet on all local authorities.

- 4.2 Nationally, councils are shifting their approach and considering sites for self-development in line with corporate need. Through capital spend; they are able to generate savings and new forms of revenue income.

- 4.3 As well as ensuring that the portfolio of retained property is suitable for the operational needs of the Council, there is a continuing need to generate capital receipts from the disposal of assets in order to pursue capital projects. The current Asset Disposal Programme was approved by Cabinet in January 2024 as the review and identification of new disposal and capital receipt opportunities is an essential contribution to funding the Council's capital programme and significantly reduces the impact of capital financing costs on revenue.

#### **5. Capital Receipts**

- 5.1 The planned capital programme includes assumption of the generation of £30m capital receipts (£10m per year for 3 years) to help reduce the borrowing requirements and is reflected in the Asset Disposal Programme. Any shortfall in receipts will mean additional borrowing costs and therefore a pressure in the Medium Term Financial Strategy (MTFS).

- 5.2 Current forecasts indicate a shortfall in the capital receipts target of £4.3m although additional sites for disposal are being investigated.

- 5.3 It should be noted that income from capital receipts are generally applied to finance short life assets where capital financing costs would be high. On average for every £1m not achieved in asset sales this would equate to an additional pressure of £240k each year in the MTFS.

**6.0 Flexible Use of Capital Receipts and Transformation**

- 6.1 In December 2023, the Government announced the continuation till 2030 of the flexible use of capital receipts directive which allows Authorities to use capital receipts to finance revenue transformation expenditure for any project that is designed to generate ongoing revenue savings. Authorities are required to list each project and the savings that are being generated as a result of the project.
- 6.2 Further to the flexible use of receipts directive the government have also issued consultation on proposals to potentially extend the directive further to improve sector stability and efficiency. Implications on the consultation are being assessed however, the increased flexibility is more beneficial for those with excess capital receipts available. As Havering has traditionally used capital receipts to keep borrowing down initial thoughts are that the additional flexibility has limited benefits.
- 6.3 Flexible use of receipts is currently being reviewed and once implications of the new consultation have been established further updates will be made.

**7.0 Exceptional Financial Support (EFS)**

- 7.1 Since 2020, the government has agreed to provide a number of local authorities with support via the Exceptional Financial Support framework. Support provided via this framework is usually provided in the form of a capitalisation direction. Capitalisation directions permit a local authority to meet revenue costs through capital resources.
- 7.2 the Council has faced rapidly increasing demand pressures in 2024/25 which together with inadequate grant funding from central government has meant that in order to set a balanced budget for 2024/25 (a requirement by statute), the Council has had no choice but to apply for financial support via this framework.
- 7.3 In respect of the financial year 2024/25 the government has agreed to provide 19 councils with support to manage financial pressures via the EFS framework and for 11 of these this included agreement to support for prior years. Through the EFS framework, Havering has support agreed in principle for £21.2m in 2023/24 and a further £32.5m for 2023/24.
- 7.4 In 2023/24, the final outturn position meant a take-up of the EFS to the value of £18.1m was needed and this was funded from capital receipts meaning no increase in borrowing. This was significant as, at the time, funding a capitalisation direction through borrowing would also have led to higher interest rates on all borrowing not just any borrowing for the EFS.
- 7.5 The latest revenue projection for 2024/25 mean that the full allocation of £32.5m is expected to be required and the capital receipts position means that the authority will have no choice but to fund the revenue pressure from borrowing.

Whilst changes to the EFS framework have meant that higher interest rates will now not apply, this does equate to additional financing costs of around £3.2m per year (for 20 years as provision for the repayment of debt along with interest associated with the borrowing needs to be set aside.

## **8.0 Risk Management and Mitigation**

- 8.1 For large complex projects, professional specialist external advice and services would be sourced to undertake due diligence and to understand the risks associated with the project and inform decision making
- 8.2 Specific risks for individual schemes are contained within the project business cases. The scale and importance of the project will dictate the level of business case evaluation. Sound business case protocols can mitigate the risk of business case collapse with appropriate levels of contingency being built into the business case to mitigate risks.
- 8.3 Major regeneration and housing projects constitute most of the Council's capital portfolio and these inherently carry risk, most of which is outside the Council's control. Whilst the Council does not have control over these risks it is important to be aware of them and manage them as best as possible. These risks include but are not limited to:
- Interest Rate Risk – The Councils capital portfolio is heavily dependent on borrowing and is therefore exposed to fluctuations in interest rates. Interest rate risk is managed indirectly through the TMSS and through our treasury advisers Link Asset Services
  - Inflation Risk – Capital projects, due to their often long time frame are particularly vulnerable to inflation. The Governments latest inflation forecasts indicate that inflation would rise to 2.6% in 2025 and then slowly return to 2% by the forecast horizon. Inflation risk is always a concern as slippage can potentially decrease the purchasing power. This can be mitigated by good project management, clearly identified cash flow projections and negotiating fixed price contracts where possible.
  - Legislative – Changes in statute and regulations will impact capital projects as they must comply with current legislation. To mitigate this risk the Council must horizon scan and remain aware of any changes in the pipeline which might affect projects and make allowance accordingly through proper governance channels.
  - Market health and commercial values – the portfolio is complex, and the successful delivery of various aspects of the project may depend to a large extent on the commercial environment. Examples are property rental income, capital receipts and the future health of the property market.



Assumptions are made which underpin projections with the Council relying on expert advice and good performance monitoring to mitigate this risk.

- Partners – Increasingly, major projects are not delivered solely by the Council itself, but by developers either alone or jointly with the Council or its delivery subsidiary. Whilst using a developer transfers risk away from the Council, this means extra costs and therefore a balance is required. Risks associated with newly required subsidiaries and joint ventures will decrease with time as experience is gained.
- Supplier financial stability – Like with any project the importance of the supplier's financial stability in fulfilling the Council's needs is vital. To mitigate this, the Council as part of the procurement of the contract, considers the financial robustness of all contractors and partners and requests appropriate financial standing assurance.
- Reputational Risk – This is particularly relevant to the public sector and can result in the public losing faith in the organisation. The risk can be mitigated by good project management and communication with clear expectations of all stakeholders being key.
- Project delivery – In the main, these are unforeseen delays and increases in costs. Apart from building in contingencies there is a range of measures that can mitigate this risks. Effective scrutiny of business cases at the outset will ensure robustness of projects included in the programme. During the life of the project, risks are monitored with risk registers being properly maintained and updated. Regular highlight reporting keeps stakeholders informed to allow early intervention where necessary. In the case of complex major projects, professional experts are used at all required stages to ensure effective delivery.
- Portfolio delivery capacity – The capital programme set out in the capital strategy total over £1 billion over the 5 year life cycle. A priority is to ensure sufficient project delivery expertise, enabling support and supply chain capacity is available to deliver the Council's ambitions and outcomes, on time and to agreed costs. Whilst some of these costs can be capitalised and included in the capital cost of the project, projects will require revenue support such as support on governance and finance and procurement support. This risk can be mitigated by ensuring officers are suitably trained and equipped and that service plans include appropriate levels of expertise.

## **9. Minimum Revenue Provision Policy Statement**

- 9.1 Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP).

Although there has been no statutory minimum provision requirement since 2008, The Local Government Act 2003 requires the Authority to have regard to the MHCLG *Guidance on Minimum Revenue Provision* updated in 2020 and again for 2025.

The broad aim of the MHCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

9.2 The Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement only incorporates options recommended in the Guidance.

- For capital expenditure incurred before 1st April 2008, MRP will be determined in accordance with the former regulations that applied on 31st March 2008, incorporating an “Adjustment A” of £2.9m on a reducing balance method
- For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant assets in equal instalments, but under exceptional circumstances the annuity method may apply. Furthermore, where appropriate provision of MRP will commence in the year after the asset becomes operational.

9.3 Estimated life periods will be determined under delegated powers. The Authority may defer to the estimated useful economic life periods specified in the MRP guidance, but reserves the right to determine such periods and prudent MRP.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

For assets acquired by leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

9.4 Although HRA CFR is not exempt from the MRP determination of a prudent charge can be nil, the rationale for this is that local authorities with HRA’s are required to charge depreciation to the surplus or deficit on the provision of service in the HRA,

in accordance with the requirements of the item 8 determination and which is then transferred to the Major Repairs Reserve (MRR) in accordance with statute. This serves a similar function as MRP in that the cost of capital is passed to the revenue account over time. Further, unlike MRP, the MRR is not incorporated into the calculation of the CFR.

9.5` On the above basis no HRA MRP will be made. Any accounting events that would lead to debt not being set aside for repayment however, would be reviewed to assess the need for any voluntary MRP contribution from the HRA.

9.5 **Third party loans** – Under statutory requirements the payment of the loan will normally be treated as capital expenditure. The subsequent loan repayments, (which are treated as capital receipts under statutory requirements), will be used to reduce the long term liability and consequently the CFR. As a result MRP will not generally be charged on the loan providing the loan repayment means that the debt will be repaid.

The Authority keeps under review all loans to 3<sup>rd</sup> parties and should there be an expectation that loans will not be repaid in full MRP would be made in this respect to insure that prudent provision is made for the repayment of debt.

## **10. Knowledge and Skills**

10.1 All capital investment approvals are subject to robust consideration and challenge by members and officers from across the Council with extensive Local Government experience from varying backgrounds.

10.2 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council also has a training and development programme to support staff to study towards relevant professional qualifications, to ensure officers are kept abreast of new developments and to ensure their Continuous Professional Development.

10.3 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

10.4 Member training is undertaken as part of the induction programme following any election and in particular for new members. Specialist training and advice is also provided to relevant cabinet portfolio members which is either conducted by members of staff or external specialist sources to ensure that members have the required skillset to scrutinise and challenge as appropriate.

10.5 The Council's property portfolio is managed by its property services team within the Housing & property service. The team has extensive knowledge of the Havering property market and experience dealing with a mix of property types and professional work including landlord and tenant, statutory valuations, acquisitions and disposals and commercial and residential property management. Where required and with due diligence, the Council may also appoint external agents to advise on particular specialist matters or to access specialist expertise that may not be available 'in house'. An example of this is the appointment of RICS registered valuers to provide valuations required for the production of the statement of accounts.

## **REASONS & OPTIONS**

### **Reasons for the Decision**

The Council is required to approve the Capital Strategy as per the 2021 update to the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice.

### **Alternative Options Considered**

There are no alternative options in so far as approving the capital strategy and setting the capital programme. However, there are options in respect of the various projects within the capital programme.

## **IMPLICATIONS & RISKS**

### **Financial Implications and Risks**

The Council needs to manage and control its future capital programme and investment very carefully to ensure that it meets its fiduciary responsibilities. It will need to carefully prioritise future capital investment to deliver optimum outcomes as resources become increasingly scarce. A number of new schemes rely upon borrowing which creates a long term budgetary commitment for the Council for which it anticipates that it will receive financial returns of income in addition to meeting the primary objectives of economic development and regenerations. It is therefore essential that there is robust and proactive management of all capital projects going forward in order to deliver the financial plans set out in each approved business case. In particular, the delivery of income streams due from the series

of Regeneration led projects for housing development are crucial and underpin the Council's ability to meet the cost of this capital investment and generate future revenue returns to support the delivery of the MTFs. Failure to deliver to plan, could result in significant financial pressures for the Council and therefore robust programme and project governance will be essential. This framework and the expected returns on investment will be included in the revised Capital Strategy.

In allocating funding to these proposals the principle of financing capital expenditure from prudential borrowing as a last resort, was used. Going forward, the use of external funding sources will be maximised, pulling together the co-ordination of grant funding, s106 and any future CIL payments and the use of capital receipts, revenue and reserves.

### **Legal Implications and Risks**

The Capital Strategy is a requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required by regulation to have regard to both codes when carrying out its duties under Part 1 of the Local Government Act 2003. This report has been produced in accordance with those requirements.

### **Human Resource Implications and Risks**

The recommendations made in the report do not give rise to any identifiable HR risks or implications which 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.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce.

### **Health and Wellbeing Implications and Risks**

The Council is committed to improving the quality of life and wellbeing for all Havering employees and residents in respect of socio-economics and health determinants. Whilst there are no direct implications to the Council's workforce and residents health and wellbeing as a result of this report, the way the Council spends its budgets on facilities and services does have the potential to impact on our overall health and wellbeing.

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For example investment in social infrastructure for public services is likely to have a positive impact on health and wellbeing in terms of providing facilities and services, social connectivity, skills improvement, employment and wealth creation. If social infrastructure is not invested and there is a lack of good quality roads, paths and public buildings the aesthetic quality of the environment can impact negatively on both physical and mental health and wellbeing.

The extensive investment in the regeneration programme with the aim of delivering more affordable homes will also have a significant impact on health and wellbeing

Sitting behind this strategy are a number of processes to assess and improve the health impacts of the projects being proposed. For example, any capital building works such as the 12 estates regeneration project will be subject to the new local plan which includes a new policy requirement for development applications of 10 units or more to have a commensurate scale health impact assessment. This will highlight any positive impacts of the development on improved health and wellbeing and look for ways to mitigate any negative impacts.

In addition where appropriate, individual projects/programmes within this strategy will themselves be subject to a separate equalities and health impact assessment (EqHIA) which will identify in more detail potential negative impacts for mitigation or positive impacts.

### **Climate Change Implications and Risks**

The Capital Programme presents opportunities for the Council to contribute towards its climate change targets of being carbon neutral by 2040.

All relevant developments within the Capital Programme are subject to individual governance and climate change impacts will therefore be assessed through project appraisals as part of the decision-making process for individual programmes and projects. It is vital that these programmes and projects consider how to maximise the funding available to achieve carbon reduction, where possible. Mitigating and adapting to climate change is being increasingly embedded within Council decision-making but we will continue to work to ensure spending decisions take account of the carbon impact.

### **BACKGROUND PAPERS**

**None**

Directorate	Service	Programme	Project Number	Project Name	2025-26 Budget	2026-27 Budget	2027-28 Budget	2028-29 Budget	2029-30 Budget	Total Budget
People - Ageing Well	Adults Social Care	Adults Social Care - DFG	C10260	HGF Cap. Bal. (From DFG Schemes): All years	2,329,520	0	0	0	0	2,329,520
People - Ageing Well	Adults Social Care	<b>Adults Social Care - DFG Total</b>			<b>2,329,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,329,520</b>
People - Ageing Well	<b>Adults Social Care Total</b>				<b>2,329,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,329,520</b>
<b>People - Ageing Well Total</b>					<b>2,329,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,329,520</b>
People - Living Well	Leisure & Culture	Leisure Other	C42030	Bretons - Listed Building Refurbishment	100,000	0	0	0	0	100,000
People - Living Well	Leisure & Culture	Leisure Other	C42040	Hornchurch Stadium - Track Resurface	375,000	0	0	0	0	375,000
People - Living Well	Leisure & Culture	Leisure Other	C42660	Solar PV Panels at Sapphire Ice and Leisure	267,000	0	0	0	0	267,000
People - Living Well	Leisure & Culture	<b>Leisure Other Total</b>			<b>742,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>742,000</b>
People - Living Well	Leisure & Culture	Leisure SLM	C26860	SLM - Central Park Leisure Centre - Refurbishment	0	0	148,658	0	0	148,658
People - Living Well	Leisure & Culture	Leisure SLM	C26870	SLM - Hornchurch Sports Centre - Redevelopment	0	0	126,169	0	0	126,169
People - Living Well	Leisure & Culture	Leisure SLM	C28070	SLM - Awaiting Allocation	0	0	3,078,470	0	0	3,078,470
People - Living Well	Leisure & Culture	<b>Leisure SLM Total</b>			<b>0</b>	<b>0</b>	<b>3,353,297</b>	<b>0</b>	<b>0</b>	<b>3,353,297</b>
People - Living Well	<b>Leisure &amp; Culture Total</b>				<b>742,000</b>	<b>0</b>	<b>3,353,297</b>	<b>0</b>	<b>0</b>	<b>4,095,297</b>
<b>People - Living Well Total</b>					<b>742,000</b>	<b>0</b>	<b>3,353,297</b>	<b>0</b>	<b>0</b>	<b>4,095,297</b>
People - Starting Well	Childrens Social Care	Childrens Social Care Programme	C28140	Children with SEND Residential Provision & Respite - Aldwych (P2)	833,650	0	0	0	0	833,650
People - Starting Well	Childrens Social Care	Childrens Social Care Programme	C28150	Semi Independent Provision for Young People leaving Care - Mawneys (P4)	1,160,000	0	0	0	0	1,160,000
People - Starting Well	Childrens Social Care	<b>Childrens Social Care Programme Total</b>			<b>1,993,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,993,650</b>
People - Starting Well	<b>Childrens Social Care Total</b>				<b>1,993,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,993,650</b>
People - Starting Well	Education	Schools	C41160	Balgores New special school	17,000,000	19,000,000	0	0	0	36,000,000
People - Starting Well	Education	<b>Schools Total</b>			<b>17,000,000</b>	<b>19,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,000,000</b>
People - Starting Well	<b>Education Total</b>				<b>17,000,000</b>	<b>19,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,000,000</b>
<b>People - Starting Well Total</b>					<b>18,993,650</b>	<b>19,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,993,650</b>
Place - Environment	Environment	Environment TFL	C42720	EV Charging Points for Schools Match Funding Element	25,000	0	0	0	0	25,000
Place - Environment	Environment	<b>Environment TFL Total</b>			<b>25,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>
Place - Environment	Environment	Highways & Street Lighting	C42260	Lambs Lane South - Highway Improvements	339,860	0	0	0	0	339,860
Place - Environment	Environment	Highways & Street Lighting	C41000	Highways (Roads & Pavements)	6,000,000	6,000,000	6,000,000	0	0	18,000,000
Place - Environment	Environment	Highways & Street Lighting	C41010	Highways (Lighting)	1,000,000	1,000,000	1,000,000	0	0	3,000,000
Place - Environment	Environment	Highways & Street Lighting	C38000	Traffic CCTV Cameras	1,124,845	0	0	0	0	1,124,845
Place - Environment	Environment	<b>Highways &amp; Street Lighting Total</b>			<b>8,464,705</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>0</b>	<b>0</b>	<b>22,464,705</b>
Place - Environment	Environment	Parking	C30010	Parking Investment	22,619	0	0	0	0	22,619
Place - Environment	Environment	<b>Parking Total</b>			<b>22,619</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,619</b>
Place - Environment	Environment	Public Realm - Parks	C41620	Tithe Barn Restoration	100,000	0	0	0	0	100,000
Place - Environment	Environment	<b>Public Realm - Parks Total</b>			<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
Place - Environment	Environment	Public Realm - Waste	C40000	Waste contract vehicles	1,337,844	0	0	0	0	1,337,844
Place - Environment	Environment	<b>Public Realm - Waste Total</b>			<b>1,337,844</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,337,844</b>
Place - Environment	<b>Environment Total</b>				<b>9,950,168</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>0</b>	<b>0</b>	<b>23,950,168</b>
<b>Place - Environment Total</b>					<b>9,950,168</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>0</b>	<b>0</b>	<b>23,950,168</b>
Place - Housing & Property (GF)	Housing Property & Assets (GF)	Corporate Buildings	C41030	Corporate Building Inspections	216,000	226,000	238,000	0	0	680,000
Place - Housing & Property (GF)	Housing Property & Assets (GF)	Corporate Buildings	C41040	Corporate Buildings & Other Initiatives	3,936,870	0	0	0	0	3,936,870
Place - Housing & Property (GF)	Housing Property & Assets (GF)	Corporate Buildings	C41090	PV Panels on Council Buildings	70,000	0	0	0	0	70,000
Place - Housing & Property (GF)	Housing Property & Assets (GF)	Corporate Buildings	C42020	Corporate Landlord Building Pressure	1,605,000	500,000	500,000	500,000	0	3,105,000
Place - Housing & Property (GF)	Housing Property & Assets (GF)	<b>Corporate Buildings Total</b>			<b>5,827,870</b>	<b>726,000</b>	<b>738,000</b>	<b>500,000</b>	<b>0</b>	<b>7,791,870</b>
Place - Housing & Property (GF)	Housing Property & Assets (GF)	Vehicle Replacement	C38880	Procurement of 29 vehicles for Passenger Travel Services	1,677,751	0	0	0	0	1,677,751
Place - Housing & Property (GF)	Housing Property & Assets (GF)	<b>Vehicle Replacement Total</b>			<b>1,677,751</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,677,751</b>
Place - Housing & Property (GF)	<b>Housing Property &amp; Assets (GF) Total</b>				<b>7,505,621</b>	<b>726,000</b>	<b>738,000</b>	<b>500,000</b>	<b>0</b>	<b>9,469,621</b>
<b>Place - Housing &amp; Property (GF) Total</b>					<b>7,505,621</b>	<b>726,000</b>	<b>738,000</b>	<b>500,000</b>	<b>0</b>	<b>9,469,621</b>
Place - Planning & Public Protection	Planning & Public Protection	Enforcement	C38020	Enforcement CCTV	1,088,052	0	0	0	0	1,088,052

Directorate	Service	Programme	Project Number	Project Name	2025-26 Budget	2026-27 Budget	2027-28 Budget	2028-29 Budget	2029-30 Budget	Total Budget
Place - Planning & Public Protection	Planning & Public Protection	<b>Enforcement Total</b>			1,088,052	0	0	0	0	1,088,052
Place - Planning & Public Protection	<b>Planning &amp; Public Protection Total</b>				1,088,052	0	0	0	0	1,088,052
<b>Place - Planning &amp; Public Protection Total</b>					1,088,052	0	0	0	0	1,088,052
Resources - Finance	Corporate Finance	Contingency	C25470	Contingency	1,403,522	0	0	0	0	1,403,522
Resources - Finance	Corporate Finance	<b>Contingency Total</b>			1,403,522	0	0	0	0	1,403,522
Resources - Finance	<b>Corporate Finance Total</b>				1,403,522	0	0	0	0	1,403,522
<b>Resources - Finance Total</b>					1,403,522	0	0	0	0	1,403,522
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Cloud Migration	C42450	Cloud Adoption	1,197,261	0	0	0	0	1,197,261
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Cloud Migration	C42460	M365	564,414	0	0	0	0	564,414
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Cloud Migration	C42470	D365	131,000	0	0	0	0	131,000
Resources - IT, Digital and Customer	IT, Digital & Transformation	<b>ICT Cloud Migration Total</b>			1,892,675	0	0	0	0	1,892,675
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Modern Device Management	C35110	IT Device Refresh and Windows OS roll-out	1,225,179	0	0	0	0	1,225,179
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Modern Device Management	C35160	Hybrid Meeting Rooms	270,000	0	0	0	0	270,000
Resources - IT, Digital and Customer	IT, Digital & Transformation	ICT Modern Device Management	C38050	User Networks (Inc Firewalls)	1,546,451	0	0	0	0	1,546,451
Resources - IT, Digital and Customer	IT, Digital & Transformation	<b>ICT Modern Device Management Total</b>			3,041,630	0	0	0	0	3,041,630
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42510	Transformation Management IT	58,977	0	0	0	0	58,977
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42570	Power BI	450,000	50,000	0	0	0	500,000
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42580	Transformation Reserve	2,000,000	250,000	0	0	0	2,250,000
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42520	Sovereignty Management IT	1,271,760	0	0	0	0	1,271,760
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C38060	Business Systems	566,473	0	0	0	0	566,473
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42560	Housing System Replacement	15,436	0	0	0	0	15,436
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42530	Digital Platforms	1,233,116	0	0	0	0	1,233,116
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42540	Arcus Public Protection	62,781	0	0	0	0	62,781
Resources - IT, Digital and Customer	IT, Digital & Transformation	Transformation	C42550	CivicaPay Phase 2	122,877	0	0	0	0	122,877
Resources - IT, Digital and Customer	IT, Digital & Transformation	<b>Transformation Total</b>			5,781,420	300,000	0	0	0	6,081,420
Resources - IT, Digital and Customer	<b>IT, Digital &amp; Transformation Total</b>				10,715,725	300,000	0	0	0	11,015,725
<b>Resources - IT, Digital and Customer Total</b>					10,715,725	300,000	0	0	0	11,015,725
<b>Total GF (excluding regen)</b>					52,728,258	27,026,000	11,091,297	500,000	0	91,345,555



LA Schools	2025/26 Condition Grant Scheme's	Budget £
Newtons	LED Lighting Infant, Junior hall, Kitchen and corridor	33,000
Hylands	LED Lighting Classrooms	66,000
Branfil Junior block	LED Lighting Classrooms 5 x classrooms, 8 no WC's, corridors	66,000
Crowlands	LED Lighting Classrooms 4 x classrooms	44,000
Parsonage Farm	LED Lighting Classrooms 6 x classrooms	44,000
Engayne	LED Lighting and Ceilings for Infant Block	66,000
Langton Infants	Renew Sub Mains Intake and Distribution Cable	93,500
James Oglethorpe	Fire Alarm	33,000
Crownfield Juniors	Flat roof G and H	550,000
Squirrels Heath Juniors	Pitched Roof x 2	385,000
Rainham Village	Pitched Roof x 1	159,500
Squirrels Heath Infants	Window Replacement	16,500
Crownfield	Window Replacement	5,500
Squirrels Heath Infants and Juniors	New Boiler for each school	198,000
Towers	Safe Site Access	55,000
Brady	Safe Site Access	27,500
Branfil	Playground Drainage	27,500
Branfil	Replacement render	22,000
Various Schools	Washrooms Boys and Girls	100,000
Various Schools	Fire Door Replacement	110,000
Various Schools	Asbestos Removal	300,000
Various Schools	Reactive Condition Emergency Works	120,000
<b>Total</b>		<b>2,522,000</b>

\*the above schemes are priority 1 category, if more external funding is made available the programme can be extended further to deliver more essential building works to schools

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Appendix 3 - Detailed Regeneration Programme

Directorate	Service	Programme	Project Number	Project Name	2025-26 Budget	2026-27 Budget	2027-28 Budget	2028-29 Budget	2029-30 Budget	Total Budget
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Bridge Close (GF)	C30030	Bridge Close - School	0	18,969,000	0	0	0	18,969,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Bridge Close (GF)	C30040	Bridge Close - Medical Facility	0	0	4,883,000	0	0	4,883,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	<b>Bridge Close (GF) Total</b>			<b>0</b>	<b>18,969,000</b>	<b>4,883,000</b>	<b>0</b>	<b>0</b>	<b>23,852,000</b>
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C28050	Mercury Land Holdings – Quarles Loan	1,676,153	469,307	0	0	0	2,145,460
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C35810	Reactive Acquisition Fund Loan	14,153,047	17,298,169	0	0	0	31,451,216
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C38600	MLH Quarles PRS - Equity	513,000	371,500	0	0	0	884,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C38610	MLH Quarles PRS - Loans	1,412,308	476,900	0	0	0	1,889,208
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42080	Mercury Land Holdings – Quarles Equity	2,602,800	650,700	0	0	0	3,253,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42100	Priory Way - Loans	251,700	377,550	209,750	0	0	839,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42110	Priory Way - Equity	251,700	377,550	209,750	0	0	839,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42120	Peel Way - Loans	477,750	716,625	398,125	0	0	1,592,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42130	Peel Way - Equity	477,750	716,625	398,125	0	0	1,592,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42140	Albert Road - Loans	696,300	1,044,450	580,250	0	0	2,321,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42150	Albert Road - Equity	696,300	1,044,450	580,250	0	0	2,321,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42160	Como Street Sales - Loans	3,377,450	4,991,175	2,722,875	0	0	11,091,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42170	Como Street Sales - Equity	3,377,450	4,991,175	2,722,875	0	0	11,091,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42180	Como Street PRS - Loans	2,404,050	3,606,075	2,003,375	0	0	8,013,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42190	Como Street PRS - Equity	2,404,050	3,606,075	2,003,375	0	0	8,013,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42200	Council Disposal Sites A - Loans	466,350	699,525	388,625	0	0	1,554,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42210	Council Disposal Sites A - Equity	466,350	699,525	388,625	0	0	1,554,500
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42220	Council Disposal Sites B - Loans	2,267,100	3,400,650	1,889,250	0	0	7,557,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42230	Council Disposal Sites B - Equity	2,267,100	3,400,650	1,889,250	0	0	7,557,000

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Directorate	Service	Programme	Project Number	Project Name	2025-26 Budget	2026-27 Budget	2027-28 Budget	2028-29 Budget	2029-30 Budget	Total Budget
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42240	Council Disposal Sites C - Loans	9,249,900	13,574,850	7,708,250	0	0	30,533,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Mercury Land Holdings	C42250	Council Disposal Sites C - Equity	9,249,900	13,574,850	7,708,250	0	0	30,533,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	<b>Mercury Land Holdings Total</b>			<b>58,738,508</b>	<b>76,088,376</b>	<b>31,801,000</b>	<b>0</b>	<b>0</b>	<b>166,627,884</b>
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Rainham & Beam Park	C28060	Rainham & Beam Park Housing Zone – CPO's and Grant	2,500,000	2,500,000	2,500,000	0	0	7,500,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Rainham & Beam Park	C28970	Rainham and Beam Park Housing Zone - Equity	2,340,328	0	0	0	0	2,340,328
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Rainham & Beam Park	C36320	Rainham & Beam Park Commercial Acquisition	0	0	0	0	0	0
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	<b>Rainham &amp; Beam Park Total</b>			<b>4,840,328</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>0</b>	<b>0</b>	<b>9,840,328</b>
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Regeneration Other	C41100	Liveable Neighbourhood Romford Ring Road	1,218,938	0	0	0	0	1,218,938
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Regeneration Other	C38580	Farnham & Hilldene - Com Properties	5,000,000	12,051,000	0	0	0	17,051,000
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Regeneration Other	C38590	Farnham & Hilldene - Medical Centre	1,395,645	79,751	1,265,643	0	0	2,741,039
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Regeneration Other	C40090	Sunrise Avenue - Traffic Calming	0	0	0	0	0	0
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	<b>Regeneration Other Total</b>			<b>7,614,583</b>	<b>12,130,751</b>	<b>1,265,643</b>	<b>0</b>	<b>0</b>	<b>21,010,977</b>
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	Regeneration TFL	C29000	Beam Parkway Major Scheme	1,533,199	0	0	0	0	1,533,199
Place - Housing & Property (GF)	Regeneration & Place Shaping (GF)	<b>Regeneration TFL Total</b>			<b>1,533,199</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,533,199</b>
Place - Housing & Property (GF)	<b>Regeneration &amp; Place Shaping (GF) Total</b>				<b>72,726,618</b>	<b>109,688,127</b>	<b>40,449,643</b>	<b>0</b>	<b>0</b>	<b>222,864,388</b>

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## CABINET

**5 February 2025**

**Subject Heading:**

**Treasury Management Strategy Statement (TMSS) and Annual investment Strategy 2025/26**

**Cabinet Member:**

**Councillor Christopher Wilkins**  
Finance

**ELT Leads:**

**Kathy Freeman**  
Strategic Director of Resources

**Report Author and contact details:**

**Mark White**  
Capital Strategy Manager  
**Tony Piggott**  
Treasury Manager

**Policy context:**

The CIPFA Code of Practice (CIPFA TM Code) on treasury management 2021 recommends that the TMSS is reported to a committee for effective review. This role is undertaken by the Audit Committee and this report will be reviewed at its meeting on the 30<sup>th</sup> January 2025 with a final version of the report presented to Cabinet on the 5<sup>th</sup> February.

**Financial summary:**

The TMSS forms part of the Authority's overall budget setting strategy and financial management framework

**Is this a Key Decision?**

Yes

**When should this matter be reviewed?**

Annually

**Reviewing OSC:**

Overview and Scrutiny Board

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	[ ]
Resource – A well run Council that delivers for People and Place	[ X ]

**SUMMARY**

The Treasury Management Strategy Statement (“TMSS”) is part of the Authority’s reporting procedures as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management (“TM”) Code and its Prudential code (“The CIPFA Prudential Code”) for capital finance in local authorities. The TMSS also sets out recently introduced changes to the legislative framework, which are generally designed to place restrictions on authorities’ commercial activity.

This report fulfils the Authority’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA TM Code/Prudential Code and Government Guidance, and it covers:

- The Borrowing and Investment Strategies
- Treasury Management and Prudential Indicators

**RECOMMENDATIONS**

**For the reasons set out in the report and its annexes, Cabinet is asked to:**

1. **Recommend to Council for consideration and approval** the 2025/26 Treasury Management Strategy Statement & Annual Investment Strategy
2. **Recommend to Council for consideration and approval** the revised prudential and treasury indicators set out in Appendix 2 and 3
3. **Recommend to Council for consideration and approval** the operational and authorised borrowing limits set out in tables 5 & 6 of appendix 2
4. **Note** the impact the capitalisation direction has on the prudential and treasury indicators, increasing the Capital Financing Requirement (CFR) by £396m by 31<sup>st</sup> March 2028 set out in table 4 of Appendix 2

**REPORT DETAIL**

**1. Introduction**

- 1.1 The statutory Codes set out that the Authority is required to approve a Treasury Management Strategy Statement, and the Prudential Indicators.
- 1.2 CIPFA define treasury management as “The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 1.3 The Authority is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that the Authority’s cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments in accordance with the Authority’s appetite for risk and liquidity requirements, as priorities before considering investment return.
- 1.4 The other main function of treasury management is to help fund the Authority’s capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer term cash flow planning required to meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet the Authority’s risk or cost objectives
- 1.5 Whilst any regeneration initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure which has its own governance process), and are separate from the day to day treasury management activities. This expenditure is shown throughout this report as the “regeneration programme”.
- 1.6 The current treasury portfolio is set out in appendix 1.

**2. Key Considerations and Sustainability**

**2.1 TMSS 2024/25**

2.1.1 Treasury Management considerations:

- The Macroeconomic outlook
- The Borrowing strategy
- Prudential indicators and treasury limits
- The Investment strategy
- TM regulation and policies

2.1.2 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CIPFA TM Code and the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance.

### **3. Service Delivery and Performance Issues**

#### **3.1 Macro-economic and Interest rate outlook**

3.1.1 Link assist the Authority with determining its view on interest rates. Link provided their latest outlook on Bank rate and PWLB rates. The PWLB rate forecasts below in table 1 are based on Certainty Rate (the standard rate minus 20 bps (0.2%) which has been available to local authorities submitting a certainty rate return which included a high level description of capital spend and financing plans. In addition to the certainty rate there is also access to a lower HRA PWLB rate (standard rate minus 60 bps) which started on 15th June 2023. This rate is solely intended for use in Housing Revenue Accounts and primarily for new housing delivery.

Table 1: Link interest rate outlook

Link Group Interest Rate View	11.11.24												
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
<b>BANK RATE</b>	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave eamings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave eamings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave eamings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

3.1.2 Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November, LINK have significantly revised their central forecasts for the first time since May, (see above Table1). In summary, the Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst the PWLB forecasts have been materially lifted to not only reflect the increased concerns around the future path of inflation, but also the increased level of Government borrowing over the term of the current Parliament.

3.1.3 Link’s central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. They forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank’s Quarterly Monetary Policy Reports (February, May, August and November). Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation’s stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.

3.1.4 Gilt yields and PWLB rates: The overall trend is for gilt yields and PWLB rates to fall back over the timeline of Link’s forecast, as inflation continues to fall in 2025.



Table 2: PWLB Rates at 16 January 2025

Duration	Standard Rate %	Certainty Rate %	HRA Rate %
1 year	5.36	5.16	4.76
2 years	5.32	5.12	4.75
5 years	5.42	5.22	4.82
10 years	5.77	5.57	4.17
25 years	6.23	6.03	5.63
50 years	5.94	5.14	4.74

3.1.5 Officers reviewed other economic forecasts and found there is a consensus that rates are trending down. Officers are in agreement that long term borrowing should be on shorter durations (1-2 years) and then refinance on longer term durations when rates are expected to be lower.

### **3.2 Borrowing Strategy**

3.2.1 The revenue budget is, by law, balanced such that income is expected to equal expenditure. However, the timing of government grants and other large items can lead to large variations in the actual daily cash position, for example the average monthly payroll alone is in the region of £10.5m.

3.2.2 As at 31 March 2024 the Authority had cash balances of £71m, this had reduced to £47.6m at 31 December 2024. In addition to the variability of cash flow, Capital expenditure, to the extent that it is not financed by government grants, capital receipts or other external funding, has reduced the cash balance. Over time this will be matched by borrowing but it should be noted that the exact timing of the borrowing and expenditure will not match.

3.2.3 The Capital programme 5 year spend 2025/26 through to 2029/30 is £1.13bn of which £773m (of which £518m is HRA and £200m is Regeneration which are supported by robust business plans) is to be funded through prudential borrowing. This will change if new government grants are announced, new decisions that Havering may take such as if new items were added to the capital programme or disposals of surplus assets were to be agreed.

3.2.4 For the reasons set out above the Authority needs to maintain a prudent cash balance to allow it to cover the variability of expenditure. The extent to which borrowing would be required will depend on the movement in cash reserves, working capital, strength of the capital forecast and how much slippage might occur during each financial year.

3.2.5 It is sensible to plan on the basis of covering the inevitable month on month fluctuations in cash balances to avoid what would in effect be an unplanned, and therefore expensive, short-term overdraft. Based on analysis of the monthly cash variations then £40m has been established as an appropriate cash balance or liquidity allowance.

3.2.6 The underlying need to borrow for the capital programme is measured by the Capital Financing Requirement (CFR). Having like most authorities have set their external borrowing below their CFR level. This means that the CFR, has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy.

3.2.7 Against this background and the risks within the economic forecast, caution will be exercised on 2025/26 treasury operations. The Strategic Director of Resources in conjunction with the Treasury Manager will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then long term borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

3.2.8 Plans are also in place to undertake in year HRA long term borrowing on short durations to meet the borrowing need whilst interest rates remain below the budgeted rate in the HRA business plan.

3.2.9 Potential borrowing sources are set out below:

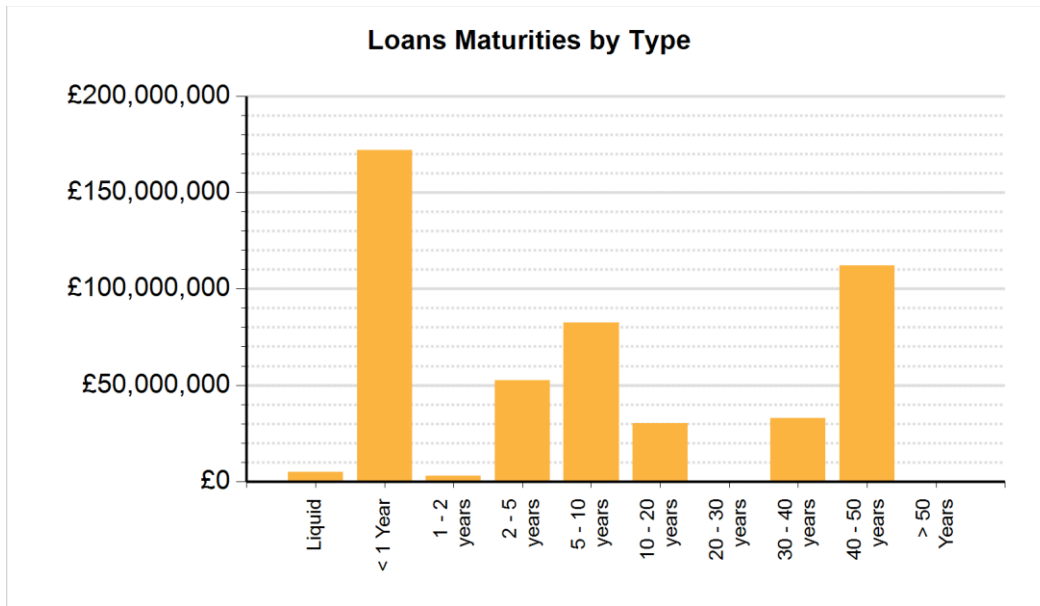
**Approved sources/type of borrowing**

**On Balance Sheet**

	Fixed	Variable
PWLB	•	•
Municipal bond agency	•	•
Local authorities	•	•
Banks	•	•
Pension funds	•	•
UK Infrastructure Bank	•	•
Energy Efficiency Fund (MEEF)	•	•
Market (long-term)	•	•
Market (temporary)	•	•
Stock issues	•	•
Local Authorities (temporary)	•	•
Local Bonds	•	
Local authority bills	•	•
Overdraft		•
Negotiable Bonds	•	•
Internal (reserves & balances)	•	•
Finance leases	•	•

- 3.2.10 The preferred strategy, as agreed with Link at this stage is to borrow for fixed term loan durations less than 5 years from either the PWLB, Market (Long term and temporary), Local authorities, Banks depending on whom is offering better terms for a relatively short term duration (up to 5 years), to minimise the immediate interest rate costs. These sources represent the cheapest and most accessible source for shorter duration debt and for borrowing of this size. This will then be refinanced as part of the longer-term borrowing strategy once interest rates start to come off their current elevated levels. The option to use quasi government loans from the UK Infrastructure Bank (UKIB) for new long term borrowing may also be used on specific capital projects which typically provide Environmental, Social and Governance (ESG) outputs where they provide value for money over PWLB certainty rates.
- 3.2.11 Interest rates may not follow the central outlook set out in this report and there is a significant risk that they may remain elevated for longer or actually increase due to unknown factors such as geopolitical events. In this scenario, the Strategic Director of Resources in consultation with the Cabinet member for Finance may decide from a risk management point of view that it would be sensible to secure the capital investment strategy, if longer term borrowing from one of the approved sources set out above was undertaken sooner than later. This may result in a higher cost of borrowing than planned but capital plans will be regularly monitored to ensure they remain affordable and sustainable.
- 3.2.12 As it stands the PWLB is currently the most cost effective source except possibly on specific ESG related capital plans. This however may change, for example the Government in 2019 arbitrarily increased PWLB rates which it subsequently reversed in 2021. Treasury officers and Link will constantly monitor the capital finance market to identify the most cost effective source of long term borrowing from the above list of approved sources of capital finance.
- 3.2.13 Other borrowing arrangements: such as the use of leasing, specialist 'green' funding that may be more cost efficient for some types of capital expenditure such as for vehicles, equipment and decarbonisation schemes.
- 3.2.14 The type, period, rate and timing of new borrowing will be determined by the Strategic Director of Resources under delegated powers, taking into account the following factors
- Expected movements in interest rates as outlined above
  - Maturity profile of the debt portfolio set out in graph 1 and table 3 below show the debt maturity profile.
  - The impact on the medium term financial strategy (MTFS)
  - Proposed Prudential Indicators and limits as set out in appendix 2.

**Graph 1: Debt Maturity Profile**



**Table 3: debt maturity profile as at 31/12/24**

Duration	Amount £'000	Fixed Rate %
< 1 year	172.0	35.4
1 to 2 years	3.0	0.6
2 to 5 years	52.6	10.8
5 to 10 years	82.7	17.1
10 to 20 years	30.1	6.2
20 to 30 years	0.2	0.1
30 to 40 years	32.9	6.8
40 to 50 years	112.0	23.0
<b>Total</b>	<b>485.5</b>	<b>100</b>

**Policy on borrowing in advance of need**

3.2.15 This is set out in appendix 4 of this report.

**Debt Rescheduling**

3.2.16 Where short term borrowing rates are considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- The generation of cash savings and / or discounted cash flow savings
- To fulfil the treasury strategy

- To enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility)
- Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

### **3.3 Prudential Indicators and treasury limits**

- 3.3.1 The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, shown in appendix 2, which are designed to assist Members' overview and confirm capital expenditure plans.
- 3.3.2 The CIPFA Prudential Code and the CIPFA TM Code requires authorities to set treasury indicators The treasury indicators limit treasury risk and activities of the Authority; This includes a liability benchmark for the General Fund (GF) and the Housing Revenue Account (HRA); appendix 3.
- 3.3.3 The purpose of these are to manage the activity of the treasury function within a flexibly set remit for risk management, yet not impose undue restraints that constrict opportunities for cost reduction or performance improvement.

### **3.4 Investment Strategy**

- 3.4.1 The MHCLG and CIPFA have extended the meaning of 'investments' to include both treasury and non-treasury investments. This report deals solely with treasury investments, (as managed by the treasury management team).
- 3.4.2 The Authority's investment policy has regard to the following:
- MHCLG's Guidance on Local Government Investments ("the Guidance")
  - CIPFA TM Code and Guidance Notes from 2021.
- 3.4.3 The key intention of the Guidance is to maintain the requirement for authorities to invest prudently and that priority is given to the security and liquidity of investments before yield. The Authority's objective is therefore to achieve, within this constraint, the optimum return on its investments with the appropriate levels of security and liquidity. Within the prudent management of its financial affairs, the Authority may temporarily invest funds that are borrowed for the purpose of expenditure expected to be incurred in the reasonably near future. Borrowing purely to invest or on-lend for speculative purposes remains unlawful and this Authority does not engage in such activity.
- 3.4.4 The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This Authority has adopted a prudent approach and to managing risk, its minimum credit criteria is set out in Appendix 5. The Authority's investment strategy has not changed from the 2024/25 TMSS which was approved by full Council as part of the 2024/25 budget setting process.

- 3.4.5 Investments will make reference to the core balance, cash flow requirements and the outlook for short and medium term interest rates.
- 3.4.6 Credit ratings should not be the sole determinant of the quality of an institution. This Authority is not bound by the institution's rating and, importantly, officers will continually assess and monitor the financial sector and the economic/political environment in which institutions operate.
- 3.4.7 Treasury investment instruments identified for use in the financial year are listed in Appendix 6. The 'specified' and 'non-specified' investment categories are in accordance with the MHCLG Investment Guidance.
- 3.4.8 The Strategic Director of Resources, on advice, may make operational changes to these limits in response to prevailing market conditions and regulatory changes. Presently the Authority's operational lending list only includes the highest quality UK financial institutions, other local authorities (limit of £10m per authority) and the Government Debt Management Office – investment balances are expected to be generally around the liquidity allowance of £40m and by definition these are generally held on very short duration investments.
- 3.4.9 All investments will be denominated in sterling.
- 3.4.10 Regular monitoring of investment performance will be carried out during the year.

**Loans to Third Parties or Non Treasury investments**

- 3.4.11 The Authority may borrow to make grants or loans to third parties for the purpose of capital expenditure, as allowable under paragraph 25 (1) (b) of the Local Authorities (Capital Financing and Accounting) (England) Regulations 2003 (Statutory Instrument No. 3146). This facility is likely to be used to support local economic regeneration and development activity but not limited to those purposes. The additional capital expenditure may be funded by external borrowing. Loans for working capital or revenue purposes are permitted as long as these are funded from the Authority's internal cash balances as external borrowing is not permitted in such circumstances.
- 3.4.12 Pension Fund Cash - The Local Government Pension Scheme (Management and Investment) Regulations 2016 requires the Authority to maintain a separate bank account for the Pension Fund. For the management of Pension Fund cash, there is in place an agreement to pool internally held pension fund balances (working cash and those pending external investment) with the investment balances of the Authority. These balances are invested in accordance with the Authority's Treasury Management Strategy.
- 3.4.13 The Pension Fund receives interest annually on their cash balances at a rate commensurate with that received by the Authority. Pension Fund cash balances may be withdrawn anytime. In the event of loss of any investment, this will be borne on a pro rata basis equivalent to the value of each party's contribution to the investment which incurred the loss.

**3.5.1 Treasury Management Regulation**

**Statutory reporting requirements**

3.5.2 Council is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals in accordance with the CIPFA TM Code.

**a. Prudential and treasury indicators and Treasury Strategy, TMSS** (this report) - The first, and most important report is forward looking and covers:

- The capital plans, (including prudential indicators)
- The Treasury Management Strategy Statement, (how the investments and borrowings are to be organised), including treasury indicators
- An Investment Strategy, (the parameters on how investments are to be managed).

**b. A mid-year treasury management** report – a progress report and updates Members on the capital position, amending prudential/treasury indicators as necessary, and whether any policies require revision.

**c. An annual treasury report** – a backward looking review document providing outturn details on actual prudential and treasury indicators and treasury activity compared to the estimates within the strategy.

3.5.3 The above reports are required to be adequately reviewed before being adopted by Full Council. This role is undertaken by Audit Committee.

3.5.4 Quarterly reports – In addition to the three major reports detailed above, quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately reviewed. This role is undertaken by the Audit Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

3.5.5 The minimum revenue provision policy is included in the 5 Year Capital Programme and Strategy Report which is presented to Cabinet alongside the Budget report.

**Training**

3.5.6 A key requirement of the CIPFA TM Code is Member consideration of treasury management matters and the new Knowledge and Skills framework set out in the revised CIPFA TM Code published in December 2021.

3.5.7 Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

3.5.8 The Authority addresses this important issue by:

- Providing training sessions, briefings and reports on treasury management and investment issues to those Members responsible for the monitoring and scrutiny of treasury management. A treasury training session for members took place on 22 January 2024.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and Committee/Council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Requires all relevant Officers to keep their skills up to date through training, workshops and seminars, and participating in the CIPFA Treasury Management Forum and the London Treasury Officers' Forum.

3.5.9 In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', that officers will circulate annually to members for completion.

**The policy on use of external service providers**

3.5.10 The Authority uses Link Group ("Link") as its external treasury management adviser, the contract was procured through a framework and commenced on 1 July 2024 and due to expire on 30 June 2029.

3.5.11 The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

3.5.12 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are agreed and subjected to regular review.

3.5.13 The Authority may use specialist advisers on non-treasury investments, e.g. investment in regeneration schemes.



**REASONS & OPTIONS**

**Reasons for the Decision**

The statutory Codes set out that the Authority ought to approve a Treasury Management Strategy Statement, and the Prudential Indicators.

**Alternative Options Considered**

The DLUHC Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The S151 officer, having consulted the Cabinet Member for Finance and Transformation, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

<b>Alternative</b>	<b>Impact on Income and Expenditure</b>	<b>Impact on Risk Management</b>
Invest in a narrower range of counterparties and/or for shorter duration	Interest income will be lower	Lower chance of losses from credit related defaults, but any such loss may be greater
Invest in a wider range of counterparties and/or for longer duration	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; Non HRA debt cost is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain

**IMPLICATIONS & RISKS**

**Financial Implications and Risks**

The TMSS is a key part of the overall budget strategy and financial management framework and governs the strategic and operational treasury management activities throughout each financial year in order to manage the Authority's financial risks associated with cash management via borrowing and investments.

Members are approving the programme on the basis that the capital programme spend is achieved, which feeds through into the Prudential Indicators set out in the report. The reality is that there is likely to be slippage and this will impact on the MTFS.

The assumption for new borrowing is that interest rates will follow the outlook set out in table 1 above. The expectation is that borrowing will be on fixed rate terms on maturities less than 5 years and that these will be refinanced into longer term loans during 2025/26 onwards once interest rates become lower:

**Legal Implications and Risks**

Local Authorities are required by Regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003/3146 as amended to have regard to the "Prudential Code for Capital Finance in Local Authorities" and Treasury Management in the Public Services Code of Practice published by CIPFA when considering their duties under Part 1 of the Local Government Act 2003. The Authority must comply with section 3 of the Local Government Act 2003 to keep under review the amount of money the Authority can afford to borrow. The Authority has fiduciary duties toward its tax payers to act in good faith in the interests of those tax payers with the considerable sums of money at its disposal. The Strategies being proposed for approval seek to discharge those duties in a reasonable and prudent manner.

There are no other apparent legal implications arising as a result of this Report.

**Human Resource Implications and Risks**

There are no direct Human Resources implications arising as a result of this report

**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.

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The Authority is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. There are no equalities implications within this report

### **Health and Wellbeing Implications and Risks**

The Authority is committed to improving the quality of life and wellbeing for all Havering employees and residents in respect of socio-economics and health 20 determinants. There are no direct implications to the Authority's workforce and resident's health and wellbeing as a result of this report.

### **Climate Change Implications and Risks**

There are no climate or environmental implications arising from this report, however the Council can make significant impact via future investment opportunities and operational changes. Numerous changes have already been made to ensure that climate is a key consideration when making investments. In line with the Council's climate change ambitions of becoming carbon neutral by 2040, investment activities will continue to contribute towards achieving this target, once requirements for the security and liquidity of investments have taken precedence.

## **BACKGROUND PAPERS**

**None**

**APPENDICES**

Appendix 1: Current treasury position

Appendix 2: Prudential indicators & capital expenditure

Appendix 3: Treasury limits

Appendix 4: Policy on borrowing in advance of need

Appendix 5: The Authority's counterparty credit policy, minimum credit ratings criteria

Appendix 6: Specified and non-specified investments

**CURRENT TREASURY POSITION**

As at 31 March 2024 and 31st December 2024, Investments and borrowings are set out in table 1 below.

**Table 1: Treasury Portfolio Position**

	<b>Actual 31/03/24</b>		<b>Actual 31/12/24</b>	
	<b>£m</b>	<b>%</b>	<b>£m</b>	<b>%</b>
<b>Treasury Investments</b>				
Government & Local Authorities	71.0	100	47.6	100
Banks & Other Financial Institutions	0.0	0	0.0	0
<b>Total Treasury Investments</b>	<b>71.0</b>	<b>100</b>	<b>47.6</b>	<b>100</b>
<b>Treasury Borrowing</b>				
PWLB	425.1	94.0	475.1	97.9
Bank Loans (LOBO)	7.0	1.5	7.0	1.4
Local Authorities	20.0	4.4	3.0	0.6
Other loans	0.2	0.1	0.3	0.1
<b>Total External Borrowing</b>	<b>452.3</b>	<b>100</b>	<b>485.4</b>	<b>100</b>
<b>Net Treasury Investments/(Borrowing)</b>	<b>(381.3)</b>		<b>(437.8)</b>	

**PRUDENTIAL INDICATORS & CAPITAL EXPENDITURE**

**Capital expenditure**

This prudential indicator is a summary of the Authority’s capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve capital expenditure forecasts set out in table 1:

**Table 1: Capital expenditure forecast 2024/25 - 2027/28**

<b>Capital Expenditure £m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
General Fund (excluding regen)	41.6	79.0	63.1	27.8	11.1
Regeneration	1.8	22.3	72.7	109.7	40.4
HRA	83.0	114.8	189.1	168.7	133.1
<b>Total</b>	<b>126.4</b>	<b>216.1</b>	<b>324.9</b>	<b>306.2</b>	<b>184.6</b>

**Financing of Capital Expenditure**

Table 2 below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

**Table 2: Financing of Capital expenditure forecast 2024/25 - 2027/28**

<b>Financing of capital expenditure £m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Capital Receipts	27.5	38.8	22.8	3.6	8.1
Capital Grants	24.7	57.8	84.5	70.3	35.1
Revenue & Reserves	8.6	13.3	12.7	13.0	13.5
<b>Net financing need for the year (borrowing)</b>	<b>65.6</b>	<b>106.2</b>	<b>204.9</b>	<b>219.4</b>	<b>128.0</b>

The net financing need for regeneration programme activities included in the above table against expenditure is shown below:

**Table 3: Regeneration Programme forecast 2024/25 - 2027/28**

<b>Financing of capital expenditure £m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Capital Expenditure	1.8	22.3	72.7	109.7	40.4
Other Sources of Financing	0.0	2.8	5.3	14.7	2.5
<b>Net financing need for the year (borrowing)</b>	<b>1.8</b>	<b>19.5</b>	<b>67.4</b>	<b>95.0</b>	<b>37.9</b>
Percentage of total net financing need	2.7%	18.3%	32.5%	39.9%	27.0%

**The Authority's borrowing need (the Capital Financing Requirement)**

The second prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and so it's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for (e.g. by capital grants), through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (OLTL) which relates to PFI schemes and finance leases. The Authority currently has no such liabilities within its CFR however the implementation of the International Finance Reporting Standard (IFRS) 16 for leasing means there will be a number of leases (previously classified as operating leases) coming onto the balance sheet.

The Authority is asked to approve the CFR projections below:

**Table 4: Capital financing requirement forecast 2024/25 - 2027/28**

<b>£m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
<b>Capital Financing Requirement</b>					
General Fund	151.5	168.2	184.7	185.6	185.8
Regeneration	69.9	79.6	144.8	235.9	268.0
Capitalisation Direction	0.0	32.5	120.1	245.0	377.4
Housing	397.3	435.9	543.2	656.9	735.7
<b>Total CFR</b>	<b>618.7</b>	<b>716.2</b>	<b>992.8</b>	<b>1,323.4</b>	<b>1,566.9</b>
Movement in CFR		97.5	276.6	330.6	243.5

<b>Movement in CFR represented by</b>					
Net financing need for the year (above)		106.2	204.9	219.5	127.9
Add Capitalisation Direction		32.5	89.2	131.0	145.0
Less: MRP (service and regeneration)		(6.8)	(8.4)	(11.2)	(12.6)
Less MRP (Capitalisation Direction)		(0)	(1.6)	(6.1)	(3.5)
Less Receipts set aside & VRP		(34.4)	(7.5)	(2.6)	(3.5)
<b>Movement in CFR</b>		<b>97.5</b>	<b>276.6</b>	<b>330.6</b>	<b>243.5</b>

## **The Operational Boundary**

This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

**Table 5: Operational boundary 2024/25 - 2027/28**

<b>Operational Boundary £m</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Debt	756.2	1,032.9	1,363.4	1,625.9
Other long-term liabilities	10.0	10.0	10.0	10.0
<b>Total</b>	<b>766.2</b>	<b>1,042.9</b>	<b>1,373.4</b>	<b>1,635.9</b>

## **The Authorised Limit for External Debt**

This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Authority. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

**Table 6: Authorised limit 2024/25 - 2027/28**

<b>Authorised Limit £m</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Debt	806.2	1,082.9	1,413.4	1,675.9
Other long-term liabilities	10.0	10.0	10.0	10.0
<b>Total</b>	<b>816.2</b>	<b>1,092.9</b>	<b>1,423.4</b>	<b>1,685.9</b>

The Authority's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing. The forecast future borrowing requirement assumes existing levels of reserves, working capital and liquidity buffer whilst factoring in borrowing for capital expenditure and capitalisation directive.



**Table 7: Capital Financing Requirement (CFR) and Borrowing**

<b>£m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
<b>External Debt</b>					
Debt at 1 April	327.8	452.3	591.0	885.1	1,235.6
Actual/Forecast borrowing in year	124.5	106.2	204.9	219.5	127.9
Borrowing in year for Capitalisation Direction	0.0	32.5	89.2	131.0	164.0
<b>Actual gross debt at 31 March cumulative</b>	<b>452.3</b>	<b>591.0</b>	<b>885.1</b>	<b>1,235.6</b>	<b>1,527.5</b>
The Capital Financing Requirement	618.7	716.2	992.9	1,323.4	1,585.9
<b>Under / (over) borrowing</b>	<b>166.4</b>	<b>125.2</b>	<b>107.8</b>	<b>87.8</b>	<b>58.4</b>

### **Affordability Prudential Indicators**

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's overall finances. The Authority is asked to approve the following indicators:

#### **Ratio of financing costs to net revenue stream**

Table 8 identifies the trend in the cost of capital, (borrowing and other long term obligation costs), against service spending, HRA rents and the regeneration programme. The estimates of financing costs include current commitments and the proposals in this budget report.

**Table 8: Ratio of financing costs to HRA rents 2024/25 - 2027/28**

<b>Housing Revenue Account</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
HRA Rental Income	66.0	73.1	74.5	78.4	81.8
Capital Financing Cost	18.6	20.8	24.5	30.0	34.8
<b>Ratio of Financing Costs to HRA Rental Income</b>	<b>28.2%</b>	<b>28.5%</b>	<b>32.9%</b>	<b>38.2%</b>	<b>42.5%</b>

Table 9 shows the trend in the capital financing costs of the General Fund, Regeneration and the Exceptional Financial Support (EFS) as a percentage of the authority's net revenue stream (income).

**Table 9: Ratio of the General Fund capital financing costs to net revenue stream 2024/25 – 2027/28**

<b>Service Spending (excluding Regeneration)</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Net Revenue Stream	182.0	198.0	204.0	213.0	222.0
Capital Financing Cost	12.0	13.2	15.3	17.2	17.5
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>6.6%</b>	<b>6.7%</b>	<b>7.5%</b>	<b>8.1%</b>	<b>7.9%</b>

<b>Regeneration</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Net Revenue Stream	182.0	198.0	204.0	213.0	222.0
Capital Financing Cost	5.0	5.3	7.5	12.8	17.7
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2.7%</b>	<b>2.7%</b>	<b>3.7%</b>	<b>6.0%</b>	<b>8.0%</b>

<b>Capitalisation Direction</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Net Revenue Stream	182.0	198.0	204.0	213.0	222.0
Capital Financing Cost	0.0	0.8	5.4	15.2	28.7
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>0.0%</b>	<b>0.4%</b>	<b>2.7%</b>	<b>7.1%</b>	<b>12.9%</b>

<b>Total GF</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Net Revenue Stream	182.0	198.0	204.0	213.0	222.0
Capital Financing Cost	17.0	19.3	28.2	45.2	63.9
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>9.3%</b>	<b>9.8%</b>	<b>13.9%</b>	<b>21.2%</b>	<b>28.8%</b>

**Table 10: Ratio of the General Fund capital financing costs to Council Tax Yield 2024/25 – 2027/28**

<b>Service Spending (excluding Regeneration)</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Council Tax Yield	149.0	158.0	164.0	172.0	181.0
Capital Financing Cost	12.0	13.2	15.3	17.2	17.5
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>8.1%</b>	<b>8.4%</b>	<b>9.3%</b>	<b>10.0%</b>	<b>9.7%</b>

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<b>Regeneration</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Council Tax Yield	149.0	158.0	164.0	172.0	181.0
Capital Financing Cost	5.0	5.3	7.5	12.8	17.7
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>3.3%</b>	<b>3.3%</b>	<b>4.6%</b>	<b>7.4%</b>	<b>9.8%</b>

<b>Capitalisation Direction</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Council Tax Yield	149.0	158.0	164.0	172.0	181.0
Capital Financing Cost	0.0	0.8	5.4	15.2	28.7
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>0.0%</b>	<b>0.5%</b>	<b>3.3%</b>	<b>8.8%</b>	<b>15.8%</b>

<b>Total GF</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>
Council Tax Yield	149.0	158.0	164.0	172.0	181.0
Capital Financing Cost	17.0	19.3	28.2	45.2	63.9
<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>11.4%</b>	<b>12.2%</b>	<b>17.2%</b>	<b>26.3%</b>	<b>35.3%</b>

The Strategic Director for Resources reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

## TREASURY LIMITS

### Treasury Management Limits on Activity

There are two debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair opportunities to reduce costs/improve performance.

The Code requires that for LOBO maturity date should be considered the most probable maturity date and not the next call date.

The indicators are

### Liability benchmark

The Authority is required to estimate and measure the Liability Benchmark for the forthcoming financial year and the following three financial years, as a minimum. Graph 1 below shows the LB for the Council, this is broken down into its two component funds in Graph 2: General Fund and Graph 3: HRA.

There are four components to the LB:

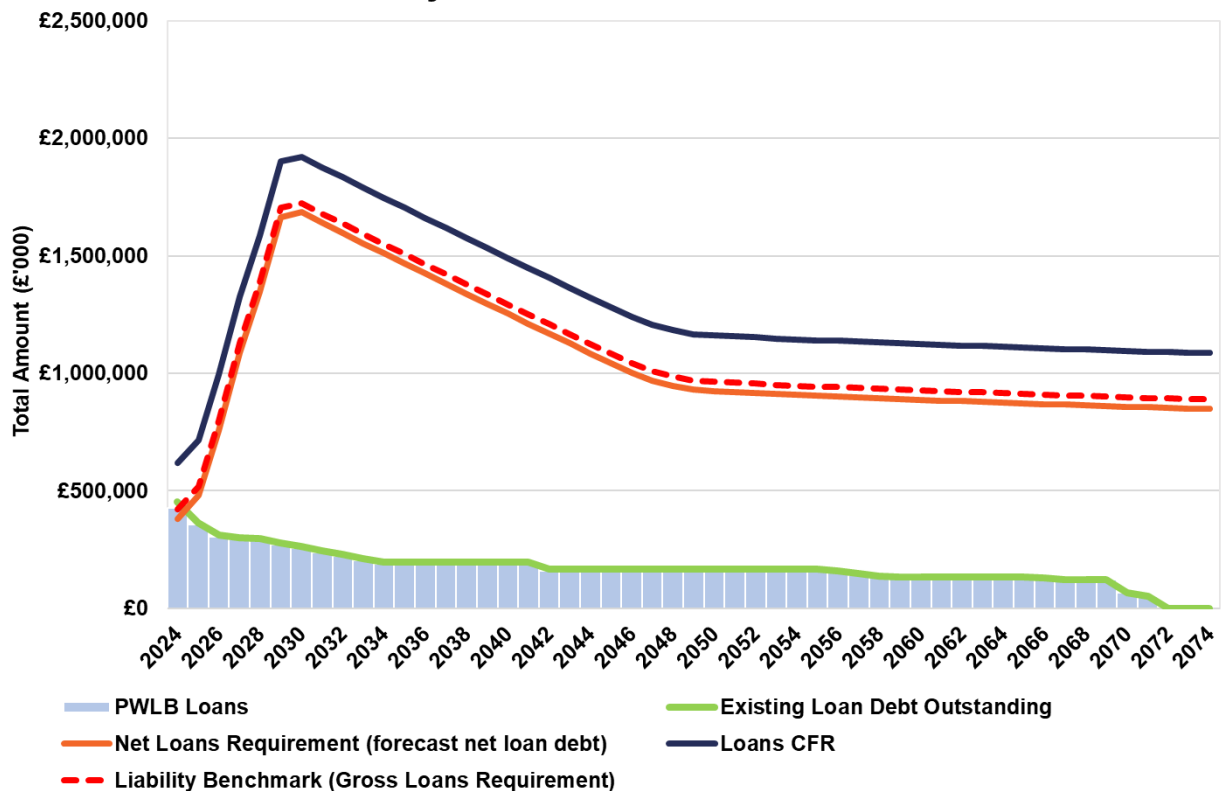
- 1 **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years. This is denoted by the Green line that tops the bar chart showing existing debt (all fixed rate interest) gradually maturing over the next 50 years.
- 2 **Loans Capital Financing Requirement (CFR):** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned Minimum Revenue Provision (MRP) funded from General Fund revenue budget for debt repayment. This is a measure of the Authority's borrowing requirement to finance the Authority's capital programme and is the very top line graph shown in in blue.
- 3 **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast. This is represented by the solid tan 29 coloured line graph. The difference between solid tan line and the CFR blue line represents the amount of internal cash from reserves/balances that has already been invested in the Authority's capital programme..
- 4 **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus the £40m short-term liquidity allowance that the Authority is holding in external liquid treasury investments to manage the daily variability in its cash flow. This represents the dotted red line in the graphs below and means the Authority having to externally borrow to maintain the liquidity allowance at £40m.

The years where actual loans (Green line) are less than the benchmark (red dotted line) indicate a future borrowing requirement that the Authority will need to fund from external borrowing. Were actual loans outstanding to exceed the benchmark this would represent an over borrowed position, resulting in excess cash requiring investment but as you can see from the graphs below this is not the position faced by this Authority.

However any currently unknown future borrowing plans will increase the benchmark loan debt requirement.

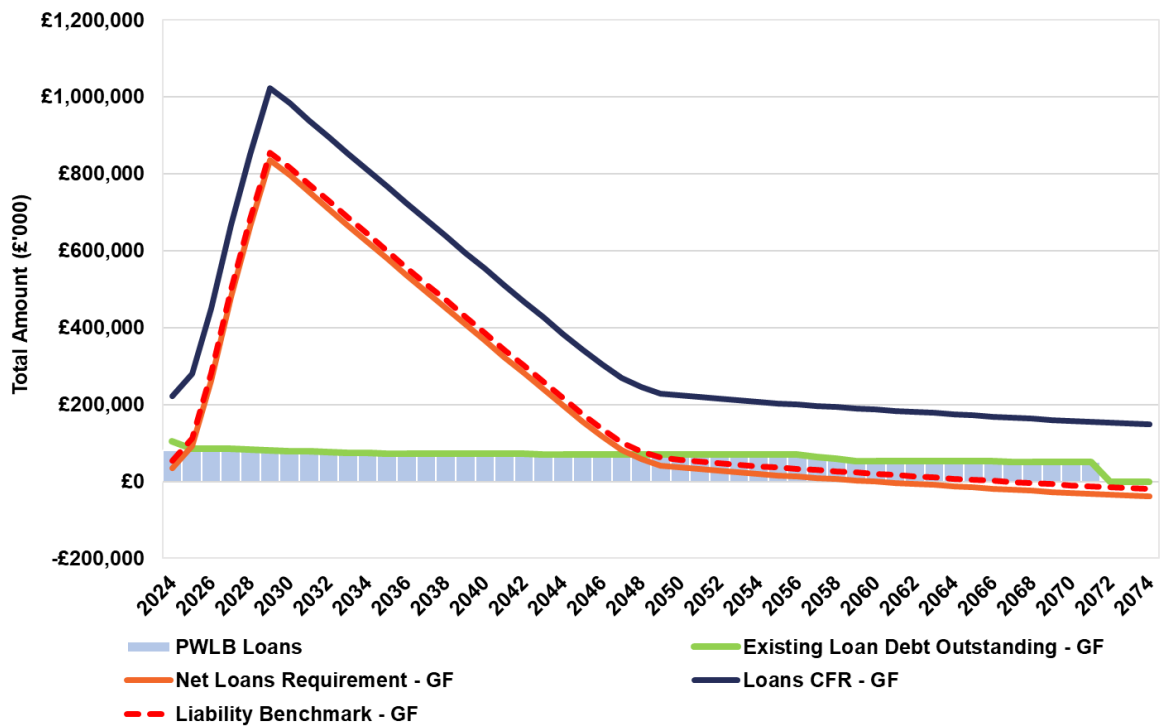
The purpose of the LB is to encourage authorities to use their internal cash reserves to fund growth in their CFR rather than use external debt which is generally more expensive. Moreover it reduces risk as it reduces the need to externally invest the Authorities excess cash reserves over long periods with counterparties where there could be default risk. The benchmark also avoids the risk of over-borrowing and borrowing ahead of need beyond what is permitted in the short to medium term. Generally this technique enables the Authority's treasury activity to be more efficient and represents good practice.

### Liability Benchmark - General fund and HRA



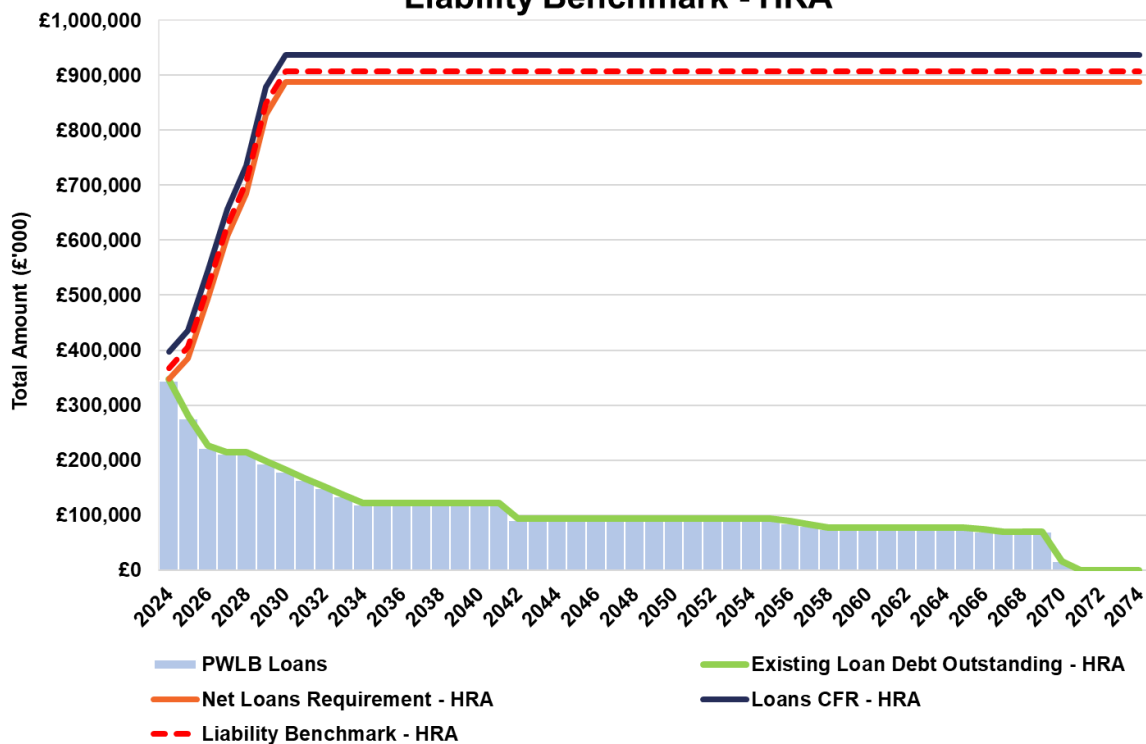
This shows currently known future borrowing plans as per Authority's capital strategy which covers the three financial years 2025/26 to 2027/28 on the General Fund and 30 years in the draft HRA Business plan..

**Liability Benchmark - General Fund**



As there are no known General Fund borrowing plans beyond the MTFs period this shows the CFR curve being dragged down by successive annual MRP charges to revenue. Ideally LB requires 10 years of known capital plans but this is difficult given how Local Authority finances operate

**Liability Benchmark - HRA**



## **Cabinet 5th February 2025**

Given the long term nature of HRA capital assets there is no statutory requirement to make a MRP charge on HRA revenue and hence why the CFR curve is relatively flat after 5 years. Then, Over the next three 5 years the net loan requirement is expected to converge with the CFR curve as the HRA externally borrows to reduce its internal borrowing from the General Fund to finance prior years' capital expenditure.

### **Maturity Structure of Borrowing**

These gross limits are set to reduce the Authority's exposure of large sums falling due for refinancing; these have been kept deliberately wide to provide flexibility for any restructuring that might be carried out to de-risk the debt portfolio.

<b>Maturity structure of fixed interest rate borrowing 2025/26</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	60%
12 months to 2 years	0%	70%
2 years to 5 years	0%	80%
5 years to 10 years	0%	80%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

### **Investment treasury indicator and limit**

Total principal funds invested for greater than 365 days. These limits are set with regard to the Authority's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end. The Authority is asked to approve the following treasury indicator and limit

<b>Upper limit for principal sums invested for longer than 365 days</b>			
<b>£m</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
Principal sums invested for longer than 365 days	£25m	£10m	£10m
Current investments as at 31.12.24 in excess of 1 year maturing in each year	£0m	£0m	£0m

**POLICY ON BORROWING IN ADVANCE OF NEED**

The Authority must ensure that its total debt does not, except in the short-term, exceed the total of the CFR in the preceding year i.e. 2024/25, plus the estimates of any additional CFR for the year 2025/26 and the following two financial years. This allows some flexibility for early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

Any decision to borrow in advance will be considered carefully to ensure that value for money can be demonstrated, and that the Authority can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Authority will

- Ensure that the ongoing revenue liabilities created, and the implications for future capital plans and budgets have been considered
- Evaluate economic and market factors that might influence the manner and timing of the decision to borrow
- Consider the pros and cons of alternative forms of funding, interest rate structures and repayment profiles
- Consider the positive and negative impacts of borrowing in advance of need on the Authority's cash balances, in particular the increased exposure to credit risk that will arise as a result of investing this additional cash in advance of need



## **The Authority's Counterparty Credit policy, minimum credit ratings criteria**

Credit Rating: Investment decisions are made by reference to the lowest appropriate published credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Within the parameters set out below the Authority uses the Link Group (the treasury management advisor) creditworthiness report to establish a lending list. The S151 officer will agree an operational lending list within the parameters set out below.

**1. Banks (Unsecured) and Building Societies:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. For non UK Banks, the Authority's credit criteria will require that banks from AA- rated countries and above can be used.

**Current bank accounts:** the Authority's own banker, Should the credit rating fall below A-, for liquidity purposes the Authority may continue to deposit surplus cash with the group providing that investments can be withdrawn on the next working day. Balances will be reviewed on a daily basis to assess their appropriateness.

**Banks (secured):** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.

**2. Rated Building Societies** - The Authority's credit rating criteria for UK Building Societies in 2025/26 will continue to limit deposits to those UK Building Societies that meet the credit criteria in table 1 below.

**3. Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

**4. Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made following an external credit assessment as part of a diversified pool in order to spread the risk widely.

**5. Registered providers:** Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing and, as providers of public services, they retain the likelihood of receiving government support if needed.

**6. Pooled funds:** Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee.

**7. Money Market Funds (MMF):** The Authority will continue to use MMF's, which provide lower interest returns but do provide a highly liquid, diversified investment via a highly credit-rated pooled investment vehicle. Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

**8. Ring Fenced Banks, (RFB)** The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), were required, by UK law, in response to the global financial crisis to separate core retail banking services from their investment and international banking 36 activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. In general, simpler, activities offered from within a ring-fenced bank (RFB) will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring-fenced bank (NRFB).

**Table 1: Approved investment counterparties and limits**

<b>Credit rating</b>	<b>Banks unsecured*</b>	<b>Banks secured</b>	<b>Government</b>	<b>Corporates</b>	<b>Registered Providers</b>
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£15m 5 years	£15m 20 years	£15m 50 years	£5m 20 years	£5m 20 years
AA+	£15m 5 years	£15m 10 years	£15m 25 years	£5m 10 years	£5m 10 years
AA	£15m 4 years	£15m 5 years	n/a	£5m 5 years	£5m 10 years
AA-	£15m 3 years	£15m 4 years	n/a	£5m 4 years	£10m 10 years
A+	£15m 2 years	£15m 3 years	n/a	£5m 3 years	£10m 5 years
A	£15m 13 months	£15m 2 years	n/a	£5m 2 years	£5m 5 years
A-	£15m 6 months	£15m 13 months	n/a	£5m 1 year	£5m 5 years
	UK Local Authorities £10m per Authority; 50 years				
<b>Pooled funds</b>	£25m per fund These include Bond Funds, Gilt Funds, Enhanced Cash Funds, Mixed Asset Funds and Money Market Funds,)				

**Investment Limits**

The Authority further proposes the investment limits as set out in the table below to protect the security of its investments. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

**Table 2: Investment limits**

	<b>Cash limit</b>
UK Central Government	unlimited
Any single organisation, except the UK Central Government	£15m each
Any group of organisations under the same ownership	£15m per group
Any group of pooled funds under the same management	£5m per manager
Financial instruments held in a broker’s nominee account	£50m per broker
Foreign countries	£15m per country
Registered providers	£15m in total
Unsecured investments with building societies	£25m in total
Money Market Funds	£50m in total

**Specified and Non Specified Investments**

**Specified investments:**

The DLUHC Guidance defines specified investments as those:

- Denominated in pound sterling, due to be repaid within 12 months of arrangement,
- Not defined as capital expenditure by legislation, and invested with one of
- The UK Government
- A UK local Authority, parish Authority or community Authority, or A body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

**Table 1: Specified Investments**

Instrument	Institution Type	Instrument Minimum 'High' Credit Criteria	Limit	Max. Maturity Period
Accounts, deposits, certificates of deposit and senior unsecured bonds with banks other than multilateral development banks, UK Government Gilts.	UK Banks and UK Banking Groups <sup>1</sup>	per Appendix 5, Table 1	£15m	per Appendix 5, Table 1
	UK Building Societies	per Appendix 5, Table 1	£15m	per Appendix 5, Table 1
	Non UK Banks	Sovereign Rating of AA+ and above and meet Credit Criteria in Appendix 5, Table 1	£15m	per Appendix 5, Table 1
Covered bonds, floating rate notes, reverse repurchase agreements and other collateralised arrangements with banks and building societies	UK Banks and Building Societies and Non UK Banks	Per Appendix 5, Table 1 (and Sovereign Rating of AA+ minimum for Non UK Banks)	See Note 2	per Appendix 5, Table 1
Term Deposits	Local Authorities and other Public Institutions	UK Sovereign Rating	£15m	per Appendix 5, Table 1
Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing.	Registered Social Housing Providers	per Appendix 5, Table 1		per Appendix 5, Table 1
Money Market Fund		AAA <sup>3</sup>	£15m	
Enhanced Cash Funds		AA/Aa <sup>4</sup>	£15m	
1. £15m Limit per bank / banking group.				
2. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.				
3. Investments will be made with those MMF's which have a rating of AAA				
4. Minimum of Fitch / Standard & Poor's AA or Moody's Aa rating				

**Table 2 : Non specified investments**

<b>Instruments</b>	<b>Non Specified Investments</b>	<b>Institution Type</b>	<b>Minimum Credit Criteria</b>	<b>Maximum Duration</b>	<b>Cash limit</b>
Accounts, deposits, certificates of deposit, structured deposits and senior unsecured bonds with banks other than multilateral development banks. Covered bonds, reverse repurchase agreements, and other collateralised arrangements with banks and building societies. Short Dated Bond Funds, Diversified Growth Funds, Absolute Return Funds and Property Funds. Unrated Bonds.	Total long-term investments (investments over 1 year)	UK and Non UK Banks and Building Societies, Rated Registered Social Housing Providers (RSP)	Per Appendix 5, Table 1	10 yrs.	£50m
	Total investments without credit ratings or rated below A- (except UK Government and local authorities)	Unrated Registered Social Housing Providers (RSP), Unrated Banks and Building Societies	N/A	5 yrs.	£5m
	Total Investments made in pooled investment vehicles.			7 yrs.	
	Total Investments made in un-rated bonds.				
	<b>Total non-specified investments</b>				<b>£55m</b>

**Non-specified investments:**

Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any treasury investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

**Table 3: Non-specified investment limits**

	<b>Cash Limit £m</b>
Total long-term investments	100
Total Investments without credit ratings or rated below A- (subject to due diligence)	0
<b>Total non-specified investments</b>	<b>100</b>

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Appendices B and C and the Exempt Agenda Report are not available for public inspection as they contain or relate to exempt information within the meaning of Paragraph 3 of Schedule 12A to the Local Government Act 1972.

It is in the exempt part of the agenda because it refers to information relating to the financial or business affairs of any particular person (including the authority holding that information) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

CABINET	5 <sup>th</sup> February, 2025
<b>Subject Heading:</b>	Bridge Close Regeneration LLP Business Plan Refresh 2025-2026
<b>Cabinet Member:</b>	Councillor Graham Williamson Cabinet Member for Development and Regeneration
<b>SLT Lead:</b>	Neil Stubbings Strategic Director of Place
<b>Report Author and contact details:</b>	Nick Gyring-Nielsen Senior Regeneration Manager <a href="mailto:nick.gyring-nielsen@havering.gov.uk">nick.gyring-nielsen@havering.gov.uk</a>
<b>Policy context:</b>	<p>The Council has sole ownership of a delivery vehicle, Bridge Close Regeneration LLP (BCR LLP), to deliver the regeneration of Bridge Close, Romford pursuant to the Council's ambitions for regeneration as set out in the Local Plan, the Romford Area Action Plan (2008), the Romford Town Centre Development Framework (2015) and the emerging Romford Masterplan and new Local Plan.</p> <p>The Bridge Close Regeneration LLP Business Plan 2019/2020 was approved by Cabinet on 13 February 2019, including funding provision reflecting 50% Council ownership of BCR LLP operated as a joint venture vehicle at the time.</p> <p>This report provides an update of the Bridge Close Regeneration LLP Business Plan 2024-2025 in light of the Council having acquired full interest in BCR LLP on 29<sup>th</sup> October 2020 and</p>

the approval by Cabinet authorising the update of the Bridge Close Regeneration LLP Business Plan to reflect the approved changes to the funding and delivery arrangements set out in the 16<sup>th</sup> December 2020 Cabinet report.

**Financial summary:**

The Council has made provision in the financial year 2024/2025 to provide funding for the Council's capital contributions to meet financial commitments arising from the operation of Bridge Close LLP (BCR LLP) in accordance with the project documents, the BCR LLP Business Plan 2024/2025, and the approval by Cabinet of the recommendations relating to the funding and delivery arrangements set out in the 16<sup>th</sup> December 2020 Cabinet agenda.

This report outlines proposed changes to the Business Plan, and recommends a revised budget to enable its implementation.

**Exempt Information & Grounds**

Appendices B and C and the Exempt Agenda Report are not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to information relating to the financial or business affairs of any particular person (including the authority holding that information), and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**Is this a Key Decision?**

This is a key decision because the expenditure exceeds £500,000.

**When should this matter be reviewed?**

December 2025

**Reviewing OSC:**

Place

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

People – Things That Matter for Residents	X
Place – A Great Place to Live, Work and Enjoy	X
Resources – A Well-run Council That Delivers for People and Place	X



**SUMMARY**

- 1.1 The Council established a joint venture development vehicle, Bridge Close Regeneration LLP ('BCR LLP', 'Joint Venture' or 'JV') to bring forward the proposed regeneration of the site known as Bridge Close (see plan with red line at Appendix A). BCR LLP was until October 2020 jointly owned between the Council and a private sector partner. On 16<sup>th</sup> September 2020, Cabinet approved the proposed acquisition by the Council of the private sector interest in BCR LLP and on 29<sup>th</sup> October 2020, the Council entered into a purchase agreement to acquire the interest in BCR LLP that it did not already own from the private sector partner.
- 1.2 In light of the Council acquiring full control of Bridge Close Regeneration LLP, on 16<sup>th</sup> December 2020, Cabinet considered a number of recommendations relating to the future funding and delivery of the scheme. Approval was granted for the Council to deliver the regeneration of Bridge Close directly, funding the development entirely through Council resources, predominantly using the Housing Revenue Account. Cabinet approved a budget with referral to and subsequent agreement by Full Council on 3<sup>rd</sup> March 2021. Subsequently, the Bridge Close Regeneration LLP Business Plan 2022/2023 was approved by Cabinet on 16<sup>th</sup> February 2022 and thereafter adopted by the Bridge Close Regeneration LLP.
- 1.3 The Business Plan forms part of a comprehensive suite of project documents, including the Members' Agreement, the Land Agreement, the Land Acquisition Strategy, the Security Agreement and the Loan Note Instruments, which amongst others, set out the strategy and the terms and conditions for provision of funding by the Council as principal Member of the Joint Venture (noting that a wholly owned company of the Council acts as second member of the JV). The Business Plan is a suite of strategy and policy documents, including a budget and financial model with detailed forecasts, which provides a management framework for delivering the vision and objectives for the regeneration of Bridge Close.
- 1.4 In accordance with the Members' Agreement, the Board of Bridge Close Regeneration LLP must prepare, issue and agree a draft Business Plan to the Council as Member. Once agreed, the draft Business Plan would replace the then current Business Plan as the formal Business Plan adopted by the Bridge Close Regeneration LLP.
- 1.5 This report provides an update of the Business Plan and a review of key work streams underpinning the delivery of the Council's vision for Bridge Close. It provides an update of the budget and financial model approved by Cabinet in December 2020 and recommends that the updated Business Plan be agreed, noting the significant benefits to the regeneration of Romford town centre, the contribution towards Havering's target for housing delivery, including affordable housing, and the expected financial returns anticipated in the plan.

**RECOMMENDATIONS**

**That Cabinet:**

1. Approve the draft Bridge Close Regeneration LLP Business Plan 2025-2026 (the Business Plan) as attached at Appendix B.
2. Agree the provision of a budget to enable the funding and delivery of the regeneration of Bridge Close as required and detailed within the exempt Financial Implications and Risks section; this budget to be included within the proposed HRA Capital Programme that will be considered by Cabinet in the Housing Revenue Account Business Plan update.
3. Agree that the Cabinet Member for Regeneration, after consultation with the Strategic Director of Place, the Strategic Director of Resources the and the Deputy Director of Legal and Governance, approve detailed business cases, funding arrangements and legal agreements, respectively, as may be required to deliver the regeneration of Bridge Close as per the Business Plan 2025-2026.
4. Note that the Strategic Director of Place will continue discussions with the Havering Islamic Community Centre (HICC) with a view to relocating the HICC to a suitable alternative site elsewhere.
5. Note that the Strategic Director of Place will continue discussions with the London Ambulance Service (LAS) with a view to relocating the LAS to a suitable alternative site elsewhere.
6. Note that the Strategic Director of Place, in consultation with the Strategic Director of Resources the and the Deputy Director of Legal and Governance, will bring forward a report providing status of the proposed making of the Compulsory Purchase Order (CPO) for the Bridge Close Regeneration scheme at the appropriate time in the financial year 2025-2026.
7. Authorises the Strategic Director of Place, acting in consultation with the Strategic Director of Resources and the Deputy Director of Legal and Governance, to negotiate, finalise and enter into all necessary legal agreements as may be required, and to do anything incidental to bring into effect the proposed arrangements set out in Recommendations 1-6 inclusive.

**REPORT DETAIL**

**2.0 Background**

- 2.1 Bridge Close is a 3.94 hectare site currently occupied by mixed industrial, warehouse and ancillary units under multiple ownerships, an ambulance station, Islamic Cultural Centre and a number of terraced properties which front onto Waterloo Road and Oldchurch Road in Romford.
- 2.2 The Business Plan, forming part of the legal agreements adopted on establishment of Bridge Close Regeneration LLP in April 2018, sets out a suite of strategies, plans, work streams and activities designed to give effect to the implementation of the Objectives of the Joint Venture (JV).
- 2.3 Amendments to the Business Plan for the year 2019-2020 were approved by the Council as Member in February 2019 and adopted by the Board of the JV. As set out above, this Cabinet report provides an update to the adopted Business Plan and provides a draft Business Plan for the year 2025-2026 for consideration by Cabinet. The draft Business Plan is included in the exempt agenda Appendix B of this report due to the commercially sensitive nature of the information.
- 2.4 The Objectives of the JV as set out in the Business Plan are the following:
- i. To undertake the regeneration of Bridge Close, by way of housing development and other ancillary beneficial development, for the benefit of the Borough and its residents;
  - ii. To secure wider social and economic benefits (including employment opportunities) for the benefit of existing and new residents of the Borough;
  - iii. To incorporate land belonging to other occupiers and owners, both public and private sector, into the development;
  - iv. To achieve an acceptable return for the benefit of the JV and its Members, having regard to the principal objective remains the regeneration of Bridge Close.
- 2.5 In pursuing these objectives through the JV, the Council aims to ensure the following:
- i. A comprehensive development, which delivers infrastructure for the residents of the new development and for the whole of Romford;
  - ii. Direct control over the quality, timing, and implementation of development (separate from, and in addition to, its role as planning authority);
  - iii. Direct control over the housing tenure mix and the ability to maximise the provision of affordable housing, having regard to the needs of the people of Romford and Havering;

- iv. A greater influence and control over support given to businesses, community groups and residents displaced or seeking relocation.
- 2.6 As such, the Council's main objective remains the regeneration of Bridge Close. The development will transform a key part of Romford town centre, delivering a comprehensive development, comprising all of the following:
- Up to 1,070 new homes (incl. between 35% and 50% affordable homes subject to viability)
  - A 3-form entry primary school with nursery and SEND provision
  - A community and cultural space
  - A local health facility
  - Commercial floor space, including affordable work space
  - Improved east-west links, including a new pedestrian and cycle bridge
  - Environmental improvements to the River Rom.
- 2.7 Save for minor proportional changes as a result of continued design development, the scope of uses and quantum of development has remained substantially unchanged since the last review and adoption of the Business Plan in February 2024.
- 2.8 Further details of the financial strategies and policies underpinning the current draft Business Plan, including a detailed budget and forecasts for funding and delivering the regeneration of Bridge Close are provided in the exempt part of the report due to the commercial nature and sensitivity of the information.

### **3.0 Scheme Review**

- 3.1 In view of the Council's commitment to bringing about a comprehensive redevelopment of Bridge Close, Bridge Close Regeneration LLP is progressing activity in the following key areas:
- i. Planning and Consultation
  - ii. Design Development
  - iii. Land assembly
- 3.2 This reflects the Council acquiring full control of Bridge Close Regeneration LLP in October 2020 further to the approvals granted by Cabinet on 16<sup>th</sup> December 2020.

### **3.3 Planning**

- 3.3.1 The planning application for Bridge Close has been developed in accordance with the Planning Strategy forming part of the Business Plan. The Planning Strategy and by extension, the planning application, takes account of existing and emerging planning policy and aligns to the vision for the regeneration of Bridge Close. The Strategy outlines the approach and scope for the planning application(s) across all phases of development and considers the anticipated planning obligations that may apply.
- 3.3.2 The planning application was submitted in November 2023. It takes the form of a hybrid planning application submitted for the whole site, seeking full detailed planning permission for an initial Phase 1 of the development and outline permission for the remainder of the site. Detailed planning permission is sought for Phase 1, comprising approximately 383 new homes, flexible commercial floor space, a three form entry primary school and nursery, a pedestrian and cycle bridge as well as new public realm works and associated infrastructure, including the revitalisation of the River Rom.

- 3.3.3 Outline planning permission is sought for the remainder of the site. The outline permission will be accompanied by detailed parameter plans and a design code to inform future detailed proposals for future phases, serving to ensure design continuity and to safeguard the Council's vision and the comprehensive nature of the development. For each future phase with outline planning permission, a detailed (reserved matters) planning application will be submitted to the local planning authority for approval before progressing.
- 3.3.4 Throughout 2024, the planning application suite of plans and documents have been subject to review in light of the adoption of the new London Plan in March 2021, the Havering Local Plan as well as other existing and emerging planning policy and building regulations, including the Building Safety Act 2022. Studies, surveys and assessments have been reviewed to ensure alignment and compliance. Whilst the review has been comprehensive across all relevant areas, the following continue to be in particular focus:
- i. Fire Strategy – minimising risk to life safety through the implementation of a fire strategy for the development in compliance with planning policy, building regulation and relevant codes of practice. Designs and plans have been reviewed in light of proposed amendments to British Standard 9991 Fire Safety regulation, including the inclusion of dual stair cores in residential developments for concurrent firefighting and evacuation purposes, floor compartmentation and smoke ventilation.
  - ii. Flood risk and enhancing flood resilience measures for the safeguarding of residents, buildings, plant and equipment.
  - iii. Energy Strategy – focusing on communal centralised energy provision using air source heat pump technology and the opportunity to connect in the future to wider heating distribution networks as required.
  - iv. Climate change and net zero carbon review – achieving net zero compliance, including reducing CO<sub>2</sub> emissions for both domestic and non-domestic buildings to achieve at least a 35% on-site reduction against the baseline as set out in Building Regulations Part L 2013.
- 3.3.5 In addition to considering the impact of new and emerging policy and regulation on key physical aspects of the development, such as height and massing in the context of Romford town centre, continued consideration is also being given to the long-term housing needs of local people in Romford and Havering more widely. Whilst provision of approximately 35% affordable housing is proposed, review of the appropriate tenure mix will ensue further to submission of the planning application, having regard to planning policy, the Council's housing needs and how the level of provision may affect the viability of the project.
- 3.3.6 Recognising the regeneration of Bridge Close is subject to additional stages of design development before commencement of works, further review of proposals will take place in the future to ensure continued compliance with existing and emerging policy, building regulations, codes of practice, and importantly, the needs of local people.

### **3.4 Consultation**

- 3.4.1 Further to submission of the planning application, consultation has continued in 2024 with the Local Planning Authority (LPA), Highways Authority and with other key stakeholders. This follows numerous pre-application meetings with the LPA, the

Greater London Authority (GLA), the Strategic Planning Committee, an independent Quality Design Review Panel and internal stakeholders already held since 2019.

3.4.2 Importantly, following the submission of the planning application, the LPA oversaw a statutory period of consultation, which allowed stakeholders, statutory consultees and members of the local community to comment on the proposed development. In responding to representations made, BCR LLP has progressed proposals for design and wider land assembly to meet with concerns, policy and regulatory requirements. A formal response to comments and representations will be submitted to the LPA, prompting a further 28-day statutory consultation in advance of presenting the scheme for consideration by the Council's Strategic Planning Committee.

### **3.4.3 Primary School & Health Building**

3.4.4 Consultation also continues with key education and health economy partners in order to meet potential rising demand for services to support growth in the local community. As such, the Council will deliver a new 3-form entry primary school and a health building through the BCR LLP. The Council is proposing to fund the acquisition of the school from the Wave 14 Free Schools Capital Programme allocated by the Department for Education (DfE) and through own resources, if appropriate, including borrowing and where possible from S106 and CIL contributions. BCR LLP continues to consult with Children's Services and the DfE to plan ahead for the delivery of BCR LLP's proposals, having regard to the demand for pupil places arising from the developments at Bridge Close, Waterloo & Queen's Street, and the former Ice Rink site as well as new adjoining communities in Romford town centre. The primary school is expected to be delivered in the initial phase of the development

3.4.5 The projected need for additional secondary school places in the Central secondary planning area (area where Bridge Close is) begins in 2026/27. To meet this need it is proposed to implement a 1 FE permanent expansion at one secondary school in the Central planning area in 2026/27, for which funding is already secured. The year 7 intake for future years will be monitored and if it appears that the growth in year 7 in 2027/28 will be sustained, Children Services will initiate planning for a new secondary school. The need for a new secondary school is closely linked to the proposed housing within the wider Romford area, as set out in the Romford Masterplan.

3.4.6 The Council continues its discussions with local healthcare authorities and partners to facilitate the delivery of a new health building on Bridge Close in accordance with integrated healthcare infrastructure capacity planning in Havering. The building would provide services from across the integrated care system, which may include primary and social care, community services and other specialist services, including enhanced diagnostics where appropriate. By bringing services together, the health building would play a vital role in improving access for members of the local community and reducing pressures in other parts of the local health economy. The health building would be expected to be delivered in phase two of the development.

3.4.7 The NHS North East London Integrated Care Board (ICB) has recently suggested that additional health space needs may also be met through a financial contribution to extending services in other existing surgeries in Romford, serving as an alternative appropriate means of mitigating the impact of the Bridge Close development. The Council and the ICB continue to work in partnership to establish the most effective way to meet with the increasing health service demands that may arise from the development.

### **Affordable Housing**

- 3.4.8 It is anticipated that the development will provide approximately 35% affordable housing, subject to viability. This is in accordance with the principles underpinning existing funding support for 35% provision agreed with the Greater London Authority (GLA). Further to discussions with the GLA in light of the London Plan, affordable housing provision below the 50% policy guidance threshold may be acceptable in circumstances where land has been acquired for regeneration purposes, noting furthermore the achievement of 50% affordable housing provision by the Council across its wider regeneration programme. Further to consultation with the GLA in 2024, affordable housing provision is underpinned by the release of funding through the Homes for Londoners Affordable Homes Programme.

### **3.5 Design Development**

- 3.6 The design team, consisting of leading firms of architects, landscape architects, masterplanners, technical experts and engineers, has continued to progress and review the proposals throughout 2024 in accordance with client and planning requirements, underpinned by a design brief and development specification approved by the Board of BCR LLP.
- 3.7 Design development has been informed by the vision and objectives for the regeneration of Bridge Close, and enshrined in key proposals, plans and documents, including:
- i. The design and access statement, incorporating:
    - a. The masterplan for the site as a whole
    - b. Individual plot designs for residential and non-residential uses
    - c. Landscape and public realm design
  - ii. The design code and parameter plans
- 3.8 The Design and Access Statement describes the design process and proposals at a site-wide masterplan scale covering the entire application boundary. It deals with the landscape strategy and with the detailed proposals for the plots in the initial phase of development.
- 3.9 The masterplan for Bridge Close builds on the principles established in adopted and emerging policy, proposing a comprehensive, mixed-use residential-led scheme of higher density, which will include a new bridge across the River Rom, a new east-west connection to the town centre, non-residential uses to complement the town centre offer and create a well-designed, high-quality neighbourhood.
- 3.10 Detailed designs for individual plots are being brought forward as part of an initial phase to provide 383 new homes of which approximately 35% will be affordable tenures subject to viability. Plot designs provide a balance of both traditional and more contemporary architecture with use of high-quality materials and immediate access to local retail, play space, public realm and other amenities. The initial phase maintains the provision of a 3 form entry primary school with nursery and special educational needs and disability (SEND) provision. Detailed plans in the planning application set out the internal design of floors and units complemented by sections and external elevations. When fully operational, the school will house 695 children.

- 3.11 Proposals for landscape design provide for ample high-quality public realm and open space, including the provision of green space and play space for local residents as well as the greening and revitalisation of the River Rom. It sets the parameters for a river walkway along the River Rom, a new junction to Waterloo Road and a new street through the centre of the site, providing a vital east-west connection from the train- and bus stations through to Union Road. More widely, it sets the strategy for the use of materials informing the initial parameters for long-term estate maintenance.
- 3.12 As set out at paragraph 3.3.4 above, the masterplan, plot designs and landscape architecture have been informed by adopted and emerging policy and regulation, having regard to key issues around energy provision, flood risk and fire risk as well as climate change and environmental impact.
- 3.13 Design Code provides strategic design guidance and place-making principles for all phases of delivery. The purpose is to ensure that the development is well designed and built to a high standard, providing a coherent framework within which architectural diversity can be achieved and where the public realm is an integrated element which provides continuity with the surrounding area. The Design Code will control development in future phases and be conditioned as part of any grant of planning approval.
- 3.14 Underpinning the Design Code are parameter plans setting out the application boundary, development plots, indicative heights, open space and illustrative ground floor uses and routes through the site. Together, the Design Code and the parameter plans, provide distinct guidance to ensure the comprehensive development of Bridge Close is progressed across phases consistently, underpinned by high-quality design and public realm place-making principles.
- 3.15 As set out in paragraph 3.4.1 above, the masterplan, plot designs and landscaping have been informed by extensive consultation with the Local Planning and Highway Authority, the Greater London Authority, with elected Members, the Strategic Planning Committee, the local community and the wider public. Importantly, a Quality Review Panel of external urban design experts was established to independently vet and inform the place making qualities of the emerging masterplan and designs. Future phases of development will require separate planning approvals through reserved matters applications subject to consultation with the Quality Review Panel and Strategic Planning Committee.
- 3.16 Since the last update and throughout the next 12 months and beyond, the design will be further developed by the professional team, progressing it through 'spatial coordination' at RIBA<sup>1</sup> Stage 3 through to 'detailed design' RIBA Stage 4.
- 3.17 At RIBA Stage 3, focus has been on coordinating designs across disciplines to avoid clashes and ensure deliverability. In particular, design development has focused on design efficiency in respect of the following:
- i. External envelope, including typical build-ups, dimensions of zones, materials, balconies, glazing and potential product specifications
  - ii. Building performance targets aligned with Part L of Building Regulations 2021 and other GLA sustainability targets in respect of the external envelope, windows, roofs and floors; enhancing BREEAM accreditation of commercial spaces and school

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<sup>1</sup> See Royal Institute of British Architects (RIBA) Plan of Works 2020



- iii. Access and security, maximising Secure by Design accreditation
  - iv. Internal specification across tenures
  - v. Operational strategies for disabled car and cycle parking, waste, deliveries
  - vi. Maintenance access strategy for cleaning, inspection, repair and replacement of certain elements such as lamps and glazing.
  - vii. Landscaping, including river restoration works, meanwhile use strategy and access and egress strategy for occupiers during construction phases.
- 3.18 Detailed designs will be informed by a main contractor due to be procured subject to planning approval, approval of land assembly arrangements and Council governance.

### **3.19 Land Assembly**

- 3.20 Land assembly is undertaken in accordance with the Land Acquisition Strategy forming part of the Business Plan.
- 3.21 The Council and the BCR LLP continue to engage with all owners and occupiers of residential and commercial interests on Bridge Close. All commercial property owners have instructed valuations and private treaty discussions are progressing at various stages of development.
- 3.22 In November 2018 the Cabinet resolved to approve the acquisition of all remaining residential interests not in Council or BCR LLP ownership to be used as temporary accommodation until such time as they may be required for development. To date, 32 out of a total of 37 residential properties have been acquired. Further engagement and communication is underway with the remainder of owners and occupiers.
- 3.23 Overall, there may be some adverse impact from the redevelopment of Bridge Close, particularly as a result of the displacement and disruption caused to existing businesses, staff, residents and their families, as well as some religious groups. To reduce this impact, the Council is working closely with those affected and offering a full package of support in accordance with individual rights, through access to dedicated advice and assistance, through the offer of financial compensation, and by offering a range of options to help residents move to a new home and providing businesses and other groups with help in finding and relocating to new premises, as well as additional support to mitigate against any potential disturbance.
- 3.24 A number of acquisitions of commercial property have completed since the establishment of BCR LLP, including Bridge House, 2, Bridge Close, 3 Bridge Close, 6 Bridge Close, 8 Bridge Close, 10 Bridge Close, 12A-C Bridge Close, 12C-E Bridge Close, 13 Bridge Close and 13A Bridge Close. The freeholds of 4 and 12 Bridge Close as well as the unadopted part of Bridge Close road and other land interests have been acquired. Constructive private treaty discussions continue with the remaining owners and occupiers of commercial property with a number having reached the final stages of agreeing terms.
- 3.25 Relocation support continues to be provided to businesses where appropriate. Whilst the market for industrial property has been buoyant, it has been possible to maintain business continuity and employment whilst completing on transactions and successfully relocating businesses to new premises. To date, three businesses have been successfully relocated. Evidence of a cooling of the market for commercial property may provide further opportunities.

- 3.26 Other owners of non-residential property include the London Ambulance Service ('LAS') and the Havering Islamic Cultural Centre ('HICC'). Discussions with the LAS and their advisors continue with the view to agreeing a mutually satisfactory long-term arrangement based on the premise of relocating the LAS from Bridge Close to a site in Romford meeting with LAS operational and estate strategy requirements, and with compensation paid to the LAS for their existing site pursuant to the Compensation Code<sup>2</sup> and Guidance<sup>3</sup>. Review of potential sites is underway.
- 3.27 Discussions with the HICC and its advisors also continue, recognising the importance of maintaining continuity of services provided by HICC to the community, with the view to agreeing a mutually satisfactory long-term agreement based on the premise of relocating the HICC from Bridge Close to a site at South Street in Romford with compensation paid to the HICC for their existing site pursuant to the Compensation Code and Guidance. Any requirement over and above that which the Council is legally bound to provide will be funded directly with the HICC. Whilst pre-application consultation is underway between the HICC and the Local Planning Authority, discussions are being progressed by BCR LLP with owners and occupiers of the site to reach agreement for compensation to be paid pursuant to the Compensation Code and Guidance.
- 3.28 With the progress being made on private treaty discussions with owners and occupiers of both residential and commercial property, the table below provides a summary of interests acquired to date, exchanged or subject to contracts with a right to purchase on agreed terms.

<b>Interest</b>	<b>Total (Ha)</b>	<b>Held (Ha)</b>	<b>% Held</b>
Residential Property	0.64	0.56	87%
Commercial Property	2.64	1.55	59%
Public & Other Unregistered Land	0.20	0.03	15%
Unregistered Land with Council as Highway Authority	0.46	0.46	100%
<b>Total</b>	<b>3.94</b>	<b>2.59</b>	<b>66%</b>

<sup>1</sup> Freehold interest held in hectares (ha), Ardent Management Limited, 2023. Total area of 3.94 ha corresponds to area within red line of the Bridge Close Site Plan in Appendix A.

- 3.29 Including unregistered land of 0.46 ha already held with the Council as Highway Authority, the total area acquired to date, exchanged or subject to contracts with a right to purchase on agreed terms is to 2.59 ha or approximately 66% of the total area<sup>4</sup> within the Bridge Close red line.
- 3.30 The potential use of the Council's Compulsory Purchase Order (CPO) powers continues to form part of the Council's land assembly strategy as a means of last resort in circumstances where private treaty discussions do not deliver the anticipated outcomes. All private treaty discussions and agreements are completed having regard to the CPO Guidance and regulatory framework to ensure appropriate support as well as disturbance and compensation payments are provided.

<sup>2</sup> The Compensation Code is a collective term used for the principles set out in various Acts of Parliament, supplemented by case law, that relate to compensation for compulsory acquisition.

<sup>3</sup> The Guidance refers to, "Guidance on the Compulsory Purchase Process" of October 2024 by the Ministry of Housing, Communities and Local Government.

<sup>4</sup> The site plan at Appendix A amounts to 3.94 hectares, up from 3.67 hectares due principally to inclusion of land interests required to deliver the junction at Waterloo Road to Union Road.

3.31 The review of key work streams above reflects the planning application stage that the regeneration of Bridge Close is at. As the regeneration progresses, further activity relating to contractor procurement, construction, sales and leasing as well as estate management, amongst others, will form an integrated part of day-to-day activity.

#### **4.0 Indicative Phasing and Delivery Programme**

4.1 Bridge Close is anticipated to be developed in three phases as set out below:

- **Phase 1** is expected to deliver approximately 383 new homes of which approximately 35% may be affordable housing with retail and commercial units to serve the local community and provide space for local business. A new 3 form entry primary school will also be delivered, serving as vital educational infrastructure for the new communities at Bridge Close, the Waterloo Estate and the former Ice Rink site at Rom Valley Way. Phase 1 would also provide high-quality public realm, including a new bridge to enhance east-west links in the town centre and much needed investment and environmental upgrade of the River Rom.
- **Phase 2** is expected to deliver approximately 262 new homes of which approximately 35% may be affordable housing along with further retail and commercial units to serve the local community and provide space for local business, including where possible, existing businesses at Bridge Close wishing to relocate on site. A new health building would be provided, catering for families at Bridge Close and the wider community, serving to reduce pressures on acute care at nearby Queen's Hospital.
- **Phase 3** is expected to deliver approximately 425 new homes of which approximately 35% may be affordable housing, providing the final addition to a vibrant new community where families may live, thrive and contribute to the wider regeneration of the town centre. A new community centre would be provided early in the phase providing the HICC with the option to relocate to the community centre should the HICC wish to take advantage of this opportunity at the time.

4.2 The table below sets out anticipated dates for each of the key programme milestones underpinning the Business Plan.

<b>Table 2 Indicative Delivery Programme</b>			
<b>Milestone</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>
Submission of Hybrid Planning Application	Quarter 4 '23	-	-
SPC Resolution to Grant	Quarter 2 '25	-	-
Planning Approval / S106	Quarter 4 '25	-	-
Cabinet Make the CPO	Quarter 4 '25	-	-
Commence Main Contractor Selection	Quarter 1 '26	-	-
Public Inquiry	Quarter 3 '26	-	-
Confirmation of CPO	Quarter 1 '27	-	-
Issue General Vesting Declaration (GVD)	Quarter 1 '27	-	-
Vacant Possession	Quarter 2 '27	-	-
Main Contractor – Site Possession Phase 1	Quarter 2 '27	-	-
Planning Application (Phase 2 and Phase 3)	-	Quarter 2 '29	-
Planning Approval (Phase 2 and Phase 3)	-	Quarter 4 '29	-

<b>Table 2 Indicative Delivery Programme</b>			
<b>Milestone</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>
Main Contractor Appointment - Phases 2 & 3	-	Quarter 2 '30	-
Start on Site	Quarter 2 '27	Quarter 2 '30	Quarter 2 '31
New Homes Completed	Quarter 2 '30	Quarter 2 '32	Quarter 4 '33
Final Sales Completed	Quarter 4 '31	Quarter 2 '33	Quarter 2 '35

- 4.3 All work streams, including planning applications for each phase, acquisition of property and any CPO activity as well as the procurement of a contractor for delivery of each of Phases 1, 2 and 3 fall within the Council's control.
- 4.4 As set out in paragraph 3.4.1 above, consultation with key stakeholders will continue throughout the delivery programme, including public consultation ahead of reserved matters planning applications for future phases of development. This will allow appropriate time for the Council to further consider the full implications of adopted and emerging planning policy in the form of the London Plan, the Local Plan and the Romford Master Plan as well as changes to Building Regulations and the Building Safety Act, including fire safety regulations, on the masterplan and future plot designs. Further consideration to determine the appropriate housing tenure mix that best meets the long-term needs of the Council and local people will also continue.
- 4.5 Land assembly will progress in parallel with detailed design development and procurement through private treaty discussions with owners and occupiers, and through the preparation for the potential use of the Council's Compulsory Purchase powers. With the making of the CPO in Quarter 4, 2025 and the public inquiry in Quarter 3, 2026, it is anticipated that the CPO may be confirmed by Secretary of State in Quarter 1 of 2027, allowing for relevant notices/vesting declarations to be served and vacant possession to be achieved in Quarter 2 in 2027.
- 4.6 With start on site expected in Quarter 2 of 2027, first completions of Phase 1 is anticipated in the summer of 2030 with phased delivery of the scheme to completion in 2035 in accordance with circumstances prevailing at the time

**REASONS AND OPTIONS**

**5.0 Reasons for the decision:**

- 5.1 The Council has been consistent in promoting and progressing its vision to regenerate Bridge Close, a key site on the edge of Romford town centre, and in so doing, advancing the objectives of delivering new homes and affordable housing as well as key infrastructure, including a new school, a health building, a bridge and high-quality public realm and the revitalisation of the River Rom.
- 5.2 On 16<sup>th</sup> December 2020, Cabinet approved the recommendation for the Council to self-deliver the regeneration of Bridge Close funded predominantly through the HRA.

The Members' Agreement contemplates the Board of Bridge Close Regeneration LLP preparing, agreeing and issuing a Draft Business Plan as set out in Appendix B for approval by the Council as controlling Member. The Members' Agreement provides that this be done at regular intervals. Once agreed, the Draft Business Plan would replace the then current Business Plan as the formal Business Plan adopted by the Bridge Close Regeneration LLP. Any potential approval of the Draft Business Plan as set out in this report would therefore be in accordance with the provisions of the Members' Agreement and would continue the cycle of updating going forward, having regard to the Council being in full control of Bridge Close Regeneration LLP.

5.3 The Bridge Close Regeneration LLP Business Plan 2024-2025 was approved by Cabinet on 7<sup>th</sup> February 2024. The Draft Business Plan for 2025-2026 attached at Appendix B is a suite of policies, processes and operational plans, providing a path for the Council to crystallise its vision and make the regeneration of Bridge Close a reality supported by a robust risk management and governance framework as well as an update to the financial model and forecasts.

5.4 As such, the Draft Business Plan sets out the strategic framework to support direct delivery of the scheme by the Council in accordance with Cabinet's decision in December 2020 and would:

- Accord with the Council's vision and objectives for the regeneration of the site;
- Deliver approximately 35% new affordable homes, subject to viability, at an acceptable net average cost per unit, providing acceptable value for money as a regeneration scheme;
- Provide additional certainty in relation to the funding of the scheme;
- Offering an acceptable payback of the Council's investment;
- Provide greater certainty for affected business and resident communities;

5.5 In summary, the approval by Cabinet of the Draft Business Plan would enable this key regeneration scheme located at a gateway to Romford Town Centre to move forward, underpinned by a comprehensive financial model and accompanying analysis, which substantiates the delivery of regeneration outcomes at a financial return to the Council in excess of its cost of capital. Approval of the Draft Business Plan would accord with provisions in the project documents.

## **6.0 Other Options Considered and Rejected:**

6.1 **Not Approve the Draft Business Plan.** Whilst this option would not run contrary to provisions in the Members' Agreement, which in these circumstances would allow the existing adopted Business Plan to remain in force; however, not approving the Draft Business Plan would run contrary to the Council's vision and objectives of delivering both affordable housing and the regeneration of Bridge Close, a key site on the edge of Romford town centre. Failure to deliver would include failing to provide the primary school, which is due to support a wider catchment than Bridge Close as part of the Council's strategic plan for school places. Whilst key work streams such as land assembly, the making of the CPO and submission of the planning application could potentially be progressed under the existing Draft Business Plan, it would be without having due regard to the latest planning, land assembly, market, cost and financial advice that would otherwise inform the strategy. Moreover, it could potentially be perceived as a statement of intent not to progress with the regeneration of Bridge

Close. Accordingly, there would be significant reputational damage and impediment to implementation of key work streams. The regeneration scheme could be either lost completely or delayed for a significant period of time. This could have reputational implications and potentially impair the Council's investment to date. This option has been rejected.

- 6.2 **Approve the Draft Business Plan and Pause the Scheme.** Whilst pausing a scheme may be standard practice for a private sector developer, it does not constitute good practice from a regeneration perspective. This is due to the lack of certainty that this strategy entails and the difficulties arising in treating meaningfully with owners and occupiers in private treaty land assembly discussions. A pause to the scheme would in the first instance impede the determination of the planning application, which in turn would prevent a CPO being progressed, assuming that a CPO would be necessary to complete land assembly. No CPO Inquiry can be contemplated before the Acquiring Authority (the Council) can demonstrate that there are no insurmountable funding and planning impediments that would prevent the scheme from being implemented. Without the grant of some form of planning permission this could not be proven. Furthermore, a funding shortfall would be a key consideration. It would also be very difficult to secure meaningful engagement from potential contractors without knowing what the scheme is or is likely to be in planning terms and having a level of programme certainty. A pause would create an element of uncertainty over the scheme, with adverse impact for owners and occupiers within the proposed regeneration area and deny the Council the benefit of the significant progress on planning and land assembly that has been made since reporting to Cabinet in February 2023. There would also be a risk of reputational damage. This option has been rejected.

## IMPLICATIONS AND RISKS

### 7.0 FINANCIAL IMPLICATIONS AND RISKS

- 7.1 The assumptions underpinning the Business Plan and related financial model have been reviewed and updated to reflect anticipated economic conditions and development in key appraisal parameters, having regard to the early stage of development and the planning stage at which masterplans and design development are being progressed.
- 7.2 Accordingly, the financial model and related budget approved by Cabinet on 7<sup>th</sup> February 2024 has been revised with a minor upward adjustment to the budget as set out in the Financial Implications and Risks section of the Exempt Agenda report. The upward adjustment is principally a result of higher cost of funding and anticipated tender price inflation over the forecast period.
- 7.3 Achieving regeneration outcomes, including the provision of much needed housing, the generation of social value and the creation of a high-quality place where people want to live, work and play continues to be the Council's principal objective. The Council recognises, however, that achieving the regeneration of Bridge Close at the scale envisioned comes with some risks.
- 7.4 Whilst some risks may relate to the operational implementation of the development, such as planning risk, ground condition and construction risk, cost price inflation, sales

price inflation and programme, others relate directly to the funding of the project. The Council recognises that operational risks may have a direct impact on the overall funding envelope and that active risk management may serve to mitigate the Council's exposure by capping, sharing or transferring risks where possible. In relation to the primary school, future operational management and maintenance will reside with the appointed operator, Unity Trust Partnerships.

- 7.5 The potential adverse impact of the prospect of a material increase in the longer term cost of borrowing is also a risk that requires ongoing review and management. Whilst increased cost of borrowing is included in the Council's contingency planning, the potential for capping interest rate risk is subject to ongoing review.
- 7.6 The Council continues to monitor and manage identified risks, having regard to each stage of development required to complete the regeneration of Bridge Close. Drawing on the expertise and capacity of an experienced team of internal and external delivery partners forms an integrated part of the Council's risk management strategy. Appropriate application of contractual structuring, insurance and financial contingency planning provides an overlay to core risk management practices.
- 7.7 The review of financial assumptions, risks and implications are exempt due to the commercial nature and sensitivity of the information.

## **8.0 LEGAL IMPLICATIONS AND RISKS**

- 8.1 The Bridge Close Regeneration LLP Business Plan 2024-2025 was approved by Cabinet on 7<sup>th</sup> February 2024 and adopted by the Bridge Close Regeneration LLP. In accordance with clause 14 of the Members' Agreement dated 29<sup>th</sup> October 2020, the Board of Bridge Close Regeneration LLP shall prepare, agree and issue a draft Business Plan to the "Approving Person", being the Council as Member. Once agreed, the further Business Plan shall replace the then current Business Plan as the formal Business Plan adopted by the Bridge Close Regeneration LLP.
- 8.2 The Bridge Close Regeneration LLP Business Plan 2025-2026 (the Draft Business Plan) set out in Appendix B has been reviewed and recommended for approval by the Bridge Close Regeneration LLP Board. Subject to the approval by the Council as Member (and Approving Person), the draft Business Plan would be formally adopted by the Board of Bridge Close Regeneration LLP.
- 8.3 As an Approving Person, the Council relies on a number of powers in considering the proposed strategy and funding envelope underpinning the draft Business Plan.
- 8.4 In providing funding the Council may rely upon the General Power of Competence ("general power") provided for in Section 1 of the Localism Act 2011 to pursue the proposed development of Bridge Close. The general power is a wide power which allows the Council to do anything that an individual may do (subject to public law principles), but it is subject to certain statutory limitations. The key limitation under the general power is that where a local authority intends to pursue a commercial purpose, it must do so through a company limited by shares (and not a LLP (limited liability partnership)). On setting up the BCR LLP as a Limited Liability Partnership, the Council had legal confirmation that provided the Council's purpose was the regeneration of Bridge Close, a LLP would be lawful; it remains the case. No other statutory limitations in regard to funding of the LLP under the general power apply.

- 8.5 In establishing BCR LLP, the general power was relied on, as well as the fact that Sections 8 and 9 of the Housing Act 1985 impose a duty on local authorities to review housing needs in their district and provides them with related powers to provide housing accommodation by building and acquiring houses or by converting other buildings into houses. These powers can include provision via third parties. The general power and Sections 8 and 9 of the Housing Act 1985 was also relied on in the setting up of a nominee company by the Council to act as second member of the LLP upon the acquisition of the private sector partner's interest in 2020 (all LLP's must have at least two members under the Limited Liabilities Partnerships Act 2000).
- 8.6 The Council has investment powers by virtue of Section 12 of the Local Government Act 2003, but the objective of the Council in establishing BCR LLP (and in providing the proposed funding recommended in this Report) is not as an investment. The purpose was, and remains, the regeneration of Bridge Close.
- 8.7 More widely, the Council has land acquisition powers by virtue of Section 120 of the Local Government Act 1972. This Section 120 power does furthermore support the general position adopted, because it also recognises and allows acquisitions to be made for any authorised purpose "notwithstanding that the land is not immediately required for that purpose; and, until it is required for the purpose for which it was acquired, any land acquired under this subsection may be used for the purpose of any of the council's functions."
- 8.8 In light of the acquisition of the member interest in BCR LLP held by the former private sector partner, FB BCR LLP, as agreed by Cabinet on 16<sup>th</sup> September 2021, this report makes reference to, inter alia, the strategy to bring forward the regeneration of Bridge Close directly within the HRA with the primary objective of the scheme being to address housing need in Havering rather than generating a commercial return.
- 8.9 The Council utilised its power to deliver the scheme directly through BCR LLP as a delivery vehicle as approved by Cabinet on 16<sup>th</sup> December 2020. The key statutory power is Section 9, Housing Act 1985, which is broad enough to empower the Council to provide both affordable and market sale housing where the latter is provided to subsidise the former (as could be the case).
- 8.10 The Council also has the power in Section 12, Housing Act 1985 to provide other buildings, including retail and commercial uses, subject to obtaining the consent of the Secretary of State for Levelling up, Housing and Communities (SoS) . The SoS has broad discretion in this respect with the criteria being whether the buildings will serve a beneficial purpose for those provided in Part II housing accommodation. There is a clear process in place to apply for consent.
- 8.11 If the Council were to rely on Sections 9 & 12 (subject to consent) to deliver the regeneration scheme directly, then relevant income and expenditure relating to residential accommodation and other buildings would be subject to the HRA ring fence under Section 74, Local Government and Housing Act 1989. On the basis of what is currently known, the Council is advised that capital expenditure to fund the regeneration scheme would be permitted under Schedule 4, Part II, Item 2 of that Act.
- 8.12 From all indication, it is unlikely that there would be any insurmountable impediments to prevent the HRA from delivering up to a 50:50 mix of affordable and open market sale units if that were the option to be selected.
- 8.13 Given that the Council's objective is to develop the site for regeneration purposes and not as a commercial undertaking, the strategy to deliver the scheme directly by the



Council is likely to be able to comply with Subsidy Control (formerly known as State Aid) requirements given the Council is a public undertaking. Moreover, no subsidy control concern currently exists because BCR LLP is not an economic actor or enterprise (i.e. it is not offering goods or services on a market) and thus, in terms of the Subsidy Control Act 2022, is not capable of receiving a “subsidy”; and as noted, the Council is carrying out the project for public function purposes, This Subsidy Control position will be kept under review as the scheme progresses and in order to ensure (with appropriate legal advice) that no unlawful subsidy is in play.

- 8.14 The Procurement Act 2023 (PA) is expected to come into force in 2025, which may affect the procurement of works for the delivery of the proposed primary school and the wider Phase 1 works of the Bridge Close development. Section 2(10) of the PA contains a new provision that, where a commercial organisation has been awarded an exempted contract (as may be the case where a development agreement between the Council and BCR LLP, governing delivery of the school), it is to be treated as a “public authority” in relation to any sub-contracts it awards for delivering all or any part of the exempted contract (for example, the works contract for the initial Phase 1 of the scheme).
- 8.15 A development agreement between the Council and BCR LLP is an unavoidable requirement of the Department for Education (DfE), and although in theory the school build contract could be separated from the rest of Phase 1, that is deemed impractical given the advantages of engaging a single contractor.
- 8.16 This change in law means that, regardless of BCR LLP’s status as a commercial organisation not usually subject to the PA, the works contracts (to include the primary school) will be. However, the PA also contains a new procurement procedure, the competitive flexible procedure, which allows a public authority to design a procurement procedure, which it considers appropriate for the purpose of awarding a contract. Provided a public authority ensures that the procedure is proportionate having regard to the nature, complexity and cost of the contract, a public authority has flexibility as to how the procurement is conducted.
- 8.17 The provision in the PA referred to is deliberately designed to close what was hitherto a “gap” in the current Public Contracts Regulations 2015. However, the new flexible procedure does ameliorate the impact of this, given that it had always been intended to competitively tender the works.
- 8.18 The key risks are financial and commercial, as described in the preceding “Financial Implications and Risk” section at paragraph 7.0 above. In making a lawful decision, the Council should weigh up and consider these risks and whether they are acting prudently in public law terms. In reaching a decision, Cabinet members should consider whether resultant expenditure (and other financial consequences) is prudent, having regard to the Council’s general fiduciary duties. It must also reach a decision by reference to all relevant considerations, disregarding irrelevant ones, and be satisfied that the recommended course of action is a rational course of action for the Council. The Report details the justification for the regeneration of Bridge Close including the financial implications involved.

**9.0 HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

- 9.1 There are no Human Resource implications of, or risks relating to, the proposed decision.

**10.0 EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

- 10.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:
- i. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
  - ii. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
  - iii. foster good relations between those who have protected characteristics and those who do not.
- 10.2 Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.
- 10.3 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.
- 10.4 Whilst officers consider there are no implications or risks associated with the Council's statutory duty and the decisions recommended for approval relating to the Bridge Close Regeneration LLP Business Plan, the Council has continued to monitor and implement measures to ensure management policies and practices are aligned to the Public Sector Equality Duty.
- 10.5 The Equality Impact Assessment for Bridge Close, reported to Cabinet in November 2017, subsequently reviewed in September 2019, November 2021, June 2023 and September 2024, flows from the Council's Equality Impact Assessments for the Havering Estate Renewal Programme and the Local Lettings Plan. To inform the Bridge Close Equality Impact Assessment, engagement with affected residents and businesses has been undertaken, alongside a review of the wider Romford Town ward to establish a demographic profile of those affected. This broadly considered the impact of the proposal on these stakeholders, within the context of the protected characteristic. The Equality Impact Assessment will continue to be monitored and updated as part of a process of continuous engagement with stakeholders as proposals for the scheme are developed.
- 10.6 Overall, there may be some adverse impact from the redevelopment of Bridge Close, particularly as a result of the displacement and disruption caused to existing businesses, staff, residents and their families, and some religious groups. To reduce this impact, the Council is working closely with those affected and offering a full package of support, through access to dedicated advice and assistance, through the offer of financial compensation, by offering a range of options to help residents move to a new home and providing businesses and other groups with help in finding and relocating to new premises, as well as additional support to encourage business improvement and sustainability in the future.
- 10.7 The Council believes that the benefits of the Bridge Close redevelopment will outweigh some of the adverse impacts identified. The redevelopment of Bridge Close is predicted to be largely positive, presenting far reaching benefits and opportunities for Romford, Havering and its diverse communities. This includes making a significant contribution to the provision of new and high quality mixed tenure housing, which will be well managed and sustainable, helping to reduce fuel poverty and contributing to

the quality of life for people of all ages, genders, ethnicities and faiths/beliefs. Regeneration of the area will also support economic growth and prosperity across Havering, through creating new mixed workspace and community facilities, which will support business growth, enterprise and inward investment, as well as local jobs, apprenticeships and wider employment opportunities. The development will also help to create a greater sense of place and platform for learning, creativity and culture, whilst also supporting education, health, leisure and recreation. The introduction of robust estate management services across the development will also aid in preventing crime and social disorder, whilst the new neighbourhood will encourage social inclusion, community cohesion and equality, helping to foster positive relations amongst existing and new communities.

- 10.8 The development will also improve the local environment by helping to reduce the barrier effect of the Ring Road, creating a safer and more welcoming environment. The introduction of a new east-west pedestrian and cycle bridge will provide greater access and connectivity to the town centre and rail station, encouraging use of public transport, walking and cycling. A rejuvenated public realm and enhanced River Rom will create an improved blue and green amenity, both for the enjoyment of local people and visitors alike. The development will reintegrate Bridge Close with Romford town centre and in doing so will complement the town centre and help the areas expansion as retail and residential quarter, providing more choice and opportunity for the future and new health and education facilities as well as affordable housing for local people.
- 10.9 Further to a review officers consider the existing Equality Impact Assessments for Bridge Close, as updated in September 2024, continue to be of relevance to the project and for the purpose of seeking the agreement by Cabinet of the Bridge Close Regeneration LLP Business Plan 2025-2026.

#### **11.0 HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

- 11.1 The Council is committed to protecting and promoting the health and well-being of its residents. The decision relates to approval of the Bridge Close Regeneration LLP Business Plan 2025-2026 and a related budget, which, if approved and fully implemented, will have health and well-being implications for residents.
- 11.2 In relation to the proposed Bridge Close development arising from the full implementation of the Business Plan, an updated Health Impact Assessment from September 2024 concluded that the overall nature of the identified impacts is positive or neutral, including positive impacts on housing provision, mental health and wellbeing of the new residents. Opportunities for improved health and wellbeing arise from regeneration deliverables including community spaces, multiple and well-connected public spaces, high quality housing provision, and through associated prospects for business and employment growth. This is supported by efforts to implement design that is high quality, accessible and sustainable.
- 11.3 As set out in section 10.0 above, there may be some adverse health and wellbeing impacts arising from the redevelopment of Bridge Close, particularly as a result of the displacement and disruption caused to existing businesses, staff, residents and their families. This may take the form of negative mental wellbeing associated with loss of autonomy due to forced displacement, loss of social connectivity or loss of income. A framework of support and compensation is in place to mitigate these potential impacts and a number of recommendations have been proposed or are underway as the scheme is progressed through detailed design, procurement and delivery.

- 11.4 There is also the potential for negative health and wellbeing impacts arising during the course of the construction phase. A further Health Impact Assessment will be carried out prior to the commencement of works to identify and maximise any positive impacts and to identify and highlight measures to mitigate against any negative impacts that may arise during the construction or post-construction phases. In circumstances where construction would be commenced, management plans will be in place to reduce noise, dust and other potential sources of disruption to minimise the potential impacts on resident health and wellbeing.
- 11.5 It is anticipated that the longer term health and wellbeing benefits of the redevelopment will outweigh the potential short term adverse impacts. More efficient use of land, high design standards, sustainable solutions and the provision of social infrastructure serve to ensure that proposed uses are the best uses of the land. The wider socio-economic benefits are likely to enhance the health and well-being impact of the scheme.
- 11.6 ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**
- 11.7 There are no Environmental and Climate Change implications of, or risks relating to, the proposed decision.

**BACKGROUND PAPERS**

None.

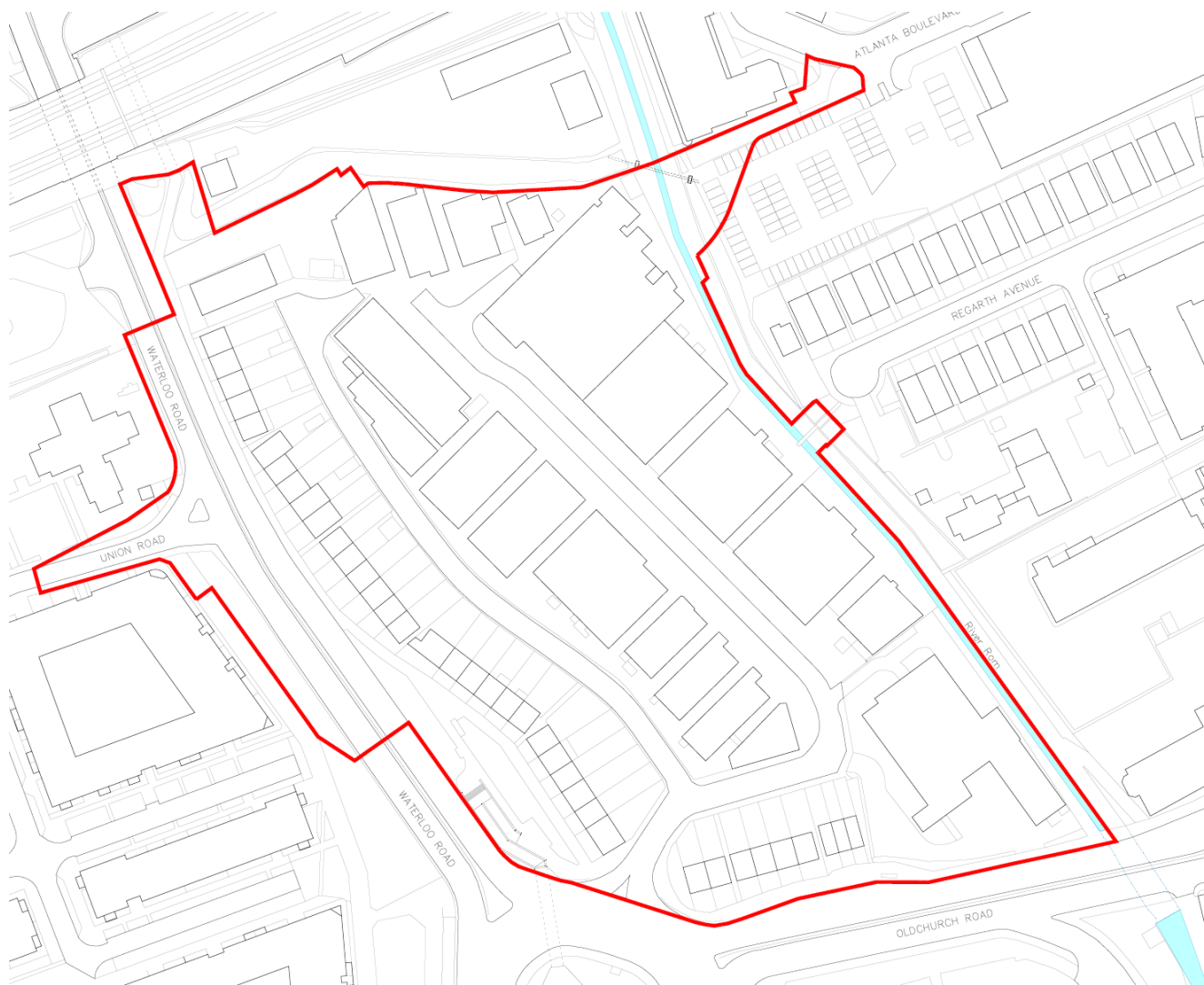
**APPENDICES**

<b>Appendix A</b>	Bridge Close Site Plan and Indicative Red Line (PUBLIC)
<b>Appendix B</b>	Bridge Close Regeneration LLP Business Plan 2023-2024 (EXEMPT)
<b>Appendix C</b>	Financial Annexes (i) – (ii) (EXEMPT)

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of the Local Government Act 1972.

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Notice of Key Cabinet Decision containing exempt information.

This Cabinet Report contains some appendices which comprise exempt information which is not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A of the local Government Act 1972. They are exempt because they refer to confidential information and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

<b>CABINET</b>	<b>5<sup>th</sup> February 2025</b>
<b>Subject Heading:</b>	<b>Havering and Wates Regeneration LLP Business Plan and Budget Update 2024/2025</b>
<b>Cabinet Member:</b>	Councillor Graham Williamson Cabinet Member for Development & Regeneration.
<b>SLT Lead:</b>	Neil Stubbings – Strategic Director of Place
<b>Report Author and contact details:</b>	Maria Faheem - Regeneration Manager <a href="mailto:Maria.Faheem@havering.gov.uk">Maria.Faheem@havering.gov.uk</a> 01708 434 379  Martin Fahy- Regeneration <a href="mailto:Martin.Fahy@havering.gov.uk">Martin.Fahy@havering.gov.uk</a> 01708 432 651
<b>Policy context:</b>	London Plan 2021 National Planning Policy Framework Havering Housing Strategy 2014-2017 Havering Local Plan 2016- 2031 HRA Business Plan 2024-2053 Havering Climate Change Action Plan 2021

**Financial summary:**

**Is this a Key Decision?**

This is a key decision

**When should this matter be reviewed?**

January 2026

**Reviewing OSC:**

Places Overview & Scrutiny Sub  
Committee

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

- |   |   |
|---|---|
| People - Things that Matter for Residents                           | X |
| Place - A Great Place to Live, Work and Enjoy                       | X |
| Resources - A Well- run Council that Delivers for People and Place. |   |

**SUMMARY**

This report provides an update on the 12 Estates Programme. Financial data within this paper utilises the most current information available, for the purpose of informing the HRA Business Plan refresh. The HWR JV Business Plan will be presented to Cabinet once it comes forward in Q1 2025/26.

This update outlines the latest position on:

**Work Package One**

- New Green - progress on completion and sale receipts.
- Park Rise - progress on completion, sales, and marketing.
- Waterloo & Queen Street – update on scheme phasing and viability.



## Work Package Two

- Chippenham Road – design development, planning submission and planned demolition
- Farnham & Hildene - design development and consultation.

## Later Phases

It is noted that work is currently paused on the following sites:

1. Oldchurch Gardens,
2. Maygreen Crescent
3. Delderfield
4. Dell Court
5. Brunswick Court.
6. Royal Jubilee Court.

## RECOMMENDATIONS

That Cabinet:

1. **Note** The Strategic Director of Place will bring forward a report proposing the use of Compulsory Purchase Order (CPO) powers for the Chippenham Road development. This report will detail the necessity of invoking CPO powers to acquire outstanding land interests.
2. **Delegate** authority for the Strategic Director of Place, in consultation with the Cabinet Member for Development and Regeneration, to agree on and thereafter submit, accept and utilise grant funding bids to support the 12 Sites regeneration programme.
3. **Approve** the revised approach to proceed with a Council-led scheme prioritising the development of Blocks 9, and 10, along with a temporary energy centre, as part of Phase 1 of the Waterloo and Queen Street programme.
4. **Delegate** authority to the Strategic Director of Place to make variations to any of the joint venture agreements, as necessary, to implement the recommendations contained in this report.
5. **Note** that the HWR JV Business Plan document will be presented to Cabinet in Q1 2025/26.

**REPORT DETAIL**

**1.0 Background**

The Council's overarching vision for the Havering and Wates Regeneration Joint Venture (HWR) is to enable the regeneration of key areas across the borough, delivering much-needed renewal of town centres and estates while providing affordable homes for local residents. Through its role as a joint owner of the development company, the Council is able to exercise significant control over the design process, ensuring high-quality outcomes for buildings and public spaces, alongside the delivery of essential infrastructure. Any financial returns secured by the Council from the Joint Venture will be reinvested to support future regeneration initiatives.

The Havering and Wates Regeneration Joint Venture (HWR) has been established as a long-term partnership to deliver a programme of residential-led regeneration and estate renewal across an initial tranche of 12 Council-owned housing sites. This partnership structure allows both parties to share the costs and long-term financial risks associated with development, while ensuring the Council retains influence over the process. This approach ensures that social and economic benefits remain central to the programme's objectives, aligning with the Council's broader regeneration priorities.

The Council retains the right to acquire affordable housing delivered through the Joint Venture at a pre-agreed value. These properties will be allocated in line with the Council's Housing Register and in accordance with its Allocation Policy, ensuring that affordable homes are made available to those in greatest need within the borough.

The Council's objectives for this programme have been enshrined into the Members Agreement between the JV partners as objectives for HWR. As a development company, HWR will procure, design, obtain planning permission, develop, market, and sell/let each scheme for the best value achievable.

On 8 February 2023, Cabinet received and approved the fifth review of the Joint Venture's Business Plan. This review was based on updated assumptions, which were scrutinised and validated through revised site development appraisals and the input of the Joint Venture's employer's agent.

The February 2023 report outlined the progress achieved on the schemes within Work Package One (WP1) of the 12 Site Programme. This included the developments at New Green, Park Rise, and the Waterloo and Queen Street Estate.

The latest refresh of the Joint Venture's Business Plan is due to come forward in Q1 2025/26.

## **2. Progress – Work Package 1 (WP1)**

### **2.1 Work Package 1**

#### **New Green, (formerly known as Napier & New Plymouth)**

The New Green development, comprising 197 units, reached completion in March 2023. All 71 shared ownership units have been sold. The New Green development exclusively offers 100% affordable housing for the local community.

Post-completion activities have focused on monitoring and addressing issues arising during the defects liability period following handover. While some issues have been identified, the Joint Venture (JV) has been proactive in resolving them to ensure the development meets the required standards. Many of these matters have been addressed collaboratively with stakeholders, ensuring progress is maintained and any outstanding concerns are effectively resolved.

### **2.2 Park Rise (formerly known as Solar, Serena, and Sunrise)**

The later-living scheme achieved practical completion at the end of January 2024, marking a significant milestone in the Council's commitment to delivering 175 high quality homes for residents over 55. The development includes shared communal facilities, such as a lounge and gardens, to support independent living and community engagement.

The scheme is managed through a hybrid Estate Management Strategy, jointly overseen by the Council's Housing team and Churchill Estate Management, ensuring effective day-to-day operations. To support the delivery of shared ownership and outright sale units, a local Sales Agent has been appointed by the Joint Venture to manage sales and marketing activities.

The affordable rented units are fully occupied. In accordance with the Council's right-to-return policy, 14 residents from the original estate have now returned to the scheme.

Sales have progressed in line with the national average for the later-living sector - 13 sales have completed to date (5 x open market sales, 8 x shared ownership) with a further 6 reservations on shared ownership units.

## 2.3 Waterloo and Queen Street

### Regulatory Context

Following the Grenfell Tower fire in June 2017, the Government introduced the Building Safety Act 2022 and proposed updates to fire safety regulations, including changes to BS9991 and Part B of the Building Regulations. One key change was the requirement for a second staircase in high-rise residential buildings over 18 metres.

In anticipation of these changes, the Joint Venture (JV) Board paused the Waterloo & Queen Street (WQS) scheme to ensure its design and planning fully aligned with the emerging safety requirements. In July 2023, the Department for Levelling Up, Housing, and Communities (DLUHC) confirmed the requirement for a second staircase in all new residential buildings over 18 metres in height. Whilst transitional arrangements were introduced by the then Secretary of State, the Building Safety Regulator determined that these did not apply to Phase 1 of this scheme.

This decision had significant implications for Phase 1 of the project, which comprises high-rise buildings. The Building Safety Regulator requires Phase 1 to go through the full Gateway 2 building control process via a new Building Control application to the Regulator. The Council subsequently determined that it would like the scheme to progress in accordance with the latest building safety regulations.

## 2.4 Development Strategy

To maintain momentum on the Waterloo & Queen Street (WQS) project, a proposal has been put forward to prioritise the development of Blocks 9 and 10 as a new Phase 1. Blocks 9 and 10 will deliver approximately 109 new affordable homes to address local housing needs. These blocks, being under 18 metres in height, are not subject to the new second staircase requirement, allowing them to progress more swiftly through the planning and building control process. While Blocks 9 and 10 already have outline planning approval, further detailed design work and discharge of reserved matters will be required before construction can commence.

This approach reflects the feedback received from residents, particularly those on Cotleigh Road, who have expressed support for prioritising development in the area closest to their homes. Last year's fire at a nearby church hall further underscores the importance of progressing the scheme in a safe and timely manner. By focusing on this phase, the WQS project maintains momentum while respecting updated building safety standards.

Key benefits of this approach include:

- Supporting the delivery of affordable housing to meet local demand.

- Building momentum on-site while progressing infrastructure to support future phases.
- Offering both partners time to develop an updated strategy for subsequent stages of the scheme, including bringing forward Buildings 1 and 2 to the latest BSR guidance.
- Utilising funding advanced by the Greater London Authority (GLA) to bring forward affordable new homes at the earliest opportunity.
- Exploring the opportunity to increase grant levels from the GLA to cover increased costs arising from the new building safety regulations.

The Council remains fully committed to the comprehensive redevelopment of the site. The following tables note the proposed mix for block 9 and 10.

Further financial details are detailed in the exempt agenda at Paragraph 1 to 4.

**Table 1a, 1b and 1c: The Proposed mix for block, 9 and 10**

**Table 1b**

Tenure	Block 9	1b2p	2b3p	2b4p	3b5p	4b6p	Total
LAR	Core A	5	0	10	12	0	27
LAR	Core B	4	0	6	10	0	20
LAR	Core C	4	0	10	5	0	19
	Total	13	0	26	27	0	66
	%	20%	0%	39%	41%	0%	100%

**Table 1c**

Tenure	Block 10	1b2p	2b3p	2b4p	3b5p	4b6p	Total
SO	Core A	2	0	5	5	0	12
SO	Core B	7	0	12	12	0	31
	Total	9	0	17	17	0	43
	%	20%	0%	40%	40%	0%	100%

Key: Abbreviations	Meaning
LAR	London Affordable Rent
SO	Shared Ownership
1b2p	One Bedroom Two Persons

Given the rising demand for temporary accommodation within Havering, the JV Board is progressing the option to supply, deliver, and install 18 modular homes as a meanwhile use on a part of the Waterloo and Queen Street site. Cabinet recently considered a separate report on this specific proposal. These units

will be located in an area designated for permanent housing in the final phase of the programme, anticipated to remain on site for approximately 5 to 7 years.

### **3. Progress - Work Package 2**

#### **3.1 Chippenham Road**

Since the last Business plan update in February 2023 the JV team have evaluated the viability of the Chippenham Road site. The project has progressed through design development is consultation with stakeholders and the pre-application process during which several options were considered to optimise viability whilst providing quality design.

The Wates development team have been appointed to manage the design through to RIBA stage 2 and a Stage 3 cost plan has been completed. All consultants have now been appointed and a planning application was submitted in August 2024.

Vacant possession has been secured for the majority of the site and negotiations are advanced for the acquisition of the remaining properties.

In the meantime, the site has been secured with a security hoarding and tenders have been sought for a phased demolition programme, prior to contract award.

The Chippenham site will be 100% affordable housing, providing 138 new homes.

#### **3.2 Farnham and Hilldene District Centre**

The district centre offers a diverse retail mix for local residents, in addition to key community facilities, in particular Harold Hill Library. Despite being situated in a relatively deprived area, it remains a pivotal hub for the local community. Preserving and enhancing the district centre is integral to the ongoing area regeneration efforts.

Regeneration proposals for Farnham/Hilldene have been the subject of consultation with residents since the initial concept stage in 2016. Stakeholder consultation has intensified in the period since the last Business Plan review in February 2023 and a total of 35 consultation events on the proposed form and phasing of regeneration proposals have now been undertaken, spanning both residential and commercial occupiers.

Design proposals have also been the subject of an extensive programme of pre-application discussions with the Local Planning Authority and their advisers, to further refine the scheme proposals.

Havering's first successful Estate Ballot represents an important milestone for the regeneration programme. The proposals for Farnham and Hilldene, which include 479 new homes, re-provisioned retail facilities, and community space, received strong resident support. This result allows the Council to proceed in the knowledge that the scheme is strongly supported by local residents and businesses.

Further details about the above sites are contained in the Exempt Agenda.

#### **4. Later Phases**

The following schemes form part of the later phases of the 12 Estates programme are the subject of further review and currently paused:

- Royal Jubilee Court
- Oldchurch Gardens
- Maygreen Crescent
- Delderfield
- Dell Court
- Brunswick Court.

#### **5. Update on programme-wide matters**

##### **5.1 Regeneration Objectives**

The JV is obliged to deliver each scheme in accordance with the Key Requirements set out in the Development Agreement. These requirements set out the parameters for a planning application and include:

- The number of units to be delivered across the development;
- The housing bed size and tenure mix;
- A requirement for non-residential uses such as commercial and retail.

The key requirements for each site may vary because of stakeholder consultation and planning policy but will always be required to meet the Council's objectives for the Regeneration Programme.

Since bid stage, levels of affordable housing in Work Package 1 have increased in line with the Council's objectives to maximise the delivery of affordable housing across each site as noted in Table 2.

**Table 2: Affordable housing review since bid stage**

Site	Affordable Housing – Bid Stage	Affordable Housing – Year 2 review	Affordable Housing- Year 3 review	Affordable Housing- Year 4 review	Affordable Housing- Year 5 review	Affordable Housing- Year 7 review	Affordable Housing- Year 8 review
New Green	77.7%	64%	100.0%	100.0%	100.0%	100.0%	100.0%
Park Rise	25.8%	76.6%	76.6%	76.6%	76.6%	76.6%	76.6%
WQS	38.5%	40.4%	40.4%	41.2%	39.6%	39.6%	39.6%
<b>WP1 Total</b>	<b>41.3%</b>	<b>46.4%</b>	<b>50.7%</b>	<b>51.3%</b>	<b>50.1%</b>	<b>50.1%</b>	<b>50.1%</b>

In addition to the review of the level of affordable housing, the bed size mix of affordable homes has also been considered. The Local Plan requires affordable housing to be delivered according to the bed-size mix in Table 3, below. Amongst other things, this mix has been influenced by the Strategic Housing Market Assessment, which was carried out in 2016, and provides a longer-term assessment of housing need, from 2011 – 2033.

**Table 3: Borough wide Housing Mix**

Bed-size	1-bed	2-bed	3-bed	4-bed +	Total
	10%	40%	40%	10%	<b>100%</b>

A key requirement for each site within the 12-sites programme is that new homes not only meet a demonstrable housing need, but also facilitate the Right to Return for Council tenants that have been rehoused away from regeneration sites. Table 4 below demonstrates that across WP1, the highest level of demand, derived from the Right to Return, is for one-bedroom homes.

**Table 4: Right to Return Demand**

Right to return requirement	1-bed	2-bed	3-bed	4-bed	Total	
	%	%	%	%	No.	%
Waterloo and Queen Street Estate	32%	32%	35%	1%	<b>*171</b>	<b>100%</b>
New Green	64%	30%	6%	0%	<b>87</b>	<b>100%</b>
Total	43%	31%	25%	<1%	<b>258</b>	<b>100%</b>

\*No re-provision of Sheltered Housing provision at Queen Street

In addition to the Right to Return, the Council’s housing register provides a reference to identify immediate need for affordable housing provision in the borough, based on those households that present themselves to the local



authority. Table 5 below illustrates the LBH’s current need by bedroom size as of 1<sup>st</sup> November 2024. Whilst it is clear there is a requirement for family housing, there is high demand for 1 and 2 bedrooms (54%) in comparison to 3 and 4 beds (44%) which supports the development across a range of unit typologies.

**Table 5: Bed-size need October 2024- (from the Housing Register)**

No of beds	Band 1	Band 2A	Band 2B	Band 2C	Band 3	Total	%
1	80	175	85	35	450	825	26%
2	46	176	51	52	559	884	28%
3	26	432	6	147	517	1128	36%
4	8	69	0	55	126	258	8%
5	3	15	0	9	31	58	2%
6	0	1	0	0	2	3	0%
Total	163	868	142	298	1685	3156	

The affordable housing demand arising from the Right to Return, and the Housing Register have informed the bed-size mix of the affordable homes that will be delivered across Work Package 1 and include Chippenham Rd and Farnham & Hilldene.

The Waterloo and Queen Street Estate will be developed in a phased approach, due to the quantum of new homes on the new development. In total, the redeveloped scheme could deliver up to 1,380 new homes.

Table 6 below shows planning and development milestones for the sites in WP1 that have been progressed since the last business plan as well as a forecast for the remaining sites in the 12 sites programme.

**Table 6: Key Milestones**

	Submission of Planning Application	Resolution to Grant	Start On Site	1st Completions	Site Completions
<b>Work Package One</b>					
New Green	May-2019	Nov-2019	2020	Dec-2022	March-2023
Park Rise	Dec-2019	June-2020	April 2021	Oct-2023	Jan-2024
Waterloo and Queen Street Estate	Jun-2020	June-2021	Under review	TBA	TBA

Waterloo and Queen Street Modular Homes	Nov 2024	Jan 2025	July 2025	Dec 2025	Dec 2025
<b>Work Package Two</b>					
Chippenham Rd	Aug- 2024	Apr-2025	Dec-2025	July 2027	Oct-2028
Farnham and Hilldene	Feb -2025	Sept- 2025	Feb- 2026	Feb- 2028	Dec- 2033
<b>Work Package Three and Four to be confirmed.</b>					
Oldchurch Gardens	Paused	Paused	Paused	Paused	Paused
Maygreen Crescent	Paused	Paused	Paused	Paused	Paused
Delderfield House	Paused	Paused	Paused	Paused	Paused
Brunswick Court	Paused	Paused	Paused	Paused	Paused
Dell Court	Paused	Paused	Paused	Paused	Paused
Royal Jubilee Court	Paused	Paused	Paused	Paused	Paused

**5.2 Vacant Possession**

Wherever possible, the regeneration programme has responded to the growing pressures around homelessness by using vacant, acquired units to provide temporary accommodation until required for redevelopment. This approach serves to reduce the impact of homelessness on the General Fund.

**Table 7: Existing and proposed units across all 12 Sites**

		Existing			Proposed					
Site	Social Rent	Leasehold/ Freehold	Affordable Rent	LCHO	PRS	Open Market Sale	Supported Housing	Total	%	
									affordable	
									Housing	
Work Package One										
New Green	87	10	126	71	0	0	0	197	100%	
Park Rise	55	0	80	54	0	41	0	175	77%	
Waterloo Estate (and Queen Street)	202	71	348	219	0	813	0	1380	41%	
Work Package Two										
Chippenham Road	20	12	118	0	0	0	20	138	100%	
Farnham and Hilldene First Phase	90	27	117*	0	0	0	0	117*	100%	
<b>Subtotal</b>	<b>454</b>	<b>120</b>	<b>791</b>	<b>344</b>	<b>0</b>	<b>874</b>	<b>20</b>	<b>2,007</b>	<b>57%</b>	

\*This may be varied to provide fewer, but larger units

Later Phases – Paused for further Review									
Maygreen Crescent	88	23	94	24	0	177	0	295	40%
Delderfield House	14	0	22	0	0	0	0	22	100%
Dell Court	29	0	56	24	0	0	0	80	100%
Oldchurch Gardens	64	22	123	0	0	183	0	306	40%
Brunswick	47	0	54	0	0	0	0	54	100%
RJC	47	0	48	0	0	72	0	120	40%
Farnham and Hilldene Later Phases	0	0	17	58	0	287	0	362	21%
Subtotal Under Review	289	45	414	106	0	719	0	1,239	42%
<b>Total</b>	<b>743</b>	<b>165</b>	<b>1,205</b>	<b>450</b>	<b>0</b>	<b>1,593</b>	<b>20</b>	<b>3,268</b>	<b>51%</b>

A significant effort has been made to ensure those people moving out of their homes find suitable alternative homes that meet their needs and that they are supported through the moving process. Council tenants, leaseholders and freeholders have all received the appropriate support to assist with moves. Council Officers have continued to work with residents to either move them to a new home or purchase their property.

## 6.0 Scheme Review

6.1 The current scheme design and development financial model anticipates that 1,752 new homes will be delivered in Work Package One as per the 2024 update. Table 7 above, shows the existing and proposed units across all the 12 estates.

- 6.2 Based on the 3,268 model (including the paused phases), the 12-sites programme would deliver 51% affordable housing, whilst more than doubling the number of occupied affordable homes across the sites. These figures are summarised for comparison in Table 8 below:

**Table 8: Affordable estimated change**

	Previous	Planned	Change
Total number of homes	991	3,268	+230%
Occupied General Needs homes	551	1,038	+88%
Occupied Sheltered rented homes	224	187	-17%
Low-Cost Home Ownership	0	450	+450
RTB losses	217	0	-100%
Total occupied affordable homes	775	1,655	+114%

## 7.0 Social Value

The Council remains committed to delivering tangible benefits for the local community. The JV has continued its collaboration with local small and medium enterprises, providing employment opportunities such as jobs, apprenticeships, and work placements for local residents.

## 8.0 Financial Review

- 8.1 Phase 1 of WQS will now be 9 and 10 and will be 100% affordable and will include low cost homeownership. The council will be acquiring the St Andrew's Church Parish Hall as part of a land swap deal with the Church of England.
- 8.2 Phase 1, block 9 and 10 will be 100% affordable housing, providing 109 new homes.
- 8.3 WP1 1 New Green & Park Rise – New Green has now been completed and all 71 shared ownership units have been sold. At Park Rise, practical completion was achieved at the end of January 2024.
- 8.4 WP 2 – Chippenham Road – design and planning work is continuing to progress. Demolition on the site is anticipated to begin spring 2025. The design and review process has resulted in a scheme with 138 homes. The latest budget estimates are supported by work undertaken by an independent cost consultant.
- 8.5 WP2 – Farnham Hilldene – design and planning work is continuing to progress, with the objective being to submit a planning application for the comprehensive redevelopment of the estate. Since the previous update, both costs and

revenues have changed reflecting building cost inflation and current interest rates.

- 8.6** To mitigate risk and financial exposure, it is proposed that the development is implemented in phases. The initial commitment would focus on completing Phase 1, which aims to deliver a minimum of 102 new affordable homes and 17 new commercial units. At each subsequent phase, a review will be conducted to identify the most effective strategy, supported by a comprehensive business case. This phased approach may help alleviate some of the revenue challenges associated with relocating commercial businesses.
- 8.7** WP3 & 4 – Red Line Sites (Paused for review) – the current economic volatility has had a significant effect on the programme. These schemes are being monitored and viability and delivery timelines are being kept under review.

## **9.0 Grant Funding Arrangements**

- 9.1** The Council has achieved Approved Provider status with the Greater London Authority. This enables the Council to secure grant funding for our development and buy-back programmes.

It is important that opportunities are taken to secure external grant funding as this underpins the development programme, improves the viability position, and enables the Council's resources to go further.

## **REASONS AND OPTIONS**

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

- 10.1** To increase the amount of affordable housing to be purchased on appropriate terms via a Joint Venture vehicle, to help sustain the HRA over the long term.
- 10.2** To increase the level of family housing and retirement provision in the borough.
- 10.3** To replenish the loss of social homes resulting from right to buy sales in recent years.

### **10.4 Other options considered:**

- 10.5** The Council could reduce the level of affordable housing in the programme and convert some affordable units to private sale to improve overall scheme viability. This would go against the Council's stated policy aims by reducing the provision of affordable housing available to households in need. Reducing the level of affordable housing would have several indirect impacts, including an

increase in the numbers on housing waiting lists and increased cost of homelessness prevention.

## IMPLICATIONS AND RISKS

### **11.0 Financial Implications and Risks:**

This report provides an update on the progress across the 12 Estates programme in advance of a detailed update of the HWR Business Plan, scheduled for submission in Q1 2025/26.

**11.1** A detailed financial assessment will be provided alongside the updated HWR Business Plan.

### **11.2 Financial risks & sensitivities**

**11.3** These are set out in the exempt Appendix B.

### **12.0 Legal implications and risks**

**12.1** This report follows previous reports to Cabinet including the reports in February 2019, 2020, March 2021, February 2022 and 2023 which considered previous JV business plans.

**12.2** The Council has entered into the joint venture LLP with Wates pursuant to a number of powers including the Housing Act 1985, the Housing and Regeneration Act 2008, the Local Government Act 1972, and the general power of competence in Section 1 Localism Act 2011.

**12.3** The Council is now contractually committed to progress the project in accordance with the agreements that have been entered into with Wates and the JV, unless variations are agreed by the parties.

### **13.0 Human Resources Implications and Risks:**

**13.1** There appear to be no HR (Human Resources) implications or risks arising that impact directly on the Councils workforce.

**14.0 Equalities Implications and Risks:**

**14.1** The public sector equality duty under section 149 of the Equality Act 2010 (“PSED”) 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; and (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and to foster good relations between those who have protected characteristics and those who do not. ‘Protected characteristics’ include gender, race and disability, sexual orientation, age, marriage and civil partnerships, religion or belief, pregnancy and maternity and

**14.2** The EQIA (Equality Impact Assessment) for the 12 Estate programme of 2024 assessed the equalities opportunities and risks from the regeneration programme.

This EqIA recommends a series of further actions the Council should take to further mitigate the potential equality risks of the Programme, including the potential for adverse health effects. These include:

- Engaging with residents of the 12 estates that comprise the Programme prior to the commencement of the Programme construction to discuss their needs. For estates in Phase 1, where development has already begun, residents and business owners should continue to be engaged, to ensure their needs are understood and potential risks are mitigated.
- Ensuring that records of the needs of the residents of the 12 estates that comprise the Programme are kept up to date and that discussions are held with particularly vulnerable residents about support with alternative temporary housing elsewhere during the demolition period.
- Ensuring that up-to-date information about construction, including what is going on before, during and after all stages of the process, is shared with residents and operators and users of community resources. Residents should also have the opportunity to provide feedback on any issues which they may experience in a way which is suitable for them.
- Due to the long project lifecycle, ensuring that a review of equality impacts and appropriate mitigation is undertaken by the council in at key future decision stages of the Programme. This should include individual EqIAs (Equality Impact Assessment) for each site where relevant.
- The assessment also identifies that the proposed regeneration of the 12 Estates, has the potential to provide the following opportunities for positive equality effects:
  - Improved provision of affordable and accessible housing;
  - New employment opportunities for residents;
  - Improved public realm;
  - Improved provision of community facilities and improved social cohesion;
  - Improved accessibility through delivery of new active transport infrastructure;



- Opportunities for businesses through the delivery of new commercial space.
- Improved perception of safety and actual safety.
- Gender Reassignment, The Council is committed to improving the quality of life for all and supports wider social and economic growth.

**15 Health & Wellbeing implications:**

**15.1** Havering Council is committed to improving the health and wellbeing of its residents. The provision of good quality and affordable housing is an important determinant of health and wellbeing as housing impacts both our physical and mental health and wellbeing.

**15.2** Inadequate or 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.

**15.3** The Havering Wates Joint Venture partnership is key to delivering Havering's ambitions to provide more good quality, genuinely affordable homes for local people.

**15.4** This will impact positively on individuals and families with housing needs including those on low income by increasing access to the number of affordable, quality homes which will, in turn, reduce risk of ill health and improve their quality of life.

**15.5** A health impact assessment will be undertaken for all the Joint Venture schemes.

**15.6** The Joint Venture has continued to work with local social enterprises providing local people with jobs, apprenticeships, and work placements which will have a positive impact on the health and well-being of residents.

**15.7** The proposals outlined in this report do not give rise to any health and well-being risks.

**16.0 Environmental and Climate Change Implications and Risks.**

There are no adverse Environmental and Climate Change implications of, or risks directly relating to the proposed decision. The focus is on the decision itself, which concerns the approval of the Business Plan and related budget.

The 12 Estates regeneration programme will enable the council to build new affordable homes that will be targeted at high levels of energy performance. As demonstrated at New Green and Park Rise, the design for this development has carefully considered energy requirements, the surrounding environment and animal habitats. Where possible, green, and brown rooves and green spaces that include bat boxes, bird boxes and insect hotels to create safe

animal habitats have been included in alignment with the Havering Biodiversity Action Plan. The developments include electric vehicle charging and cycle storage to facilitate increased non-car journeys and promote green modes of transport.

Later phases of Waterloo and Queen Street will be designed to include 95% air source heat pumps and 5% electric to supply the new estate with energy and power. Air-source heat pumps are a good source of low-carbon energy.

**BACKGROUND PAPERS**

None

**APPENDICES**

- **Exempt Agenda Report** - Financial and Legal Implications & Risks.

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

Document is Restricted

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This Report is part exempt and Appendices A, B and C are not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to the financial or business affairs of any particular person, including the authority holding that information, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

<b>CABINET</b>	<b>PUBLIC AGENDA</b>
<b>Subject Heading:</b>	<b>Mercury Land Holdings (MLH) Business Plan and Budget Update 2025/26.</b>
<b>Cabinet Member:</b>	Councillor Ray Morgon, Leader of the Council.
<b>ELT Lead:</b>	Neil Stubbings, Strategic Director Place.
<b>Report Author and contact details:</b>	Mark Butler Assistant Director of Regeneration & Place Shaping Tel No: 01708 432947 E-mail: <a href="mailto:mark.butler@havering.gov.uk">mark.butler@havering.gov.uk</a>
<b>Policy context:</b>	London Plan 2021 National Planning Policy Framework Havering Housing Strategy 2014-2017 Havering Local Plan 2016-2031 Havering Climate Change Action Plan 2021 Asset Disposal Programme 2022-2028 Medium Term Financial Strategy MLH Business Plan 2023 - 2026.
<b>Financial summary:</b>	This report seeks Cabinet approval to the Business Plan Update proposed by Mercury Land Holding Limited (MLH),

including an updated funding request; this will be considered by the Council as part of the budget setting process.

**Is this a Key Decision?**

Yes - Significant effect on two or more Wards, Expenditure or saving of £500,000 or more.

**When should this matter be reviewed?**

January 2026

**Reviewing OSC:**

Places Overview & Scrutiny Sub-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	x
Resources - Enabling a resident-focused and resilient Council	x

**SUMMARY**

This report seeks Cabinet approval for the updated MLH Business Plan 2025/6 and its associated financial commitments. The Business Plan includes an update to the development programme and re-profiles the existing approved funding envelope, which was previously provided by the Council, to projects set out in the Exempt Report & Appendices. The updated Business Plan does not seek any additional funding commitment.

Cabinet should note that the updated MLH Business Plan 2025/6 will, if approved, provide a funding envelope within which MLH can operate. This is because every individual proposal for scheme funding must be supported by the production of a satisfactory business case, which is then subject to further examination and additional governance, at the appropriate time, before the Council can place MLH in funds. This, in turn, is regulated by legally binding funding agreements between the Council as lender and MLH as borrower.

For those not familiar with MLH, and why it was formed, Cabinet resolved to establish a commercially focused company that would deliver housing for private rent and sale in May 2015. Mercury Land Holdings Limited (MLH) was subsequently incorporated in November 2015. MLH is wholly owned by the Council. Since its formation, MLH has established and manages a portfolio of private rented sector (PRS) homes. It has also developed and sold properties for private sale and affordable rent.

The MLH Business Plan seeks to reaffirm MLH's commitment to significant schemes that are critical for the long term success of the company such as Como Street, but also to new schemes which would deliver additional PRS and sale opportunities, that would support the continued growth of the company.

It is proposed that the Council will dispose of assets (land/buildings) to MLH at market value and that the Council will provide finance to MLH through a combination of equity investment and loans. This will constitute capital expenditure for the Council within its approved Capital Programme, to be financed through Council reserves and/or borrowing. The overall financing arrangements will be subject to an assessment of Subsidy Control (State Aid), long term affordability, risk and return on investment by the Council.

The reallocated funds have been modelled and their impact on the Medium Term Financial Strategy (MTFS) is addressed in the exempt part of this report. This seeks to inform Cabinet of the expected outputs from MLH, as well as advising of any changes in the financial position of MLH and the Council's financial commitments to MLH as an investor.

## RECOMMENDATIONS

1. **Approves** the Mercury Land Holdings Limited Business Plan Update (see Exempt Appendix 3).
2. **Agrees** to delegate authority to the Cabinet Member for Regeneration & Development, in consultation with the S151 Officer, the Strategic Director of Place and the Monitoring Officer, to approve the detailed business cases, related viability assessments and funding requirements for the individual schemes noted within the Business Plan as they may be presented during the business plan period, including the authority to enter into all relevant agreements to give effect to the schemes.
3. **Agrees** that the previously allocated funding in the July 2023-2026 Business Plan to MLH, up to a maximum of £270.1 million, is reallocated to projects as updated in the Exempt Agenda, through a combination of equity investment and Subsidy Control compliant loans.
4. **Note** that the individual schemes are subject to detailed business cases to be approved under delegated authority, as set out in Recommendation 2.
5. **Agrees** to delegate to the Strategic Director of Resources, in consultation with the Assistant Director of Regeneration and Place Shaping, and the Deputy Director of Legal and Governance, the authority to determine the principles and processes by which any assets shall be disposed of and the terms of disposal to MLH.

## REPORT DETAIL

1. **Background**
  - 1.1 In May 2015, Cabinet resolved to establish a commercially focused company that would deliver housing for private rent and sale. Mercury Land Holdings (MLH) was duly incorporated in November 2015. MLH is wholly owned by the Council. Since that time, MLH has established and manages a portfolio of private sector rented homes alongside properties for sale.
  - 1.2 The Council's main objectives for entering into the private sector housing market are to:
    - Contribute to, and where possible accelerate the provision of housing supply in the borough, noting the potential adverse effect that an absence of sufficient housing may have on the economic and social well-being of residents and the local economy;



- Ensure a mix of housing, in terms of type, size and tenure, best matched to the needs of Havering;
- Support the Council's regeneration and growth aims, bringing forward high quality development on regeneration sites in key parts of the borough, notably though not limited to, Rainham along the A1306, and Romford Town Centre; and
- Generate an acceptable financial return to the Council by operating a business.

### **Strategic Context**

- 1.3** One of the most significant changes in the UK housing market in the past decade or so has been the rise of the private rented sector (PRS).
- 1.4** It is becoming increasingly difficult for Havering residents to afford homes. Living in a good standard of home, that is affordable and well maintained is a key determinant of good health and wellbeing. A quality rented sector targeting Havering residents would address the Government's criteria. Affordability, coupled with improved connectivity through Crossrail, makes towns such as Romford more attractive for tenants who are being priced out of more central London boroughs and increasingly some mid-zone locations.
- 1.5** There remains an opportunity for the Council to take advantage of this anticipated tenant growth and deliver good quality, well located and well managed PRS developments that will deliver a financial return to the Borough, as well as assisting in meeting its regeneration objectives.
- 1.6** Havering, like many local authorities, needs to make significant savings and generate additional income in order to meet the challenges presented by reductions in government funding and demographic growth pressures on expenditure in statutory services, to balance its General Fund budget over the medium term.
- 1.7** Given this, the Council is seeking to make broader use of its asset base to generate long term revenue income streams. Traditionally, the Council has sold land to housing providers and developers in order to obtain capital receipts, to provide both market and affordable housing and to meet borough wide housing targets. Whilst this approach may still be used by the Council, the involvement of MLH allows the Council to invest capital resources to generate income streams and to deliver on other Council priorities such as regeneration and the provision of good quality housing. As the Council owns the Company, any assets sold to MLH ultimately remain in the ownership of the London Borough of Havering, thus providing a long-term asset base for future generations.

**2. OPERATION OF MERCURY LAND HOLDINGS**

- 2.1 The 2025/26 Business Plan Update shows that the focus of MLH will be to develop sites within the Council's disposal programme alongside those it has acquired from the open market.
- 2.2 The Company will own the market rental units, and will market and manage the rental of those homes.
- 2.3 Units owned by the Company will be let on Assured Short-hold Tenancies, subject to any changes by HM Government, will not be subject to Right to Buy, or to the allocations provisions of Part VI of the Housing Act 1996.
- 2.4 Any affordable housing units resulting from MLH development activity will be transferred to an appropriate housing partner, which may include the Council as a Registered Provider, but is not limited to the Council.

**Resourcing**

- 2.5 MLH has sufficient capacity to deliver its business plan. As the Company grows and its portfolio expands, its level of resourcing will be reviewed to ensure that it continues to operate as an efficient and sustainable business.

**3. GOVERNANCE**

**Council as Shareholder in MLH**

- 3.1 The Cabinet acts as the shareholder, agreeing MLH's business plan.
- 3.2 In line with the recommendations in this report, the Council's rights as shareholder will continue to be exercised by the Council. Ensuring that there is a robust and up to date Business Plan protects the Council's interests as owner of the company. This will be managed through the Council's corporate governance structure.
- 3.3 The Council sends two shareholder representatives to MLH Shareholder meetings.

**MLH Director Roles**

- 3.4 The Company Board is only made up of Directors with specialist knowledge of the sector. MLH will continue to grow, but until MLH achieves critical mass, the Council will continue to support MLH's board through the involvement of the Council's Chief Executive as a member of the MLH Board. The Company will also continue to be supported by an external, unconnected person who has relevant experience in the house building sector as a Non-Executive Director with voting rights alongside the other MLH Directors. It is noted that

all Directors must, amongst other duties, act in good faith and promote the success of the company for the benefit of the Council as its Shareholder. MLH Directors are required to declare if they have any conflicts of interest at each and every MLH Board meeting.

**3.5** The Directors have ultimate responsibility for directing the activities of MLH, ensuring that it is well run and delivering the outcomes for which it has been established. Directors' responsibilities include the following:

- Delivering the Council approved MLH business plan;
- Setting budgets, policies, plans and monitoring performance of MLH, and setting a framework for internal controls;
- Ensuring compliance with MLH's objectives, purposes and values
- Ensuring the financial strength, solvency and good performance of the company;
- Ensuring MLH complies with all relevant legislation and regulations, as well as the requirements and policies of the Council, where appropriate;
- Dealing with the appointment and appraisal of staff;
- Procuring services necessary for the execution of MLH's objectives.

#### **The Council as Funder**

**3.6** The Council will continue to act as a bank credit committee, whose primary task will be to assess MLH's viability (as an entity) and the viability of each project, which loan funding and equity will be used and, using this analysis, to determine whether to release loan funding to MLH on appropriate business case(s).

**3.7** The Council will regularly monitor and analyse financial information generated by MLH during the lifetime of each loan to ensure that MLH is not in breach of key financial requirements (which are stipulated as funding conditions in each loan).

**3.8** The key areas which the funder role will want satisfied prior to providing funding for a development are:

- That the financial metrics demonstrate that the loan will be repaid;
- There is confidence that the projected rental stream can be maintained and that any sales projections are realistic;
- That base level sensitivities (which will trigger warning signals) for MLH's general performance and each proposed development are properly set and that a sufficient margin is added to the base level to provide reassurance to the funder role. (This will form part of the company's obligations under each loan); and
- That evidence is provided that the terms of financing for each project (loan and equity funding), is Subsidy Control (State Aid) compliant. This advice will be acquired from an expert third party where appropriate.

## REASONS AND OPTIONS

### 4. Reasons for the decision:

- 4.1 The MLH Business Plan Update for 2025/26 provides the Council with the required overview of MLH and its future investment plans. It also provides an appropriate framework within which MLH must operate. The approval of the MLH Business Plan Update 2025/26 would enable the company to continue to grow and to meet the objectives set out in Paragraph 1.2 above, and thus contribute to the financial objectives of the Council.

### 5. Other options considered:

- 5.1 A review of the alternative option of 'do nothing' is not feasible as it would not fulfil the objective of growing the company or meeting the objectives that it was set up to achieve.

## IMPLICATIONS AND RISKS

### 6. Financial implications and risks

- 6.1 The approved Business Plan forms part of the Council's Capital Programme and the capital financing implications of this plan are considered as part of the corporate monitoring, MTFS and annual budget setting process.
- 6.2 The key variances between the previous and updated MLH Business Plan are included in Appendix 2. These are summarised in paragraphs 6.3 & 6.4 below.
- 6.3 The July 2023 Cabinet Report sought a funding commitment of £228.4m including the £20m reactive acquisition fund. The 2025/26 Cabinet report requests the previously agreed funding commitment be reallocated to different projects which better reflect the prevailing market.
- 6.4 The previous 2023-2026 Business Plan, and those preceding it, have outlined the Company's objective of achieving 400 PRS units in its portfolio which will allow it to service its fixed overheads. Rental growth and sale receipts in the interim suggest that MLH may still reach a break-even at 250 units. Nonetheless MLH retains the long-term ambition to achieve 400 units over time.
- 6.5 Please see the Exempt Agenda Report for further information.

**7. Legal implications and risks:**

**General**

- 7.1** The legal implications contained herein relate to the range of projects cited in the MLH Business Plan and generally to the Council in delivering through its wholly owned company. Members established MLH, a company limited by shares and wholly owned by the Council subject to Part V Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. The company's business is the provision of homes for market rent and for sale, and if required through compliance with planning obligations, the construction of affordable homes. Agreement in principle is sought to provide funding to MLH in the form of either equity or loans, and other support and to dispose of Council land to it. Delegations are sought to enable such decisions and finalise the various documents that will be required to facilitate the above, as detailed in the recommendations to this report.
- 7.2** S1 Localism Act 2011 provides the Council with General Power of Competence, to do anything an individual may do subject to statutory limitations. The Council may exercise this power for its own purpose, for a commercial purpose and/or for the benefit of others. Operating a business to let homes at market sale or rent with the intention of making profits is considered a commercial purpose and the Council, in compliance with s4 Localism Act 2011 undertakes that activity through its Company, MLH.
- 7.3** S4 Localism Act 2011 prohibits the Council from engaging in activities for a commercial purpose if legislation requires the Council to fulfil those functions under statutory duties.

**Finance**

- 7.4** S24 Local Government Act 1988 provides the Council with the power to provide a wide range of financial assistance to MLH including making a grant or loan to it and as MLH is a body corporate the Council may under Section 24 (2)(d) acquire share or loan capital in it.
- 7.5** S111 Local Government Act 1972, provides Councils with the power to do anything whether or not involving the expenditure, borrowing or lending of money or the acquisition of property rights which is incidental, conducive or calculated to facilitate the exercise of any of their functions. This would include the exercise of functions under S1 Localism Act 2011. The Council could rely on this power to provide the company with loans and other support such as providing staff and the use of premises. Any support provided must be subsidy control compliant (see below) and will be the subject of agreements between the Council and MLH.
- 7.6** If the Council intends to borrow to lend to MLH, Reg 25 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146) treats the giving of a loan by a local authority to a third party (such as MLH)

towards expenditure (e.g. works on a new buildings) as capital expenditure providing that if the local authority itself incurred that expenditure (it borrowed to undertake the works itself) it would treat that expenditure (under proper accounting practices) as capital expenditure. It should be noted that the Council borrowing to lend to MLH in connection with revenue funding is not permitted. Any Council borrowing must comply with prudential borrowing code under Part 1 Chapter 1 Section 1 Local Government Act 2003, a local authority may borrow for any purpose relevant to its functions or for "the prudent management of its financial affairs"

### **Land disposal and financial assistance**

- 7.7** S32 Housing Act 1985 requires the Council to obtain the Secretary of State's (SoS) consent for the disposal of land held under the Council's HRA. The SoS has issued the General Housing Consents 2013 (the General Housing Consents) which set out circumstances in which the SoS pre-approves/pre-consents to a local authority disposing of HRA land and property. Consent A 3.2 of the General Housing Consents permits the Council to dispose of vacant land. Members should note that vacant land means land where there are no dwellings and/or where any dwellings are no longer capable of human habitation and are due to be demolished.
- 7.8** The Council is entitled to dispose of land held by its General Fund (including buildings) to a third party provided it complies with s123 Local Government Act 1972. This requires it to obtain a consideration which is not less than the best it could reasonably obtain. If the Council disposes of a property at an "under-value" it does require the consent of the SoS (except for limited circumstances such as short term leases).
- 7.9** If the Council was able to sell at an under-value (and remain Subsidy Control compliant) the Council may be able to rely on Circular 06/03 (the Local Government Act 1972 – disposal of land for less than best consideration) which sets out circumstances in which the SoS pre-approves/pre-consents to the disposal of General Fund land at an under-value. If this consent is to apply then the "under-value" (in relation to a disposal) must not exceed £2m and the Council's purpose in making such a disposal must be to contribute to the economic social or environmental well-being of the authority's area and/or its residents.
- 7.10** The finance which Members are requested to approve in principle (whether on commercial terms or otherwise) constitutes 'financial assistance' under the terms of s24 Local Government Act 1988 which permits the Council to provide financial assistance to any other person for the provision of "privately let accommodation". If the Council exercises its powers under this section then under s25 it must obtain the consent of the SoS to do so. The SoS has set out pre-approved consents in the "General Consents 2010" (July 2011 updated in 2014). If the circumstances of financial assistance meet one of the criteria in the General Consents then the SoS consent is given.

- 7.11** S24 Local Government Act 1988 provides the Council with the power to provide a wide range of financial assistance to MLH including making a grant or loan to it and as MLH is a body corporate the Council may under Section 24 (2)(d) acquire share or loan capital in it. The current version of the General Consents 2011 contains Consent C. Under this consent the Council could provide financial assistance to any person.
- 7.12** When exercising its powers, the Council must, as with any other power, have regard to its own procedural rules, the Wednesbury principles of reasonableness and its fiduciary duties. It must also ensure that its powers are used for the proper purpose.

### **Fiduciary Duties**

- 7.13** The Council's fiduciary duties could be briefly summarised as it is acting as a trustee of tax and public sector income on behalf of its rate and Council-tax payers. The Council in effect holds money but does not own it; it spends money on behalf of its business rate and Council tax payers.
- 7.14** In making the decisions concerning MLH, the Council considers whether making investment and or extending loans to that body (and similar activities) should give proper consideration to the risks and rewards of approving the recommendations. In practice Members will want to consider whether the Council will achieve an appropriate return for its risk and that the Council has minimised the risk and potential cost to it if MLH became insolvent and/or defaulted on its loan(s).
- 7.15** Consideration should also be given to whether the Council's involvement in this arrangement is proportionate and properly balanced against the anticipated benefit as well as the wider interests of its local business rate and tax payers. On a practical basis this means that Members should consider whether the monies they are requested to approve for investment/lending, could be better used by the Council for the wider interests of its local tax payers. This should include considering the impact on the Council (and therefore its local tax payers) if MLH became insolvent or otherwise defaulted on loans it had taken from the Council.

### **Subsidy Control (State Aid)**

- 7.16** The Council is required to provide funding and ensure it operates in accordance with the Subsidy Control Act 2022.
- 7.17** It is important that any loans/credit or other support provided to MLH are state subsidy compliant. Loans/credit which the Council generally makes available to MLH must be made on commercial terms and at a commercial interest rate. If the Council subsequently chooses to make an equity investment into MLH its must ensure this is done on commercial terms as a market investor. It will be necessary for the Council to obtain independent confirmation that such

arrangements have been made on commercial terms prior to them being entered into.

**8. Human Resources implications and risks:**

**8.1** There are no HR implications arising for the Council relating to the recommendations in this report.

**9. Equalities implications and risks:**

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

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

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

**9.2** An Equality Impact Assessment was undertaken on the establishment of the private sector focussed Council owned Housing Company, the results of which led the Council to believe its operation will have a positive impact on local residents, businesses and staff.

**9.3** As the Company was established by the Council, its development had to be compliant with the Public Sector Equality Duty (PSED) in the Equality Act 2010 (EA10).

**9.4** There are no adverse equalities implications directly arising from the updated MLH Business Plan. Equalities issues will need to be considered, as appropriate, on a scheme by scheme basis, when individual development projects are being formulated as part of the design and planning process.

**10. Health and Wellbeing implications and risks:**

**10.1** There are no direct implications arising from the proposed provision of funding to MLH.

**10.2** Indirectly, the proposed provision of funding will have a positive impact by enabling new housing to be produced which will help to address the overall



need for new housing in Havering as set out in the Council's Adopted Local Plan.

- 10.3** All new housing will be built having regard to extant planning policy and building control standards. Amongst other things, flood prevention and mitigation measures have been considered, as appropriate, through the planning application process. The new homes will be warm, well-ventilated and conform to appropriate space standards, all of which will help to support individual health and well-being.
- 10.4** The provision of new homes generally can help to support the local economy by providing homes near to employment areas as well as supporting the economy through the operation of the construction sector and associated supply chain.

**11. Environmental and Climate Change implications & risks:**

There are no adverse environmental and climate change implications directly arising from this report, which concerns the updated MLH Business Plan.

That said, the development of the schemes identified in the Business Plan will need to address all planning and building control requirements, which amongst other things, will include consideration of climate change

These will be addressed as individual schemes are brought forward for further approval

**BACKGROUND PAPERS**

**MLH Business Plan Update 2023 – 2026 (agreed at July 2023 Cabinet)**

**EXEMPT APPENDICIES**

**Exempt Appendix 1: Exempt Part of this Cabinet Report.**

**Exempt Appendix 2: Commercial Review of Proposed MLH Schemes.**

**Exempt Appendix 3: MLH Business Plan Update 2025/26.**

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<b>CABINET</b>	5 February 2025
<b>Subject Heading:</b>	Libraries Consultation
<b>Cabinet Member:</b>	Councillor Gillian Ford
<b>ELT Lead:</b>	Patrick Odling-Smee
<b>Report Author and contact details:</b>	Guy Selfe, 01708 433866, guy.selfe@havering.gov.uk
<b>Policy context:</b>	People – things that matter for residents
<b>Financial summary:</b>	The draft Library Strategy 2024-2029, upon which the library consultation was based, included a financial saving on the libraries budget of £300k. The recommendations in this report will achieve close to that saving, of £288k annually.
<b>Is this a Key Decision?</b>	Yes  (a) Expenditure or saving (including anticipated income) of £500,000 or more (b) Significant effect on two or more Wards
<b>When should this matter be reviewed?</b>	March 2026
<b>Reviewing OSC:</b>	Place

**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 Council's budget setting exercise for 2023-24 included proposals to reduce the revenue budget of the Council's library service by £300,000 over two years. This prompted the production of a Library Strategy that would set out how the library service would function in the next few years.

This report seeks approval of the Library Strategy.

Amongst other things, the Library Strategy provided for the potential closure of 4 out of 5 branch libraries.

The report considers the outcome of the consultation on the draft Library Strategy that sought views of stakeholders on the Strategy and on the option for the Council to close up to four branch libraries.

Following careful analysis of all the responses received during the consultation including the public survey, stakeholder feedback, petitions and correspondence received, the condition of the libraries, the Council's ability to invest capital, and the Council funding gap it is considered that Council funding for three branch libraries should cease. This will result in the consequential loss of service of three branch libraries that are recommended to close on 31 March 2025 and achieve an annual saving of £288k.

This report also considers a number of options to mitigate the impact of the decision.

## **RECOMMENDATIONS**

That Cabinet

1. Considers and notes the results of the Library Strategy consultation;
2. Approves and adopts the Library Strategy 2024-29 (as attached to this report);
3. Agrees the closure of three branch libraries from 1 April 2025 as set out in this report;
4. Agrees that the three branch libraries are mothballed from 1 April 2025 and delegates to the Strategic Director of Place the authority to use the branch library buildings for any appropriate meanwhile use, provided that any proposals for the disposal or long term use of the branch libraries be brought to a future Cabinet meeting;

5. Agree that the mitigating actions in section 5 are progressed;
6. Agree that the budget for book stock is continued as set out in this report.

<b>REPORT DETAIL</b>
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## **1. Background**

- 1.1 The Council has a statutory responsibility (a duty set out by law) to provide a local library service in accordance with the Public Libraries and Museums Act 1964. The Act requires each local authority to provide a library service that is “comprehensive and efficient for those that live, work or study in the area”. It is for local decision how the library service best meets this requirement practically, including how many libraries there are, where they are, when they are open and what each one offers.
- 1.2 The guidance document ‘Libraries as a Statutory Service’, taken from the Judicial Review brought against the agreed changes by Lincolnshire Council to its library service contains the following: ‘A comprehensive service cannot mean that every resident lives close to a library. This has never been the case. Comprehensive has therefore been taken to mean delivering a service that is accessible to all residents using reasonable means, including digital technologies. An efficient service must make the best use of the assets available in order to meet its core objectives and vision, recognising the constraints on council resources. Decisions about the service must be embedded within a clear strategic framework which draws upon evidence about needs and aspirations across the diverse communities of the borough’.
- 1.3 The Council’s current statutory library provision consists of ten library sites, together with the Home Library service, the local studies library and a digital and online library.
- 1.4 Against a backdrop of continuing significant financial pressures for the Council, which included the need to request exceptional financial support from the Ministry of Housing, Communities and Local Government in order to set a balanced budget for the financial year 2024/25, the budget included proposals to reduce the revenue budget of the Council’s library service by £300,000 over two years. The library service accordingly developed a draft library strategy which included a set of proposals to close a number of libraries in order to deliver that saving.
- 1.5 The evidence of need to apply for a capitalisation direction from the Government includes a thorough scrutiny of budget making decisions. The Council must demonstrate to the Government it is doing everything in its control to reduce costs and to deliver savings. Without making these difficult

decisions, a request for a capitalisation direction may not be successful which could put further services at risk.

1.6 The draft strategy attached at Appendix A comprised:

- The proposals to reduce the revenue budget of the service by means to closing up to four of the five “branch” libraries (Collier Row, Elm Park, Gidea Park, Harold Wood, South Hornchurch);
- Proposals to reduce the service’s book stock budget by 61% (£161,000) in 2024/25 and £30,000 (from the 2023/24 base) in both 2025/26 and 2026/27;
- A detailed needs and usage assessment which was used to develop the proposals;
- A refreshed vision and strategic priorities to underpin the statutory service in coming years;
- Proposals to develop an investment business case seeking capital funding to improve the quality of the library estate;
- Proposals seeking views on whether a purpose-designed children’s library – either at a fixed site or as a mobile provision – could better meet library need in the future.

1.7 An extensive twelve week consultation on the draft library strategy began on 10 May 2024 and ended on 2 August 2024. Details are set out in section 2 below.

1.8 As part of any consultation on library closures, the Council is obliged to consider any implications arising from the Equality Act 2010. The Council has an equality duty set out in section 149 of the Equality Act 2010 and in carrying out their functions, to have due regard to the need to achieve objectives set in the Act to:

- (a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

1.9 Conclusions drawn from the consultation process are included below.

## **2 Havering Library Strategy 2024-2029 Consultation**

2.1 The consultation on the draft library strategy began on 10 May 2024 and ended on 2 August 2024. The consultation included:

- Online consultation on the draft strategy via the Council’s *CitizenSpace* portal;

- Hard copy paper version of the above, copies of which were made available at all libraries in the borough (hard copy consultations were subsequently manually entered on to the electronic portal);
  - A series of 15 public meetings that were well attended were held across the entire library estate;
  - “SHOUT about Libraries”, a version of the consultation designed for children and young people. The SHOUT consultation commenced in mid-July 2024 and closed in September 2024.
- 2.2 Petitions regarding library closures were submitted at full council. These include the below that are signed by Havering residents as well as people from further afield.
- Harold Wood Library – Councillor Darren Wise - 2036 signatures
  - Gidea Park Library – Councillor Darren Wise – 96 signatures
  - Libraries (Trades Union Council) – Councillor Mandy Anderson – 22 signatures
  - Gidea Park Library – Councillor David Taylor 570 signatures
  - Green Party – 2 signatures
- 2.3 The Havering Council Libraries Consultation gathered insights from 3,399 respondents, and the SHOUT survey aimed at primary and secondary pupils gathered insights from 1,214 residents regarding the usage, importance, and impact of potential closure of libraries within the borough.
- 2.4 There were fifteen public consultation events with at least one being held at each library in Havering.
- 2.5 Any consultation is only informed by those who choose to take part. Although the council considers that it did take active steps to promote the consultation and exhort residents to respond, and taking into account that the volume of response was one of the largest responses in recent council history, the large majority of residents, and in particular non-library users (but residents whose council tax still contributes to library services) chose not to respond. The Council did seek to engage with non-users of the library service through regular publicity regarding the consultation including articles in the Living publication delivered by email to over 60,000 residents in the borough. Just over 6% of respondents to the survey were not library members with a further 2% not sure if they were a library member.

## **Headlines**

- 2.6 The Havering Library Strategy 2024-2029 consultation report is attached as Appendix B. Whilst all of the report should be considered when taking a decision, certain responses are worthy of highlighting here.
- 2.7 The Library Strategy vision is;

‘A service where education, information and inspiration is available for free to all. We exist to cultivate a community of lifelong learners, serves as welcoming sanctuary for people of all ages and empowers our communities with the tools they need to thrive in an ever-evolving world. Together, we build bridges between the past and the future, residents new and old, fostering a shared journey of discovery, enlightenment, and community growth.’

- 2.8 The vision is supported by three strategic priorities;
- (a) Libraries to shape young lives
  - (b) Libraries to bring communities together
  - (c) Libraries to enjoy
- 2.9 The vast majority of consultation responses from the main survey – more than 90% of all responses received – came from residents who declared that they are current library members. Almost two thirds of responses (63%) came from residents whose declared “main local library” was one of the five libraries proposed for consideration of closure.
- 2.10 Two thirds of responses endorsed the service’s proposed refreshed vision, with 20% disagreeing. Library members provided valuable evidence on the activities they enjoy and pursue in libraries and on what other services libraries could provide. Despite the broad range of services that libraries provide, books are still the bedrock of the service and remain as the most frequently used service at a library.
- 2.11 More community programmes and events (59%) more digital and online resources (26%), job search assistance (24%) and enhanced language learning resources (21%) were cited by respondents as events or activities they wanted to see more of in libraries.
- 2.12 The vast majority of responses (more than 82%) declared that they either disagreed or strongly disagreed with the proposal to close four of the five branch libraries. Just under 10% of respondents either strongly agreed or agreed with the proposals and 7% told us they neither agreed nor disagreed with the proposals.
- 2.13 The draft strategy identified that those whose means of access to the library is currently on foot (with a particular focus on the elderly, disabled people, parents and children) were likely to be negatively impacted by library closures as proposed. In the consultation we asked a number of questions to develop evidence on transport options.
- 2.14 A large majority of respondents, more than 76% of all responses received, told us that their usual mode of travel to the library was on foot. 29% told us they travel usually by car and 20% by bus or train.
- 2.15 More than 58% of respondents told us they were somewhat or very reliant on public transport if they had to access another library in the event of their local site closing. 59% told us they had some or significant concerns about the

reliability or availability of local transport options for accessing alternative libraries.

- 2.16 The qualitative data received during the consultation, either via free text boxes in the consultation or at public meetings, echoed these concerns. We heard very clearly from a large number of residents, particularly older residents, who travel on a limited basis in the borough and usually visit only familiar places – shopping districts, restaurants, supermarkets etc. Some residents told us that they would not be able to visit a different library if their nearest one was to close, while others told us that crossing major arterial routes (such as the A12 to reach Harold Hill library in the event of Harold Wood closing) would be a significant barrier.

### **SHOUT survey**

- 2.17 The SHOUT survey of primary and secondary aged children and young people, attached at Appendix C, received 1,214 responses. The majority of respondents, 76.6% were in primary schools years 1-6, whilst 22% were in secondary school years 7-13. A small percentage did not answer this question.
- 2.18 On frequency of visits to a library, 11.2% visited a library more than once a week, 21.7% visited once a week, 28.7% once a month and 38.4% less often than once a month.
- 2.19 When asked which is their local library, just over half of respondents at 52.7% cited one of the branches listed in the draft library strategy as one that might close. 7.5% of respondents stated they did not know which their local library was with the remainder citing one of the larger main libraries.
- 2.20 Respondents were asked what are some of the things you would feel or experience if your local library closed. The largest response of 70.3% stated they would not be able to borrow books anymore. 47.7% said they would not have anywhere quiet to go and 39.3% would miss going to library events or activities. 31.8% said they would use their school library, 26.7% said they would not have somewhere to go after school and 14.7% would not have access to computers or technology.
- 2.21 When asked if they would be able to visit another branch library if their branch was to close, 41.8% said they could not go by themselves, 40.8% said the other library is too far away and 38.6% said travelling to another library would be difficult. 30.7% said they could visit another library.
- 2.22 A further question about the impact felt if their local library closed resulted with 30.9% saying it would make things difficult for them, 30.2% said it would make life worse. 22.3% said it would be ok, with 16.6% saying it would not affect them at all.

### **Equalities**

- 2.23 More than 70% of respondents answered one or more equalities question in the consultation. From this data, we can understand that there is no outlier in the age range of respondents, which reflects a service used regularly by a broad cross-section of residents. The age range with the largest volume of responses – 19%, was from those who told us they are between 35 and 44 years of age. Respondents aged 65-74 (14%), 55-64 and 45-64 (both 13%) were next highest in volume. Residents aged 75 and over (7%) and 25-34 (6%) followed, with just 1.5% of responses coming from those who told us they were aged up to 24. 22% of responses either did not answer the question or selected that they preferred not to say.
- 2.24 Nearly 25% of respondents did not tell us their gender. 57% of responses came from people who told us they are female and 18% from people who told us they are male.
- 2.25 More than 2,500 responses were received from residents who told us whether or not they have a disability, impairment or health condition. Of that figure, 19% told us they do have a disability, impairment or health condition. Declaration of a long-term illness or health condition accounted for most responses (7%), followed by sensory disability or impairment (5%), mental health condition (4%) and physical impairment or disability (4%).
- 2.26 A significant majority of respondents (nearly 75% of responses received) told us they were concerned or significantly concerned about the availability of alternative accommodations or services for individuals with disabilities if the library were to close. More than 750 responses (23%) were received telling us that the closure of a nearest library impact would impact or significantly impact ability to access other libraries due to a disability.

### **3 Proposed Library Closures**

- 3.1 As set out above, a permanent £300k saving on the libraries revenue budget over a two year period was agreed by the Council in its 2023-24 budget. That can only be realistically achieved by reducing the number of libraries. Section 8 of this report provides consideration of options other than closure. The draft Havering Library Strategy 2024-29 included proposals to close up to four out of the five branch libraries. The branches put forward were:
- Collier Row
  - Elm Park
  - Gidea Park
  - Harold Wood
  - South Hornchurch
- 3.2 The branch libraries were initially earmarked for potential closure as these five branches account for less than a quarter of library visits across the existing ten libraries, with more than three quarters of all visits, book issues



and the vast majority of IT and WiFi use occurring at the current five main libraries.

- 3.3 The condition of the library estate requires significant investment in order to maintain the current condition.
- 3.4 The consultation proposed the potential closure of up to four branch libraries, in order to meet the required budget saving. However, the Council is mindful of the importance of local libraries, as evidenced within the consultation, the petitions received by the Council and the equalities assessment. As such, after careful consideration, it is recommended that only three branch libraries should close instead of four as stated as a maximum in the draft Library Strategy 2024-2025 consultation.
- 3.5 There would then be seven libraries remaining in Havering mitigating some of the impact of losing three branches. The remaining seven libraries account for 80.1% of all visits to the existing ten libraries in 2023/24 and 84% of all book issues in 2023/24. The financial impact of closing three branches instead of four is covered in the financial implications and risks section of this report.
- 3.6 Whilst proposing which branches to close is not easy, the rationale is explained below along with the likely impacts of the decision to close the three branch libraries recommended. A full needs assessment that considers all the libraries in Havering is included within the draft Havering Library Strategy 2024-2029 at Appendix A. The decision making criteria adopted by the Council seeks an objective basis by reference to the available data, as informed by the needs assessment.
- 3.7 The three branches recommended to close are:
- Gidea Park
  - Harold Wood
  - South Hornchurch
- 3.8 The table below highlights the factors considered when recommending closures and risks for each branch recommended for closure that decision makers need to be aware of when considering the recommendations of this report. The data presented is drawn from the borough's Joint Strategic Needs Assessment 2023 and 2021 Census data;

<b>Gidea Park Library</b>	
<b>Factors Considered when Recommending Closure</b>	<b>Risks</b>
Closure would contribute £87k towards the budgeted library service saving of £300k.	Gidea Park library is deemed to serve the following areas: Squirrel's Heath, Marshalls and

<p>Closure would prevent the need for capital investment required of £200k+ as identified in a non-intrusive, visual inspection only condition survey. This sum is expected to be higher if a full intrusive condition survey were carried out to include mechanical and electrical.</p>	<p>Rise Park, St Edwards, St Albans and Emerson Park. Other branches are also deemed to serve these areas, for example St Edwards is also served by Romford library. The data below is in comparison to other areas in Havering that are in the highest third indices. Considerations to inform decision makers when considering closure of Gidea Park library are:</p> <ul style="list-style-type: none"><li>• Households where no member has English as main language – England average is 5% - St Edwards 8.3%, St Albans 11.1%</li><li>• Unemployment (% of residents claiming JSA/UC) – England average 3.8% - St Edwards 4.8%,</li><li>• Access to car (% of residents who do not own a car or van) – England average 23.5% - St Edwards 35.9%, St Albans 31.9%</li><li>• Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – St Albans 15.2%</li><li>• Community safety (crime rate) – England average 88.2 – St Edwards 232.9, St Albans 74.0</li><li>• Children (% of population made up of children aged 0-15) – England average 18.6% - St Edwards 19.4%, Squirrels Heath 19.1%, St Albans 21.3%,</li><li>• Older people (% of population aged 65+) – England average 18.4% - Marshalls and Rise Park 23%, Emerson Park 24.9%</li><li>• AHAH Index (higher score = poorer health related</li></ul>
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	environment) – England average 23.2 – Marshalls and Rise Park 24.9, St Edwards 31.2, St Albans 33.8
In terms of visits to libraries in 2023/24, Gidea Park with 37,000 visits is the third lowest number of visits across ten branches in Havering.	
The next nearest library, Hornchurch, is 1.4 miles away and Romford is 1.5 miles away. Travel time from Gidea Park library to Hornchurch library is approximately five minutes by car, eleven minutes by bus and a 27 minute walk. These times are only a guide as local conditions might affect the time taken.	

<b>Harold Wood Library</b>	
<b>Factors Considered when Recommending Closure</b>	<b>Risks</b>
Closure would contribute £101k towards the budgeted library service saving of £300k.	<p>Harold Wood library is deemed to serve the following areas: Gooshays, Heaton, Harold Wood and Cranham. Other branches are also deemed to serve these areas, for example Gooshays is also served by Harold Hill library. The data below is in comparison to other areas in Havering that are in the highest third indices. Considerations to inform decision makers when considering closure of Harold Wood library are:</p> <ul style="list-style-type: none"> <li>• Educational attainment (% of residents 16+ with no qualifications – England average 18.1% - Gooshays 24%, Heaton 24.9%;</li> </ul>
Closure would prevent the need for capital investment required of £140k+ as identified in a non-intrusive, visual inspection only condition survey. This sum is expected to be higher if a full intrusive condition survey were carried out to include mechanical and electrical.	

	<ul style="list-style-type: none"><li>• Households where no member has English as main language – England average is 5% - Gooshays 5.1%, Heaton 6.3%;</li><li>• Unemployment (% of residents claiming JSA/UC) – England average 3.8% - Gooshays 6.1%, Heaton 6.3%;</li><li>• Access to car (% of residents who do not own a car or van) – England average 23.5% - Gooshays 26.9%, Heaton 29.6%;</li><li>• Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – Gooshays 20.1%, Heaton 20.3%;</li><li>• Disability (disabled under Equality Act) – England Average 17.3% - Gooshays 17%, Heaton 17.8%</li><li>• Community safety (crime rate) – England average 88.2 – Gooshays 66.7, Heaton 101.3;</li><li>• Children (% of population made up of children aged 0-15) – England average 18.6% - Gooshays 24%, Heaton 24.6%, Harold Wood 21.3%, Cranham 18.8%;</li><li>• Children – number of households with children living in relative poverty – England average 19.5% - Gooshays 20.5%, Heaton 21.4%;</li><li>• Older people (% of population aged 65+) – England average 18.4% - Cranham 22.9%</li><li>• AHAH Index (higher score = poorer health related environment) – England</li></ul>
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	<p>average 23.2 – Gooshays 24.9, Heaton 29.8;</p> <ul style="list-style-type: none"> <li>Community needs rank (data analysing the social and cultural factors that can impact upon peoples outcomes) – England average 16,998 – Gooshays 2,021, Heaton 3,366.</li> </ul>
In terms of visits to libraries in 2023/24, Harold Wood with 30,000 visits is the second lowest number of visits across ten branches in Havering.	The A12 was considered a barrier to accessing Harold Hill library from Harold Wood and was raised during the consultation as a key factor in some residents not using Harold Hill library as an alternative.
The next nearest library, Harold Hill, is 1.4 miles away. Travel time from Harold Wood library to Harold Hill library is approximately five minutes by car, sixteen minutes by bus and a 25 minute walk. These times are only a guide as local conditions might affect the time taken.	

<b>South Hornchurch Library</b>	
<b>Factors Considered when Recommending Closure</b>	<b>Risks</b>
Closure would contribute £100k towards the budgeted library service saving of £300k.	<p>South Hornchurch library is deemed to serve the following areas: South Hornchurch, Beam Park, Rainham and Wennington. Rainham branch is also deemed to serve these areas. The data below is in comparison to other areas in Havering that are in the highest third indices. Considerations to inform decision makers when considering closure of South Hornchurch library are:</p> <ul style="list-style-type: none"> <li>Educational attainment (% of residents 16+ with no qualifications – England average 18.1% - Beam Park</li> </ul>
Closure would prevent the need for capital investment required of £75k+ as identified in a non-intrusive, visual inspection only condition survey. This sum is expected to be higher if a full intrusive condition survey were carried out to include mechanical and electrical.	

	<p>21.8%, Rainham and Wennington 23.4%;</p> <ul style="list-style-type: none"><li>• Households where no member has English as main language – England average is 5% - Beam Park 5.8%, Rainham and Wennington 5.5%;</li><li>• Unemployment (% of residents claiming JSA/UC) – England average 3.8% - South Hornchurch 5.2%, Beam Park 7.5%, Rainham and Wennington 4.7%;</li><li>• Access to car (% of residents who do not own a car or van) – England average 23.5% - Beam Park 27.3%;</li><li>• Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – South Hornchurch 15.4%, Beam Park 18.1%, Rainham and Wennington 16.4%;</li><li>• Disability (disabled under Equality Act) – England Average 17.3% - Beam Park 15.6%;</li><li>• Community safety (crime rate) – England average 88.2 – South Hornchurch 65.1;</li><li>• Children (% of population made up of children aged 0-15) – England average 18.6% - South Hornchurch 20.7%, Beam Park 24.1%, Rainham and Wennington 20.2%;</li><li>• Children – number of households with children living in relative poverty – England average 19.5% - Beam Park 22.5%;</li><li>• AHAH Index (higher score = poorer health related</li></ul>
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	<p>environment) – England average 23.2 – South Hornchurch 31.2, Beam Park 32.2, Rainham and Wennington 28.5;</p> <ul style="list-style-type: none"> <li>• Community needs rank (data analysing the social and cultural factors that can impact upon peoples outcomes) – England average 16,998 – Beam Park 10,409, Rainham and Wennington 13,934.</li> </ul>
<p>In terms of visits to libraries in 2023/24, South Hornchurch with 19,000 visits is the lowest number of visits across ten branches in Havering.</p>	
<p>The next nearest library, Rainham, is 1.1 miles away. Travel time from South Hornchurch library to Rainham library is approximately four minutes by car, six minutes by bus and a 22 minute walk. These times are only a guide as local conditions might affect the time taken.</p>	

3.9 It is considered relevant to highlight that some residents currently have as far, or further to travel with the existing ten branches than residents that will have to travel to an alternative branch if the recommendations of this report are agreed. Examples of this are included below:

<b>Area</b>	<b>Car</b>	<b>Bus</b>	<b>Walk</b>
Bridport Avenue to Romford Library – 1.7 miles	5 minutes	13 minutes	29 minutes
Clay Tye Road to Upminster Library – 2.9 miles	7 minutes	15 minutes	54 minutes
Laburnham Gardens to Upminster Library – 1.9 miles	6 minutes	24 minutes	37 minutes

3.10 Local Insight estimates that there are 285,744 people currently living within 1.5 miles of a Havering library. Proposed closures of Gidea Park, Harold Wood and South Hornchurch libraries would mean that there would be an estimated 272,165 people living within a 1.5mile radius of a Havering library.

This is a reduction of 4.8%. Please note that the Havering population is 262,057 (populations from neighbouring local authorities are also within 1.5mile radius of LBH libraries).

3.11 For the two branches not being recommended for closure, Collier Row and Elm Park, the following reasons are included for consideration:

- (a) Collier Row has slightly more visits in 2023/24 than the three branches recommended for closure;
- (b) Collier Row is also the most remote library from any other library in the borough with further distance and travel times to other branches if it were to close;
- (c) Elm Park has the highest number of visits, 44,000 in 2023/24 of all of the smaller five branch libraries.
- (d) The condition of Elm Park, being the newest of the five smaller branch libraries, is the best and requires significantly less investment than others.

3.12 The following table summarises against a number of considerations for the five branches considered for closure.

**Ranking scoring:**

**Saving** – Highest saving scores 5, lowest saving scores 1

**Investment required** – Highest investment required scores 5, lowest investment required scores 1

**Visitor Numbers** – Lowest visitor numbers scores 5, highest visitor numbers scores 1

**Distance to nearest branch** – Nearest distance scores 5, furthest distance scores 1

	Saving	Investment Required	Visitor no.	Distance to next nearest branch	Ranking Total
Gidea Park	£87k	£200k	37,000	1.4 miles	
Gidea Park Ranking	1	4	3	3.5	<b>11.5</b>
Harold Wood	£101k	£140k	30,000	1.4 miles	
Harold Wood Ranking	4	3	4	3.5	<b>14.5</b>
South Hornchurch	£100k	£75k	19,000	1.1 miles	
South Hornchurch Ranking	3	2	5	5	<b>15</b>
Collier Row	£90k	£300k	38,000	2.2 miles	



Collier Row Ranking	2	5	2	1	<b>10</b>
Elm Park	£110k	£15k	45,000	1.8 miles	
Elm Park Ranking	5	1	1	2	<b>9</b>

3.13 Using the ranking system above provides the rationale for recommending the three branches for closure – Gidea Park, Harold Wood and South Hornchurch.

3.14 Human resource implications arising from three branch library closures will result in 15 posts that will be affected and deleted. Of the 15 posts, 7 are filled by employees on permanent contracts, 8 are filled by employees on fixed term contracts, there are no agency workers and no vacancies. Subject to the recommendations in this report being agreed, the permanent employees will be relocated to vacant posts in other libraries and all those on fixed term contracts will have their contracts ended, then pooled together to apply for vacant permanent posts elsewhere in the library structure under the Council's Redeployment policy. Whilst technically there might be some 'redundancies' resulting from more fixed term contract employees than appropriate vacancies available in the structure, this is not expected to result in any redundancy payments being made.

3.15 Following the library consultation, the Deputy Leader and Cabinet Member for Adults and Wellbeing wrote to the Government's Minister for Creative Industries, Arts and Tourism, despite receiving a response, they could not provide any commitment to providing funding that could prevent library closures.

### **Needs Assessment Conclusions**

3.16 The needs assessment, assessing multiple factors, demonstrates a broad need for libraries across the borough. Every area has some level of need for a library and that with limited resources, difficult decisions need to be made about where the Council spends its resources. The following conclusions have been identified from the needs assessment:

- (a) The five main libraries (Harold Hill, Hornchurch, Romford, Upminster and Rainham) serve three quarters of all visits and issues, the vast majority of Wifi access and IT use and are easily accessible for the vast majority of the borough by public transport;
- (b) These main libraries serve catchment areas which include large and growing numbers of children aged 0-15 as well as growing populations of adults aged over 60. They are also in general the libraries in the best condition (although it should be noted that Hornchurch Library in particular will require significant investment within the next five years in order to maintain its operation);

- (c) There is therefore a strong evidence, based on the needs assessment and other factors, for the retention of these five main libraries as part of the future delivery model.

3.15 The impact of closing three branch libraries would be:

- (a) The total provision of statutory library services in the borough would reduce from 370 hours to 298 hours per week, a reduction of 19.5%;
- (b) More residents live further away from their nearest library and journeys that were able to be made on foot would now only be achievable mostly by using public transport, car or bicycle;
- (c) Some areas experiencing high levels of deprivation and/or serving large and growing populations of children or older adults would lose a nearby library. This could mean that children are unable to access libraries and the library offer at key points in the year. One potential impact could be uptake of the summer reading challenge and it is feasible that such a reduction in service could have a longer-term impact on educational attainment and adult literacy;
- (d) Concentrating the service on a provision of seven fixed sites is likely to make more effective use of capital funding when available to adequately maintain the library estate and make future improvements to condition and look and feel at each site.

3.16 The Council's proposed statutory library provision with the recommended changes consists of seven library sites together with the Home Library service, the local studies library and the digital online library. This revised provision is considered to mean that the Council will continue to meet its statutory duty.

#### **4 A Children's Library for Havering?**

- 4.1 The consultation provided for early engagement with library users in the larger survey on a proposal to explore whether a purpose-designed Children's Library – either at a fixed site in the borough or as a mobile service – could contribute to service development and respond to demographic change in future years. The draft strategy was clear that any development would require growth and was not proposed at the expense of the loss of any current library site.
- 4.2 In consultation, respondents gave mixed views on the proposal. 32% of responses told us they were likely or very likely to use such a facility and gave feedback on the range of facilities such a library could contain. There was a particularly strong response from those indicating that such a facility should contain opportunities to develop more activities and materials for children with special educational needs and disabilities. The proposal was however, as could be expected, overshadowed by the consultation on library closures. Many attendees of meetings told us they would prefer children's sections of libraries to be improved rather than a new library to be commissioned. There was no consensus on what form that library should take either – some

residents accepted that a mobile library for children could mitigate anticipated reductions in classroom visits to local libraries in the event of closures, while others questioned whether a mobile provision could replace a building. The geography of the borough, one based on localities rather than an acknowledged centre, was cited by those who did not feel a fixed site library to be workable.

- 4.3 The SHOUT survey also included questions on the provision of a children's library. When asked would you prefer a new library for young people or to improve your current library, 60% said they would improve their current library. Only just under a quarter of responses said they would prefer a children's library.
- 4.4 Given the consultation responses it is not proposed to consider further a children's library, however, in any future plans and investment, consideration is recommended to be given to improving the children and young people's sections of existing libraries. Further consultation will be required to seek the views of children and young people on what they would like to see as improvements.

## **5 Mitigating Actions**

- 5.1 Action to mitigate the closure of three branch libraries if the recommendations of this report are agreed include the following;
- (a) The library website will be updated with bus and train information, as well as information for nearby car parks and disabled car parking spaces. Available car parking at libraries will be assessed to ensure that parking is available for those who need it most;
  - (b) We will work with partners to support provision of information on active and alternative travel;
  - (c) Digital support will be targeted at those who most need it, including older people, users with a disability;
  - (d) Better marketing and promotion of the e-library service offer is needed;
  - (e) Familiarisation visits to other libraries will be offered to older people and families with young children;
  - (f) Further work will be carried out to expand the number of library volunteers able to meet increased housebound delivery demand. As part of this service, we will promote more the use of the Family and Carers Card, enabling cardholders to select and issue stock on behalf of housebound users;
  - (g) Provide an outreach offer targeting schools and community settings which serve communities affected by library closures;
  - (h) For the affected schools, encourage the adoption of the Teachers Card, which enables bulk stock issue with an extended borrowing period;
  - (i) The service will prioritise promoting activities and initiatives, such as the Summer Reading programme and online events like author

sessions, to encourage participation. The service will collaborate with affected schools to provide book stock from the closed libraries that will not be relocated to alternative locations;

- (j) Seek locations for a book swap service for communities where branch libraries have closed;
- (k) Consider ways of providing more flexible space in libraries, such as using unbooked meeting room space as study space in busy periods such as examination season;
- (l) Explore capital-funding opportunities to invest in the remaining libraries.

5.2 Of the three proposed closures, detailed work and active discussions continue to take place around the re-provision of a library service in Harold Wood and the possibility of an enhanced community offer in South Hornchurch subject to the schemes being financially viable. Work is also taking place looking at alternative locations for non-library support activities and groups that would be displaced as part of any closures.

## **6. Pre and Post Decision Position**

6.1 Should the recommendations of this report be agreed, attached at Appendix D is the position of a statutory library service as set out in the Public Libraries and Museums Act 1964 both before and after the decision. The position after the decision is still considered to provide a statutory library service with the evidence provided through the needs assessment, the public consultation and then reflected within the content of this report.

## **7. Conclusions**

7.1 It should be noted that the Council does not wish to reduce library provision at all. However, the financial difficulties facing the Council make it imperative to make difficult choices.

7.2 The initial proposal was to close up to 4 of the 5 branch libraries. However, after reviewing the consultation responses, equalities information and the other information provided in this report, it is recommended that only 3 branch libraries close, rather than 4. This seeks to balance the Council's legal obligation to set a balanced budget and its responsibilities to the Borough.

7.3 When considering the decision as to whether to close three branch libraries, Gidea Park, Harold Wood and South Hornchurch, as well as the consultation response and needs assessment, the following are recommended to be taken into account.

7.4 Budget – there is a £300k saving budgeted within the libraries budget that cannot be met by other means than closing three branches. Even with closing three branches, the revenue saving is £288k so just falls short of the budgeted saving.

- 7.5 Capital – the capital required to invest in ten branch libraries is not available due to the ongoing financial situation for the Council. Whilst it will still be incredibly challenging to provide capital even for seven libraries, it will absolutely not be possible for ten branches.
- 7.6 Usage – the three branch libraries recommended for closure have the lowest visitor number in 2023/24 of all ten libraries.

## REASONS AND OPTIONS

### **8. Reasons for the decision:**

- 8.1 The Council's Medium Term Financial Strategy includes a £300k budgeted saving for the library services budget - £150k for 2024/25 and a further £150k for 2025/2026. The overall financial position of the Council also influences the need to find these savings as all the decisions now required to do so are difficult and likely unpopular.
- 8.2 In order to achieve this saving, the only option considered viable and realistic, whilst still providing a statutory library service as set out in the Public Libraries and Museums Act 1964, is to close libraries. Whilst the saving with closing three branch libraries just falls short of the £300k required at £288k, the needs assessment and consultation responses have influenced the decision not to over achieve on the budget saving required by closing a fourth branch.

### **Other options considered:**

- 8.3 Do nothing – this is not an option as the budget saving is required to meet the Council's legal responsibility to set a balanced budget.
- 8.4 Achieve the required budget saving without closing three branches as recommended – the library service over the recent years has seen the budget reduced quite substantially. It is now at a position that to achieve the savings required, and to limit the capital investments required for the library branches, branch closures are the only realistic option. This option has been rejected.
- 8.5 Close fewer branch libraries i.e. close one or two libraries instead of three. This has been rejected as there would still be a sizable shortfall in the budgeted saving for libraries. However, it should be noted that the Council is proposing to close only 3 branch libraries, rather than 4.
- 8.6 The draft Havering Library Strategy 2024-2025 at Appendix A considers other library models, all of which have been rejected. These are:

- (a) Community managed libraries – these run in one of two ways:

- Libraries are operated entirely by community groups or organisations in space not funded by the Council (although council owned space to lease may be available). These libraries would not form part of the statutory library service.
- Libraries run on a day to day basis by community groups or organisations. In order to remain part of the statutory service, the library would need to benefit from funding, support for infrastructure (buildings, IT connections) and professional librarian support.

The Council consulted in 2019 on proposals that would see some of the branch libraries transferred to become community managed if local appetite to do so could be evidenced. At that point, and at no point since then – has that local appetite been evidenced.

The draft Havering Library Strategy 2024-2025 included community groups or associations to express a desire and capacity during the consultation to take over the running of a branch library proposed for closure for consideration. No such expressions of interest were received.

(b) Contracted out library service

Some library services nationally are delivered on behalf of rather than directly by the Council. These services take a number of different forms, including contracted directly by private sector organisations, mutualised services (a service which was in the public sector, continues to deliver public services, and has a significant degree of employee control) or services run on behalf of Councils by charity partners on a contracted-out basis.

Desktop analysis has not identified that such a delivery model could guarantee statutory service delivery or delivery of library and broader council outcomes within the Council's current funding envelope.

(c) Replacement of branch libraries with a mobile library

This was rejected due to the set up and ongoing operational costs of a mobile library meaning the service was unlikely to deliver the required savings. In addition a mobile library is considered unlikely to adequately serve the geography and demographics of the borough, particularly that funding such a service may well impact on either opening hours elsewhere in the estate or other services such as the housebound service.

(d) Closure of no libraries but achieve required saving through reducing by half the opening hours in each library.

This option was not considered to be viable because it would result in a reduction of cumulative opening hours from 370 hours to 180 hours a week. Also, such a reduction in opening hours would be unlikely to meet the Council's statutory obligations.

- 8.7 Within London alone there are six boroughs, including Havering, either proposing changes to library provision or having already closed branches. These are difficult decisions to take, but other boroughs, like Havering, are having to consider such decisions. Other areas outside of London are also considering and proposing changes to library provision, some 18 county or borough authorities.

## IMPLICATIONS AND RISKS

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

The recommendation within this cabinet report to close three libraries across the borough would result in annual revenue savings of £288k per annum. The savings per library are broken down below, most of the saving is from staff costs and the remainder is the running costs of the premises.

<b>Branch</b>	<b>£'s</b>
South Hornchurch	100,000
Harold Wood	101,000
Gidea Park	87,000
<b>Total</b>	<b>288,000</b>

Against a backdrop of continuing significant financial pressures for the Council, which included the need to request exceptional financial support from the Ministry of Housing, Communities and Local Government in order to set a balanced budget for the financial year 2024/25. The budget included proposals to reduce the revenue budget of the Council's library service by £300,000 over two years. £288k is the full year saving that is achievable from the closure of the three libraries, alternative options will need to be considered for the shortfall of £12k to be achieved.

The savings figure proposed include some assumptions. A full year of business rates savings have been assumed within the savings figure of £288k. Empty properties receive three months relief from business rates but if the libraries remain dormant then business rates will continue to be payable after the 3-month relief period which would mean the saving would be under achieved whilst the libraries are left dormant. The business rate element of the saving amounts to £23k for the full year and £17k including the 3-month relief.

The second assumption included within the savings figure is that the income from the nursery based at South Hornchurch will continue. South Hornchurch is one of the libraries that is in scope for closing and this site also leases space to a nursery setting. The saving of £288k assumes that the nursery will continue to lease this space, and that the income is still forthcoming. The nursery setting currently holds a lease for the space they are renting but there is a risk at the end of the lease period that this income may not continue.

There is also a risk that if the sites remain empty, other costs could materialise such as security costs, hoarding, removals and service cap offs, this would also impact on the savings delivery. The estimated annual costs of retaining the dormant library sites are detailed below.

<b>Branch</b>	<b>£'s</b>
South Hornchurch	43,000
Harold Wood	43,000
Gidea Park	41,000
<b>Total</b>	<b>127,000</b>

The recommendation is that the three libraries will close on 31st March 2025 and therefore the full £288k saving will be able to be achieved in 2025/26, there is a risk that if the closing is delayed this will impact on the savings achievable in 2025/26, however dependent on how long the sites remain dormant determines how much of the above costs will be incurred. If the full amount of mothballing costs are incurred in 2025/26, the total amount of saving that could be achieved in 2025/26 is £161k. The costs below are estimates and could vary.

The saving can only be achieved in full when there are no longer any mothballing costs on the empty premises for a full financial year. Careful consideration needs to be given to the timing of the closing of the libraries in order for savings to be fully realised.

The libraries have had a visual condition survey which has identified that significant capital investment would be required in the buildings and therefore keeping the libraries would add additional pressure to the Council in the mid to long term. Closing the three libraries, would result in the avoidance of this capital investment and the reduction of revenue expenditure of £300k to Havering once the buildings are disposed of. For the three branches recommended for closure, the capital required to address the visual condition surveys is at least £415k. This does not take into consideration more extensive repairs and investment an intrusive condition survey might identify, including mechanical and electrical not included in the visual survey.

**Legal implications and risks:**

The Council has a statutory responsibility (a duty set out by law) to provide a local library service in accordance with the Public Libraries and Museums Act 1964. The



Act requires each local authority to provide a library service that is “comprehensive and efficient for those that live, work or study in the area”. It is for local decision how the library service best meets this requirement practically, including how many libraries there are, where they are, when they are open and what each one offers.

There is no specific legislative process applicable to potential library closures. However, the Council needs to make an assessment as to whether it can provide a “comprehensive and efficient library service” where changes to the service (including closures) are planned. The Council is obliged to consult on the proposals before the Cabinet makes its final decision. Further, the Council will need to have regard to its Public Sector Equality Duty, potentially by way of an equality impact assessment. It appears that each of these considerations have been met.

**Human Resources implications and risks:**

The recommendations contained within this report will be managed in accordance with the Council’s HR policies and procedures.

**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.

An equalities impact assessment has been carried out and it is attached to this report at Appendix E.

**Health and Wellbeing implications and Risks**

The closure of three library branches will negatively impact the mental well-being and access to information of the users of those libraries who source information from those libraries and who spend a substantial amount of their time reading books and periodicals or accessing the internet with the support of staff. Although there are no statistics about the regular users of the three specific libraries, People with disability are more prevalent among the consultation responders (19%) than in

the Havering population (15%). Nonetheless, the nearest remaining libraries are less than 1.5 miles away, and the three libraries proposed to be closed have lower footfalls, so the implication will be lower than closing other libraries. Therefore, although the closure of those three libraries will negatively impact the well-being of the users, this option will have the least negative impact on health and well-being.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The proposed closure of three libraries will see a reduction in energy use and greenhouse gas emissions across the library estate.

However, the closure might impact sustainable transport options if the libraries were accessible by public transport or walking. This could lead to increased car usage across the borough if people need to travel further to access library services

To support the circular economy, we should consider reusing equipment and furniture from the closed library buildings rather than sending them to landfill.

**BACKGROUND PAPERS**

None

# Havering Library Strategy 2024 - 2029

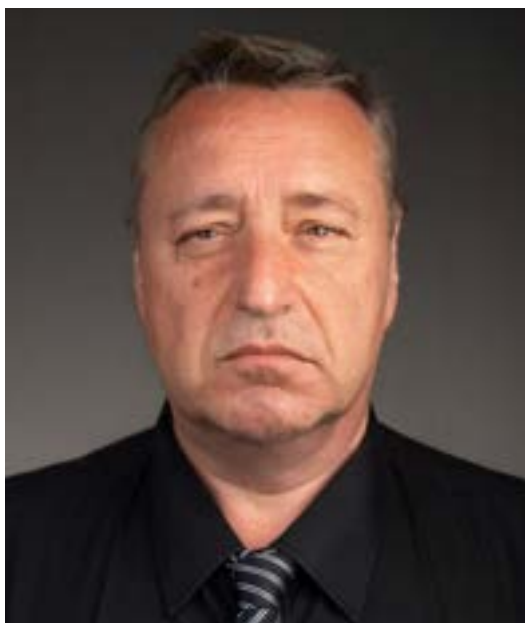


May 2024

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## Introduction – Cllr Paul Middleton



This library strategy, and the accompanying public consultation that will give us the evidence that helps us make decisions for the future, comes at an extremely difficult time for the borough. The funding we need to deliver all of our legal responsibilities – as well as those we don't have to provide but which residents want and need – is denied to us due to an unfair and outdated system.

Libraries are one of those legal responsibilities and this strategy proposes the very difficult decision of closing up to four of our current branch library sites, leaving us with six libraries in the borough. Doing so will save more than £300,000, a saving which has been part of the balanced Council budget that by law we have to set.

Although this is a very difficult choice to make, and one we know will have impacts, it is in our view an essential one for three reasons. The first is that the way people use our libraries has changed. More than 940,000 visits were made to our libraries in 2023/24, over three quarters of them at our five main libraries. More than 1 million items were issued and thousands of activity sessions – ranging from baby bounce to knit and natter, from IT sessions to the summer reading challenge– took place right across our library estate. We know that thousands of Havering residents value and cherish our libraries and we do too.

The second is that the condition of our library estate has declined and will do so further without intervention. And the third is that we need to consider how best to provide a comprehensive and efficient library service that meets residents' changing needs at a time of significantly reduced council funding.

This strategy seeks to build on the work that professional library staff are doing every day in Havering. It sets out a strategic vision for the service and priorities to ensure that libraries remain an intrinsic part of the fabric of our communities. While our proposals would if carried out reduce the number of libraries in the borough, the strategy will also kick-start the development of a business case to invest heavily in making sure the sites that remain see improvements to those buildings. And it will start the process to look at whether a children's library, with specialist library support for children with special educational needs, is viable.

Our libraries aren't just buildings that have books in them. They are places where people find inspiration, education and enjoyment. They are places that improve physical and mental health, help people become less lonely, provide free internet access and the help to use it and encourage participation in all facets of life in the borough. Trained library staff aren't people whose job it is to put books on shelves – they are people with empathy and knowledge who are there to help people achieve their aspirations.

It is in this spirit that this draft strategy is published. This strategy provides for a strong and sustainable service equipped to remain at the heart of our communities serving those in most need. Please do read this strategy and help us shape the future of libraries in Havering.

Councillor Paul Middleton

## Executive Summary

The Council's current statutory library provision consists of 10 library sites, together with the Home library service and the online library. This strategy proposes for consultation a reduction of sites from ten to six libraries. This is a reduction of 96 hours per week in service across the borough.

It is proposed that the service will continue to be delivered, on current opening hours, at:

- Harold Hill Library (50 hours per week)
- Hornchurch Library (50 hours per week)
- Rainham Library (50 hours per week)
- Romford (Central) Library (50 hours per week)
- Upminster Library (50 hours per week)
- One current branch library, site to be determined (24 hours per week)

It is therefore proposed that up to four of the remaining five branch libraries would close. These libraries placed at risk of closure in this draft strategy and consultation are:

- Collier Row Library
- Elm Park Library
- Gidea Park Library
- Harold Wood Library
- South Hornchurch Library

**Depending on a Cabinet decision to close specific sites, full-year recurrent savings would be in the region of between £334,613 and £350,855.**

The local studies library, online library and housebound delivery services would be unaffected by the proposals contained in this draft strategy.

The proposals and strategy have been informed by a needs assessment that concluded:

- More than three quarters of all visits and issues and the vast majority of IT and wifi use occur at the current five main libraries;
- The condition of the estate requires significant investment in order to maintain current condition. The council considers that obtaining such investment is not viable in the current funding climate;
- A library service of six sites will mean that the vast majority of the borough remains within a 20-30 minute journey by public transport of a nearby library;
- Some areas of deprivation and/or low educational attainment are likely to be negatively impacted by the closure of a branch library in their area;
- Some groups, particularly those with mobility issues, those living in difficult economic circumstances and children with disabilities and/or living in poverty are likely to be negatively impacted by the closure of a branch library in their area. For a small number of people it may result in them feeling excluded from the ability to visit and enjoy membership of a library.



It is proposed that Havering's Library Service Vision is:

*“A service where education, information and inspiration is available for free to all. We exist to cultivate a community of lifelong learners. Our service fosters literacy, nurtures creativity, supports local endeavours, serves as a welcoming sanctuary for people of all ages and empowers our communities with the tools they need to thrive in an ever-evolving world. Together, we build bridges between the past and the future, residents new and old, fostering a shared journey of discovery, enlightenment, and community growth.”*

The Strategy also provides for:

- Development of proof of concept and a business case for a new Havering Children's Library.
- Development of a business case for investment in improving the condition of the remaining library estate, including signage, furniture
- Library usage, demographic change and potential for new library services to inform the Council's ongoing work to ensure its buildings are future-proofed
- Libraries working to improve digital inclusion in the borough



## National and local context

### Our statutory duty

Havering Council has a statutory responsibility (a duty set out by law) to provide a local library service in accordance with the Public Libraries and Museums Act 1964. The Act requires each local authority to provide a library service that is “comprehensive and efficient for those that live, work or study in the area”. It is for local decision how the library service best meets this requirement practically, including how many libraries there are, where they are, when they are open, and what each one offers.

The Council also has an equality duty set out in section 149 of the Equality Act 2010 and in carrying out their functions, to have due regard to the need to achieve the objectives set in the Act to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

### The national context and supervision of public libraries in England

In England, public library services play a crucial role in fostering literacy, community engagement, and access to information. However, the landscape of these services is evolving amidst various national factors.

Firstly, funding challenges persist. Over the years, budget cuts have forced many local authorities to reduce library hours, staff, and resources. This has put pressure on the ability of libraries to provide diverse and comprehensive services to their communities.

Moreover, the digital age presents both opportunities and challenges. While online resources and digital platforms offer new ways to access information and engage with library services, they also highlight the need for libraries to adapt and modernize their offerings to remain relevant.

Additionally, the COVID-19 pandemic has significantly impacted library services, with temporary closures, restrictions, and a significant shift towards digital services. Library services have had to respond rapidly to changing local circumstances to ensure that post 2021 libraries remain relevant and used.

Despite these challenges, public libraries remain essential pillars of community life in England. They provide spaces for learning, creativity, and social interaction, forging a sense of belonging and supporting lifelong learning.

While books remain a cornerstone of library services, digital loans are gaining popularity alongside physical ones. Access to PCs has increased but use of libraries for traditional services like printing and copying are changing as the range of applications available to patrons on their own technology such as smartphones changes.

There are a number of national stakeholders who have power and influence over the way libraries are run; in particular, the Department for Culture, Media and Sport (DCMS), who have the power to intervene if a service is not meeting its legal requirements. Challenge can also come from the public through a judicial review.



DCMS suggest that when developing models, local authorities should ensure that library services:

- are shaped by local needs;
- meet legal requirements;
- focus on public benefit and deliver a high-quality user experience;
- make decisions informed by evidence, building on success;
- support delivery of consistent England-wide core offers;
- promote partnership working, innovation and enterprise; and
- use public funds effectively and efficiently

The DCMS Libraries Taskforce has produced a national strategy document for public libraries that sets out seven outcomes for libraries to deliver against:

- Cultural and creative enrichment
- Increased reading and literacy
- Improved digital access and literacy
- Helping everyone achieve their full potential
- Healthier and happier lives
- Greater prosperity
- Stronger, more resilient communities

Successful modern library services understand their role as part of the wider council vision and, working where necessary with partners, deliver a range of opportunities that respond effectively and efficiently to the needs of their local community.

To do this they:

- Recognise the ongoing importance of traditional library materials but also the key importance of digital enablement;
- Use the latest technology to support service delivery and increase access to services;
- Add value through links between libraries and other policy areas such as health and wellbeing, business and economic growth;
- Build the skills needed to help the library workforce deliver these priorities and to take on new roles as part of wider service provision; and
- Communicate the value of libraries, highlighting innovation and good ideas

## **Libraries in Havering – the local context**

### **Library performance**

The service performs well in comparison to similar library services. CIPFA's data on libraries shows that the Havering service measures low on cost and in the mid-range on visit numbers and lending. The service performs consistently well in the national Summer Reading Challenge.

Library footfall followed a national trend of decline by more than 25% from 2010 to the national closure at the start of the Covid pandemic. However, Havering's library service has been successful in building visitor numbers post-pandemic, adding more than 400,000 visits in the last two years.



### Visits to and issues at libraries in Havering

The service experienced a year-on-year increase of 33% in visitors between 2022/23 and 2023/24. Last year 940,602 visits were made to Havering's libraries. A total of 1.2m visits were made to Havering libraries in the full year before the pandemic, meaning the service has retained more than 78% of pre-pandemic visit numbers. While figures comparing retention rates of library services nationally are not published, it is believed that this figure represents a well-used and well-performing service.

Issue numbers have also increased in the last 2 years. In 2023/24 the service issued 979,431 items.

### The changing library estate

The library estate in Havering is among the service's highest risk areas. The newest buildings in the estate – Elm Park (2009), Rainham (2014) and Harold Hill (2016) provide a strong amenity mix with good-quality facilities in energy-efficient buildings. However, the rest of the estate is in generally poor condition and a number of buildings (Gidea Park, Harold Wood, Collier Row, South Hornchurch, Hornchurch) are either approaching the end of their natural life or are in need of significant improvement.

These deficiencies have been thrown in to stark relief during periods of bad weather. The service was forced to close a number of libraries in winter 2022 due to storm damage and also in the summer 2023 heatwave.

An initial condition survey was carried out on all library buildings in 2023. The survey set out that while a smaller number of buildings would need little more than general maintenance to remain operable, the estate in general is in poor condition, evidenced by instances of roof leaks, structural cracks, energy-inefficient buildings and flooring replacement.

The cost of remedying the issues set out in the below table – which would only serve to maintain rather than improve our libraries – is likely to be well over £1m in the next five years.

Library	General Condition	Key maintenance required in next 5-10 years
Collier Row – mid 1960s	Poor	Replacement of all window frames due to rotten timbers; Replace energy inefficient single glazed windows; Repair leaking guttering; Replace toilets in staff area due to asbestos; Redecorate throughout.
Elm Park – 2009	Good	Replacement of soiled carpet tiles; Replace leaking downpipe
Gidea Park – mid 1960s	Poor	Cracks in external structure; Roof requiring repair; Decoration required throughout directly including repair to water-damaged ceiling tiles.
Harold Hill – 2016	Good	Roof lights require full survey to check for water ingress; Full decoration recommended within 5-10 years; Survey and remedial work to check blocked drains and ensure system is functioning normally.
Harold Wood – 1960s	Poor	Replacement of energy-inefficient single-glazed windows; Leaking roof to be fully surveyed and repaired; cracks to external walls to be surveyed and repaired; Asbestos vinyl floor to be replaced; full redecoration throughout required directly.
Hornchurch – 1960s with 2007 extension	Average and declining	Single-glazed timber framed windows throughout are original to the building and need replacing directly; No insulation identified in condition survey; Full internal and external redecoration required directly; Fire safety compliance issues (insufficient compartmentalisation and fire stopping around flue ducting) to be remedied directly.
Upminster – 1960s	Average and declining	Leaking roof to be investigated and repaired; Damp to front external wall to be investigated and repaired; Full decoration internally required directly.
Rainham – 2014	Good	Full internal redecoration recommended within next 10 years.
Romford – 1965 refurbished in 2010	Average and declining	Extensive general maintenance to external facades; investigation and repair to multiple areas of water ingress in internal rooms; Renew all flooring within 5 years; General redecoration work.
South Hornchurch – 1960s	Average and declining	Ongoing checks to investigate compliance issues around glazing and glazed doors; cracks in external structure to be investigated; Full internal redecoration required within 5 years

## The 2019 Consultation and Community Hubs

The last significant review of Havering's library service came in 2019 with the publication of Front Doors To Sustainable Services. The consultation accompanying the publication aimed to identify opportunities to sustainably fund a library service for the borough following a zero-based budget review that had identified a budget shortfall in the order of £150,000.

Options to change opening hours and propose that the five "branch" libraries (Collier Row, Elm Park, Gidea Park, Harold Wood and South Hornchurch) would remain as part of the statutory library service but would be run and managed by community groups or associations if local appetite existed.

Following consultation, the Council's cabinet determined that no such appetite could be identified locally. The service subsequently secured budget growth to meet the annual budget shortfall.

The consultation also raised the concept of the creation of "community hubs" – defined as "local places at the heart of communities, offering and hosting a wide range of services, public events and activities, and spaces to meet friends and contribute to community life". Following the consultation two pilot hubs were created and are currently hosted at Harold Hill and Rainham libraries. The consultation assumes that these offers would continue.

The hubs' service offer is based on provision of information, advice and guidance on matters including housing, welfare, health and employment as well as a community food pantry offer. The food pantry offer in particular is fully utilised at both sites and is often over-subscribed.

## Looking to the future

In order that the library service can continue to develop in future, we think two factors are critical:

### 1. Condition and location of buildings

Satisfaction and popular usage of library buildings tend to depend on three factors – they are safe, comfortable and inviting.

While we are proud of the warm and professional service our library staff offer, the condition of the buildings we work from do not meet those standards. A smaller library estate will mean we are better able to maintain and develop the library estate to meet the needs of the borough as it changes, even taking into account the Council's current financial challenges.

This strategy and consultation proposes the development of a business case for capital investment in the remaining library estate, including the replacement of buildings which are no longer economically viable to maintain.

As the borough's population changes, we will need to ensure that the location of our libraries continues to reflect need.

Libraries thrive where people are. Successful libraries tend to be in areas with good local transport links, convenient pedestrian access and high street or other high-footfall locations. Although most of our library buildings fulfil these requirements, we will need to ensure they continue to do so in future.

We think this is particularly the case in the south of the borough, where one possible reason that library footfall is low at both Rainham and South Hornchurch libraries is that the development of housing to the West has stretched the catchment area of those libraries beyond reasonable bounds. In our work to look at the library and other public estate in the borough, we will look carefully at whether there needs to be further library development to serve population growth in the south of the borough in coming years.



## 2. The changing demographics of the borough and changing expectations of what people need in a library service

Havering has an increasingly diverse population. Historically and still one of the oldest populations in London, it now has the second largest growing youngest population in the UK and the highest in London, with an increase of 19.7% in those aged 0–14 years. We have also seen a 26.5% growth in 25–39 years.

Library usage is much more popular in groups of 0–19 years and over 60 years of age than other age groups. We think the changing demographics of the borough will lead to a continued increase in library use in coming years.

In particular, we think there is capacity for a continued and steep rise in demand from children and young people, and parents and carers, for library services. In order to meet this demand, we think there may be a case to develop proposals for a new library – a dedicated children’s library for Havering.

This strategy proposes the development of an options appraisal and business case for a new children’s library in the borough.

## Library vision



*“A service where education, information and inspiration is available for free to all. We exist to cultivate a community of lifelong learners. Our libraries build literacy, nurtures creativity, supports local endeavours, serves as a welcoming sanctuary for people of all ages and empowers our communities with the tools they need to thrive in an ever-evolving world. Together, we build bridges between the past and the future, residents new and old, fostering a shared journey of discovery, enlightenment, and community growth.”*

## Proposed Library Delivery Model

In order to deliver against the resourcing model provided to the library service in Havering, it is necessary to reduce the number of library buildings in use across the borough.

We propose the future delivery model for the statutory library service in Havering is:

- To reduce the number of library buildings in the borough by four, from ten libraries to six libraries. If implemented, this proposal will reduce the total cumulative weekly opening hours across the service from 370 hours per week to 274 hours per week. This would mean the closure of four of the borough's current five 'branch' libraries.
- The physical library service will operate from six sites (five open for 50 hours a week and one open for 24 hours a week), each holding a collection of physical book stock catering to a wide spectrum of interest. Free PC access, WiFi access and space for personal or school study will continue to be provided at all libraries and Havering Council basic customer service support is available at library front counters. A variety of meeting rooms and activity space will remain available for lease or partner use across the estate with commercial space available or already rented at Rainham, Upminster and Harold Hill
- Our Virtual Library offer will remain open access 24/7 to a wide range of online resources from dictionaries, art and music resources, driving and citizenship tests, encyclopaedias, study aids to family and local history resources, legal and business resources, online courses, foreign language courses, newspapers and magazine access, and access to e-books and audio books.
- The library service will continue to support Reader Development by developing and promoting library services to children, young people and adults, managing safeguarding across the service, and working with the branches to deliver our event programme. Also working closely with schools supporting literacy attainment via initiatives such as the Summer Reading scheme, Every Child a Member and class visits.
- A Housebound Service will continue to support people who are housebound either for a temporary period of time (i.e. coming out of hospital) or as an on-going service for people who meet the criteria.
- We will continue to offer opportunities for local people to volunteer for the service which can include delivering books to our housebound residents in addition to working onsite in a library.
- A Local Studies and Family History offer will continue to be based at Romford library will continue to provide access to local and family history collections, holding exhibitions and talks to the local community, and providing support for research. The Local Studies service collects, organises, maintains and makes accessible the permanent collection of books, maps, documents, illustrations, the archive of local authority minutes and other items relating to the London Borough of Havering in the Local Studies Library. It assists customers wishing to access information about the London Borough of Havering's history in the Local Studies Library with research appointments and an enquiry service.
- The library service will work across institutional boundaries to support and inspire the delivery of positive outcomes relating to health and wellbeing in Havering. In doing so it will seek to build partnerships with public, private and voluntary organisations.

## Other library delivery models considered and rejected

We have considered whether other options, delivery models or mitigations could be pursued as alternatives to our proposals.

### Community-managed libraries

Community-managed libraries run in two ways:

- Libraries are operated entirely by community groups or organisations in space not funded by Havering Council (although council-owned space to lease may be available). These libraries would not form part of the statutory library service.
- Libraries run on a day-to-day basis by community groups or organisations. In order to remain part of the statutory service, the library would need to benefit from funding, support for infrastructure (buildings, IT connections) and professional librarian support

Havering Council consulted in 2019 on proposals that would see some of the branch libraries transferred to become community-managed if local appetite to do so could be evidenced. At that point, and at no point since then – has that local appetite been evidenced.

Should community groups or associations express a desire and capacity during this consultation to take over the running of a branch library proposed for closure, Havering Council would give serious consideration and support to help make proposals viable and deliverable.

### Contracted-out library services

Some library services nationally are delivered on behalf of rather than directly by the Council. These services take a number of different forms, including contracted delivery by private sector organisations, mutualised services (a service which was in the public sector, continues to deliver public services, and has a significant degree of employee control) or services run on behalf of Councils by charity partners on a contracted-out basis.

We have not explored in detail any of these operating models for libraries because an initial desk-based assessment has not identified that they could guarantee statutory service delivery or delivery of library and broader council outcomes within the Council's current funding envelope.

If proposals emerge during the consultation that could be viable, we will give them due consideration.

### Other proposals for libraries in Havering

During options appraisal, we considered other options to deliver required savings within the context of a statutory library service.

These included:

- Replacement of branch libraries with a mobile library. This was rejected due to the set-up and ongoing operational costs of a mobile library meaning the service was unlikely to deliver required savings. In addition, a mobile library is considered unlikely to adequately serve the geography and demographics of the borough, particularly given that funding such a service may well impact on either opening hours elsewhere in the estate or other services such as the housebound service
- Closure of no libraries but achieving required savings through reducing by half opening hours in each library. This option was not considered to be viable because it would result in extremely inefficient use of ten buildings and would also result in a reduction of cumulative opening hours from 370 hours to 180 hours a week. Also, such a reduction in opening hours would be unlikely to meet the council's statutory obligations



# Havering Library Service Strategic Priorities 2024-2029





## Strategic Priority 1: Libraries to shape young lives

This strategic priority links to Havering Council's corporate plan 2024/25 priority: Supporting our residents to stay safe and well

The library service aims to enhance children's engagement through various initiatives such as facilitating easy access to local libraries, promoting membership, and collaborating with Early Years partners and schools. It focuses on literacy by emphasising Reading For Pleasure, conducting author events, and organizing creative writing competitions. The library offers diverse activities including Baby Bounce, Wiggle and Giggle sessions, Storytime, and the Summer Reading Challenge, while also prioritizing stock diversity, engaging children's interests, and promoting health and wellbeing collections tailored to children and young people.

### How we will accomplish this:

#### A new Havering Children's Library

Some libraries across the country have developed standalone children's libraries – either mobile or at a fixed site – to improve library provision for an audience that is a heavy user of library services.

We think that, given the current and forecast growth in numbers of children and young people in the borough, there is a case to explore whether a standalone Children's Library could provide additional positive outcomes.

We are agnostic as to what this library might look like – whether in a fixed location or mobile so it can visit schools and other provision – or whether there could be more benefits in improving the children's offer in individual libraries instead of creating a central provision.

We intend to carry out an options appraisal looking at what successful provision looks like nationally and internationally before developing a business case for members.



## Membership

- Ensure that by 2029 every child registered as born in the borough becomes a member of Havering libraries
- Make sure joining a library is a quick and easy process, particularly for those who face extra barriers such as disabled people young people whose parents face difficulties finding stable housing and young people in care
- Engage with Early Years partners to promote the service and ensure residents who use other council services are aware of library provision
- Support broad Council outcomes for children and young people by engaging with colleagues across the organisation to identify where libraries can add value and develop new services
- Engage with all schools to encourage class visits, staffed and unstaffed

## **Literacy**

- Focus on Reading For Pleasure, provide staff training to ensure awareness of its importance, particularly for new staff.
- Provide buildings and spaces suitable to hold Summer Reading Challenge activities and class visits
- Engage with additional needs schools to promote and encourage visits for Bag Book sessions
- Support school curricula activity through aligned library work i.e. Local Studies Library supporting school history projects and class visits
- Deliver regular author events online and in person to encourage Reading For Pleasure
- Hold competitions to encourage creative writing eg. National Poetry Day competition
- Display on rota basis local schools creative writing
- Deliver children's Reading Buddies at all libraries.
- Support the distribution of Bookstart packs at all libraries at suitable events.
- Create business plan for Havering Literary Festival, to be delivered at no cost to the public purse

## **Activities**

- Provide fun and accessible children's library areas suitable for age group and activities focusing on children using imagination and sensory play
- Baby bounce –hold free weekly sessions in every library
- Wiggle and Giggle – hold weekly sessions where possible
- Storytime – hold regular sessions including weekends
- Summer Reading Challenge – provide regular free activities throughout the summer to support the national programme
- Engage in national reading initiatives and high days/holidays
- Expand the activities provided for older children, potentially including gaming and e-sports

## **Stock**

- Provide suitable displays that are eye catching and fun
- Engage with children to see what they are reading
- Follow and purchase popular stock
- Ensure stock is representative and reflective of audience
- Present library in a fun way with a focus on 'Reading for Pleasure' eg. Comics and graphic novels
- Improve Young Adult stock
- Promote Health and Wellbeing collections eg. Reading Well books



## Strategic Priority 2: Libraries to bring communities together

This strategic priority links to Havering Council's corporate plan 2024/25 priority: A great place to live, work and enjoy

The library service meets community needs and wants through a diverse range of events and initiatives. These include regular programs for children and adults, fostering social inclusion and community harmony. Engaging in national reading initiatives and showcasing local organisations further strengthens community bonds. Additionally, the library service supports climate change awareness, with initiatives like staff training, participation in Green Libraries Week, and promoting events with climate action themes. Through its commitment to providing shared community spaces, diverse stock, and green initiatives, the library serves as a vital hub for education, creativity, and community engagement.

## How we will accomplish this:

### Events

#### Children's examples

- Baby bounce – hold weekly sessions in every library
- Wiggle and Giggle – hold weekly sessions where possible
- Storytime – hold regular sessions at times when children will attend eg Saturdays
- Summer Reading Challenge – provide regular free activities throughout the summer to support the theme
- Chess clubs
- Author events – eg. with multiple schools online for the same event
- Craft events
- Engage in national reading initiatives and high days/holidays eg. Empathy day
- Hold showcase events for local organisations

#### Adult examples

- Knit and Natter groups
- Gratitude Club
- Craft events
- Games Club
- Reading groups
- Poetry Group
- Engage in national reading initiatives and high days/holidays eg. World Book Day
- Hold showcase events for local organisations



### **Stock**

- Engage in-library with children and adults to see what they are reading
- Follow and purchase popular stock
- Ensure stock at all age levels is representative of a diverse borough with material suitable for all audiences to access

### **Shared community space**

- Build stronger partnerships between libraries and other community facilities - local GPs, organisations looking to hire space, support/guidance sessions
- Hold competitions to encourage creative writing eg. National Poetry Day competition
- Display on rota basis local school's creative writing if space allows.
- Display local artists' work of all ages
- Review need or Create start up business hub/independent work space

### **Green Libraries - My community and the world around us**

We will help bring climate action and awareness to our staff and our community by:

#### **Staff**

- Deliver staff training in the Green Libraries Campaign and local initiatives and have Green Champions at each library.
- Connect with and support council working groups on Climate Emergency and the CILIP Green Libraries Campaign.
- Signing the Green Libraries Campaign pledge
- Attend the Green Libraries Conference
- See if we can apply for funding for projects from the Green Libraries Grant Fund or The Public Sector Decarbonisation Scheme which provides grants for public sector bodies to fund heat decarbonisation and energy efficiency measures.

#### **Information**

- Ensure a physical space is provided in each library for a Green Information Hub
- Stock the Libraries Connected Climate Change booklist with core books available at each library supported by the remaining books from the booklist on rotation across all libraries
- Hold and promote lists of local contacts for groups and activities
- Create a Green Reading Group

#### **Supporting Community Action**

- Participate in Green Libraries Week in October, support with events.
- Continue to deliver author events with climate action and awareness as a theme
- Continue to deliver events for all ages with climate action and awareness as a theme eg. Warm Coats, school uniforms
- Become focal meeting points for local action groups and the wider community eg. Hold Green Information days



### Strategic Priority 3: Libraries to enjoy

This strategic priority links to Havering Council's corporate plan 2024/25 priority: A great place to live, work and enjoy

The library service actively promotes happiness and enjoyment within its community through a multifaceted approach centred around reading, culture, creativity, and health. By emphasizing Reading for Pleasure, offering suitable building spaces for events, activities and displays, fostering a love for reading across all ages. Children benefit from engaging sessions like Baby Bounce and Summer Reading Challenge activities, while adults enjoy Book Clubs, poetry events, and diverse author engagements. These initiatives not only promote literacy but also social inclusion and community harmony. Additionally, the library supports health and wellbeing through key collections and events, while also providing information and digital resources. Furthermore, the library's commitment to environmental sustainability, demonstrated through initiatives like the Green Information Hub and Green Reading Group, aligns with broader community values, contributing to overall happiness and enjoyment.



## How we will accomplish this:

### Reading and enjoyment

- Literacy and being able to read is the key skill to unlocking Reading for pleasure and its emotional and material benefits.
- To encourage all of our community to read for pleasure we will:
- Focus on Reading For Pleasure, providing staff training to ensure awareness of its importance, particularly for new staff.
- Ensure buildings are suitable to display stock effectively and hold events to promote stock.
- Deliver regular author events online and in person to encourage Reading For Pleasure
- Develop social media engagement to promote Reading For Pleasure and our book stock, digital and hard copy.
- Ensure stock is continually purchased, once funds allow, to keep stock fresh and on top of trends. Attend conferences, search through social media avenues eg. Book Tok to source new diverse and sought after stock.

### Children

- Engage with all schools to encourage fun and interactive class visits, staffed and unstaffed
- Provide buildings and spaces suitable to hold Summer Reading Challenge activities and class visits
- Engage with additional needs schools to promote and encourage visits for Bag Book sessions
- Display on rota basis local school's creative writing if space allows.
- Deliver children's Reading Buddies at all libraries.
- Support the distribution of Bookstart packs at all libraries at suitable events.
- Develop an options appraisal and business case for a new Havering Children's Library which would be a dedicated library for children and young people in the borough.



## Adults

- Continue to hold physical Book Clubs, at least one per branch, plus Zoom online Book Club and Havering Libraries Poetry Group, poetry events and competitions.
- Hold competitions to encourage creative writing eg. National Poetry Day competition
- Display creative writing if space allows eg Poetry Winners
- Deliver borough wide Adult Reader Development projects eg. Relaunch 'Havering Reads'
- Continue to deliver diverse author events supported with relevant stock displays for national celebrations eg Black History Month, LGBTQ+ History month.
- Deliver adult Reading Buddies at Romford with possible expansion to other libraries.

## Culture and Creativity

### Events

- Hold a regular programme of events for children and adults to support happiness, social inclusion and community harmony:

### Children's examples

- Baby bounce – hold weekly sessions in every library
- Wiggle and Giggle – hold weekly sessions where possible
- Storytime – hold regular sessions at times when children will attend eg Saturdays
- Summer Reading Challenge – provide regular free activities throughout the summer to support the theme
- Chess clubs
- Author events – eg. with multiple schools online for the same event
- Craft events
- Engage in national reading initiatives and high days/holidays eg. Empathy day
- Hold showcase events for local organisations

### Adult examples

- Knit and Natter groups
- Gratitude Club
- Craft events
- Games Club
- Reading groups
- Poetry Group
- Engage in national reading initiatives and high days/holidays eg. World Book Day
- Hold showcase events for local organisations

### Health and Wellbeing

- We have key collections of books on topics essential to our community's health and well being.
- We will promote the Reading Well collections with space in each library for a Health and Wellbeing section and focus events eg. Children's Mental Health Week in February, Dementia Awareness Week, Healthy Weight Strategy.
- Clubs and Societies – publicising more, posters if possible
- Healthy Weight Strategy
- Vaccination Centres
- All events – social inclusion
- Reading Agency
- Health Champions – staff, health champions directory in branches and staff awareness
- Community Hub, Pantry
- Citizens Advice Bureaux offices
- Positive East – HIV information and testing
- Back to Work
- Reading Well
- Blood Pressure

### Information and Digital

- Staff – information professionals
- Green Libraries
- Information
- Ensure a physical space is provided in each library for a Green Information Hub
- Stock the Libraries Connected Climate Change booklist with core books available at each library supported by the remaining books from the booklist on rotation across all libraries
- Hold and promote lists of local contacts for groups and activities
- Create a Green Reading Group
- Public network
- IT volunteers
- Online ebooks, magazines
- Local history images – collections on website and facebook
- Online resources

## Measuring performance against strategic priorities

### Quantitative Measures

#### Library Usage Metrics:

- Total number of visits to the library per month/year.
- Number of registered library users.
- Percentage of registered users who are active borrowers.
- Number of new library card registrations per month/year.

#### Circulation Statistics:

- Total number of items issued per month/year.
- Breakdown of circulated items by type/format.
- Average number of items borrowed per borrower.
- Percentage of items that are checked out versus those that remain on shelves.

#### Digital Services:

- Number of visits to the library's website or online catalogue per month/year.
- Number of e-books and audiobooks downloaded or streamed.
- Usage statistics for online databases and digital resources.
- PC and wifi occupation rates.

#### Activity Attendance:

- Attendance figures for library programs and events (e.g., storytime sessions, workshops, author talks).
- Demographic breakdown of program attendees (age groups, demographics).

#### Community Engagement:

- Number of community partnerships established (e.g., collaborations with schools, local businesses, cultural organisations).
- Participation in community outreach activities (e.g., bookmobile services, literacy programmes).

## Qualitative Measures

### User Satisfaction Surveys:

- Regular surveys to gauge user satisfaction with library services, facilities, and staff assistance.
- Feedback on the variety and quality of materials available.

### Impact on Education and Literacy:

- Testimonials or case studies highlighting the library's role in supporting education and literacy initiatives.
- Anecdotal evidence of improved literacy skills or academic performance among library users.

### Community Impact and Inclusivity:

- Stories or testimonials showcasing how the library serves diverse community needs and populations.
- Feedback on the accessibility of library services for individuals with disabilities or language barriers.

### Collections and Resources Evaluation:

- Reviews or feedback on the relevance and diversity of the library's collection.
- Input from users regarding the availability of resources for research, professional development, and recreational reading.

### Innovative Services and Programmes:

- Assessment of new services or programs introduced by the library and their perceived value to the community.
- Feedback on the effectiveness of technology integration and digital literacy initiatives.

### Library Environment and Atmosphere:

- Observational assessments of the library's physical space, including cleanliness, organisation, and comfort.
- Feedback on the ambiance of the library and its suitability for various activities (e.g., studying, socialising).



## Appendix 1 – Library Needs Assessment

### Borough and Ward data

As part of the development of the Library Strategy we have looked at a series of data to determine where need is greatest.

These data have been drawn from the borough's Joint Strategic Needs Assessment 2023 and 2021 Census data.

The measures we have determined as relevant to the development of this strategy are:

- Educational attainment (percentage of residents 16+ with no qualifications)
- Households where no member has English as main language
- Unemployment percentage of residents claiming JSA/UC)
- Access to car percentage of residents who do not own a car or van)
- Deprivation percentage of households with 2 indices of deprivation)
- Disability (disabled under Equality Act)
- Community safety (crime rate)
- Children - (percentage of population made up of children aged 0-15)
- Children – number of households with children living in relative poverty
- Older people (percentage of population aged 65+)
- AHAH Index (a multi-dimensional index measuring how 'healthy' neighbourhoods are)
- Community Needs rank (data analysing the social and cultural factors that can impact upon peoples outcomes)

## Borough and Ward data

Note: The use of red, amber and green colouring on the below table is intended to highlight data that is in comparison to other wards in the highest, mid or lowest third and not to indicate an absence of need.

Ward	Havering- atte-Bower	Gooshays	Mawneys	Marshalls and Rise Park	Heaton	Rush Green & Crowlands	St Edwards
Nearest libraries	Collier Row; Harold Hill	Harold Hill; Harold Wood	Collier Row; Romford	Gidea Park; Romford	Harold Hill; Harold Wood	Romford	Romford; Gidea Park
Educational attainment (% of residents 16+ with no qualifications)	23.3%	24.0%	21.5%	18.9%	24.9%	18.7%	18.3%
Households where no member has English as main language	3.6%	5.1%	4.2%	3.8%	6.3%	11.0%	8.3%
Unemployment (% of residents claiming JSA/UC)	4.7%	6.1%	4.4%	2.7%	6.3%	5.6%	4.8%
Access to car (% of residents who do not own a car or van)	18.7%	26.9%	19.4%	14.9%	29.6%	29.7%	35.9%
Deprivation (% of households with 2 indices of deprivation)	15.9%	20.1%	15.8%	12.8%	20.3%	14.5%	14.0%
Disability (disabled under Equality Act)	16.3%	17.0%	14.9%	13.3%	17.8%	13.3%	14.8%
Community safety (crime rate)	58.0	66.7	39.7	51.3	101.3	56.6	232.9
Children - % of population made up of children aged 0-15	21.5%	24.0%	20.5%	17.3%	24.6%	22.8%	19.4%
Children – number of households with children living in relative poverty	17.8%	20.5%	16.4%	10.6%	21.4%	19.0%	10.4%
Older people (% of population aged 65+)	16.9%	12.4%	18.0%	23.0%	12.7%	10.9%	15.2%
AHAH Index (higher score = poorer health-related environment)	30.8	24.9	30.3	24.9	29.8	34.1	31.2
Community Needs rank	8,094	2,021	17,504	28,347	3,366	22,835	23,665

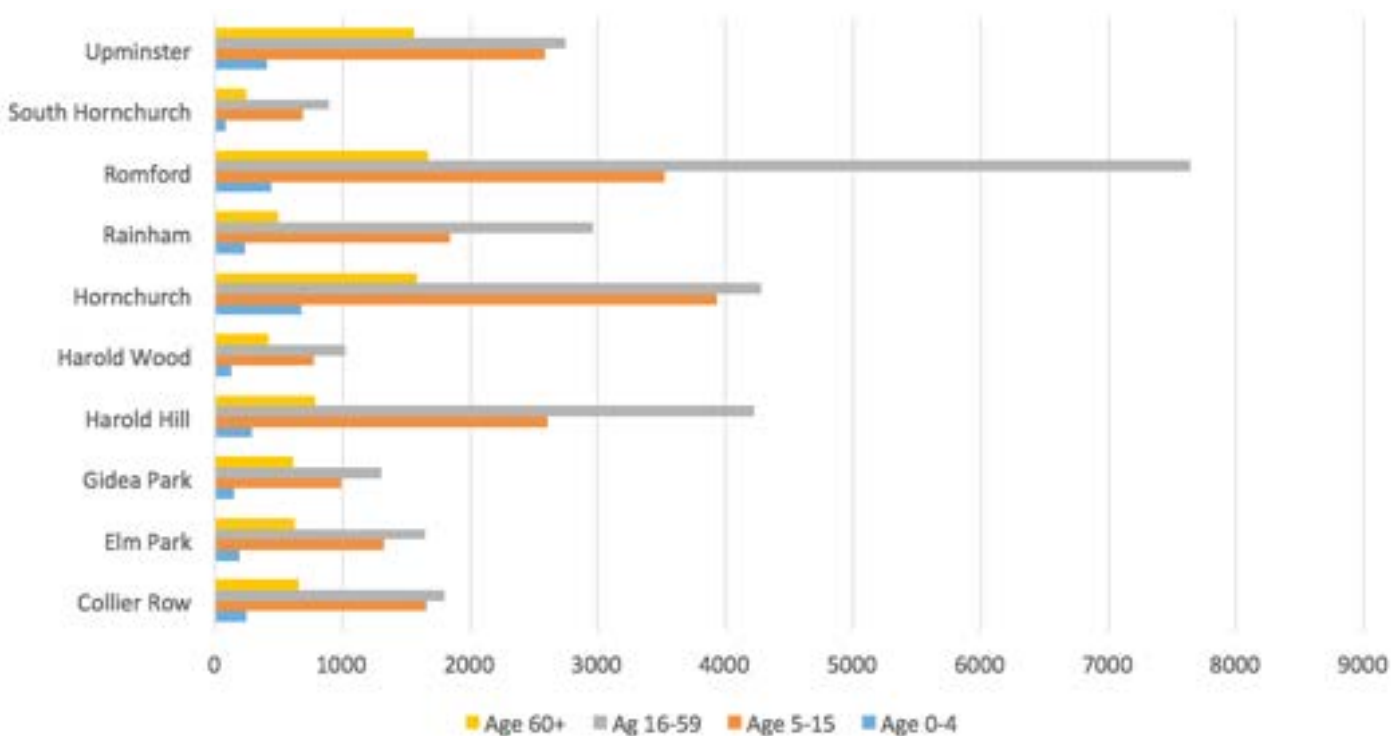
Ward	Squirrels Heath	Harold Wood	St Albans	Hylands and Harrow Lodge	Emerson Park	St Andrews	Cranham
Nearest libraries	Gidea Park; Romford	Harold Wood; Harold Hill	Romford; Gidea Park	Romford; Hornchurch	Hornchurch; Gidea Park	Hornchurch; Upminster	Upminster; Harold Wood
Educational attainment (% of residents 16+ with no qualifications)	16.0%	17.2%	18.2%	18.4%	18.5%	20.2%	16.5%
Households where no member has English as main language	3.9%	4.3%	11.1%	3.0%	2.9%	2.7%	1.0%
Unemployment (% of residents claiming JSA/UC)	2.9%	3.1%	4.3%	3.0%	2.2%	2.9%	1.9%
Access to car (% of residents who do not own a car or van)	18.9%	18.1%	31.9%	17.2%	11.5%	22.8%	15.7%
Deprivation (% of households with 2 indices of deprivation)	11.6%	11.9%	15.2%	13.4%	12.6%	14.3%	11.6%
Disability (disabled under Equality Act)	13.1%	14.3%	13.5%	14.5%	12.7%	15.5%	14.0%
Community safety (crime rate)	48.4	59.9	74.0	45.1	32.4	43.7	29.4
Children - % of population made up of children aged 0-15	19.1%	18.7%	21.3%	17.6%	15.9%	16.2%	18.8%
Children – number of households with children living in relative poverty	9.9%	11.9%	16.7%	11.4%	7.2%	11.0%	8.0%
Older people (% of population aged 65+)	18.1%	17.3%	10.2%	19.2%	24.9%	22.5%	22.9%
AHAH Index (higher score = poorer health-related environment)	25.3	24.0	33.8	21.9	21.9	23.1	19.1
Community Needs rank	20,313	17,172	23,640	25,076	26,971	24,577	14,602



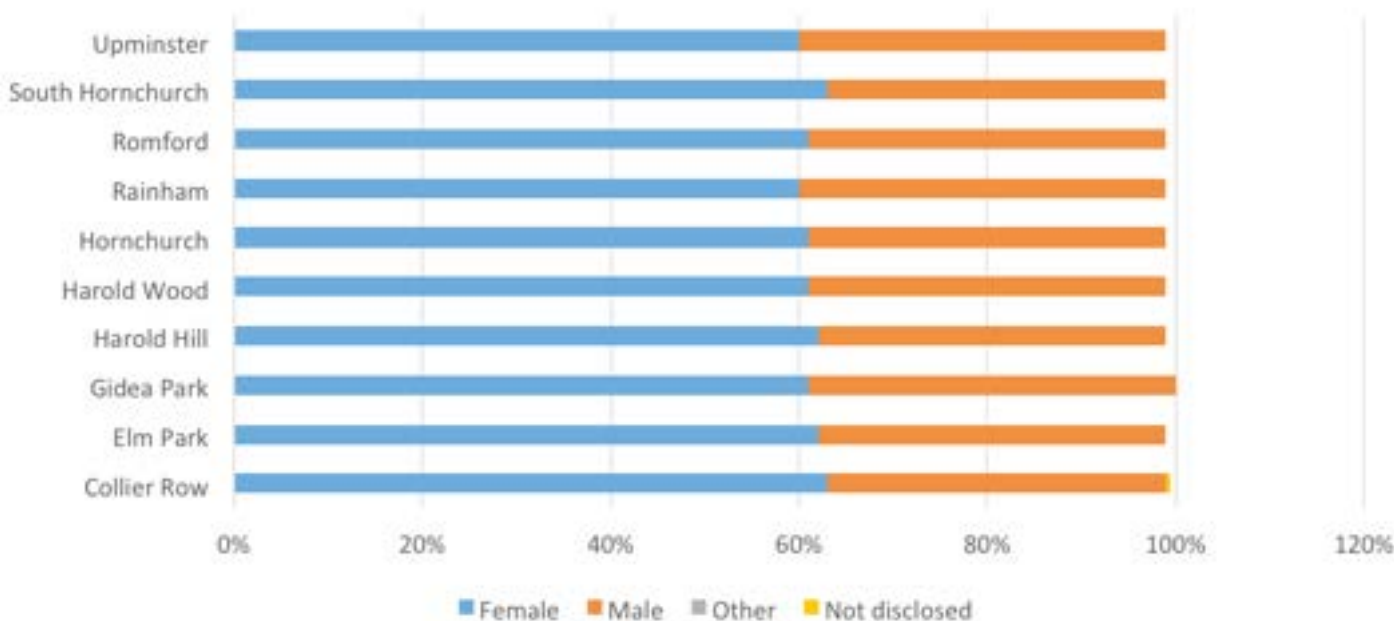
Ward	Elm Park	Hacton	Upminster	South Hornchurch	Beam Park	Rainham & Wennington	England average
Nearest libraries	Elm Park; Hornchurch	Hornchurch; Elm Park	Upminster; Hornchurch	South Hornchurch; Rainham	Rainham; South Hornchurch	Rainham; South Hornchurch	
Educational attainment (% of residents 16+ with no qualifications)	21.6%	19.2%	15.2%	18.1%	21.8%	23.4%	18.1%
Households where no member has English as main language	4.0%	2.4%	1.3%	4.7%	5.8%	5.5%	5.0%
Unemployment (% of residents claiming JSA/UC)	3.5%	2.1%	1.4%	5.2%	7.5%	4.7%	3.8%
Access to car (% of residents who do not own a car or van)	21.8%	17.1%	13.0%	19.3%	27.3%	20.8%	23.5%
Deprivation (% of households with 2 indices of deprivation)	15.7%	12.6%	9.6%	15.4%	18.1%	16.4%	14.2%
Disability (disabled under Equality Act)	14.4%	13.2%	13.8%	14.0%	15.6%	14.7%	17.3%
Community safety (crime rate)	51.7	31.4	27.7	55.8	65.1	61.0	88.2
Children - % of population made up of children aged 0-15	19.5%	17.0%	17.2%	20.7%	24.1%	20.2%	18.6%
Children – number of households with children living in relative poverty	13.6%	7.7%	5.0%	15.8%	22.5%	16.2%	19.5%
Older people (% of population aged 65+)	18.0%	21.9%	24.6%	16.1%	10.1%	17.5%	18.4%
AHAH Index (higher score = poorer health-related environment)	29.4	25.7	21.7	31.2	32.2	28.5	23.2
Community Needs rank	16,056	21,380	24,668	14,452	10,409	13,934	16,998

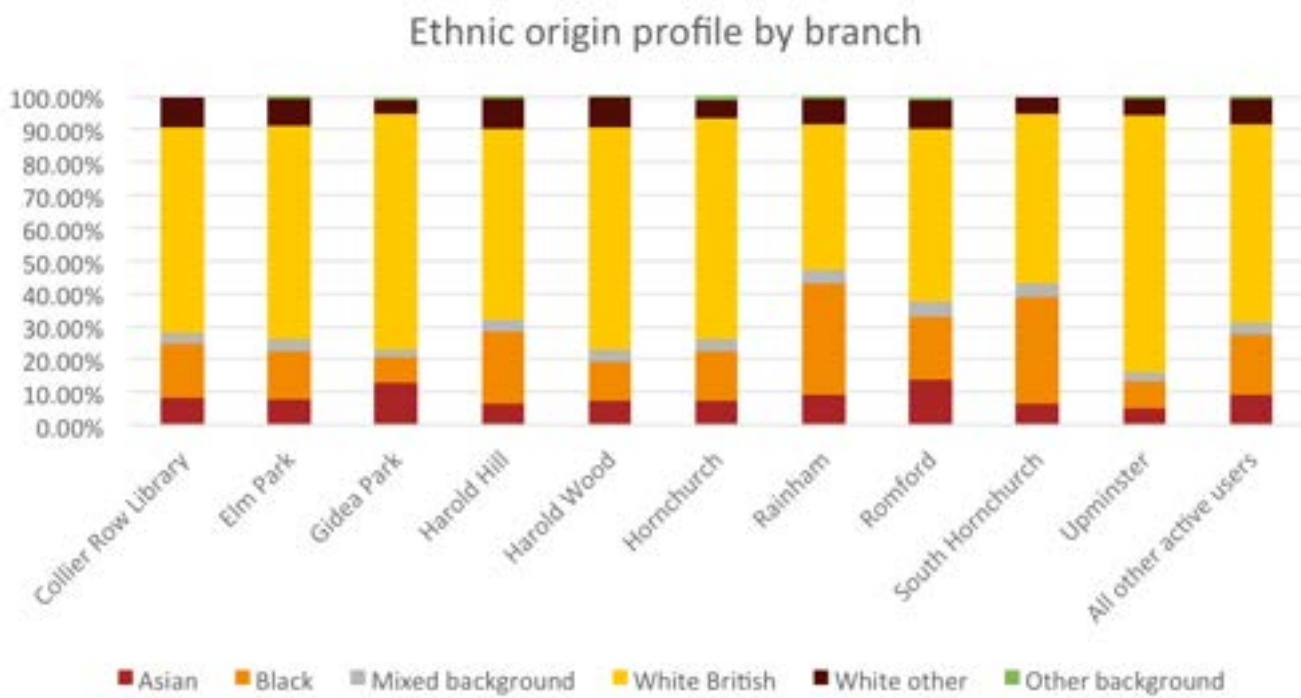
### Library membership data

Library membership is available for free by law to all who live, work or study in the area, and in Havering as in many other library authorities, it is not restricted to these categories. Of the total membership of almost 60,000, there will be some who have not used the service for a long period but still remain members.



### Membership by gender





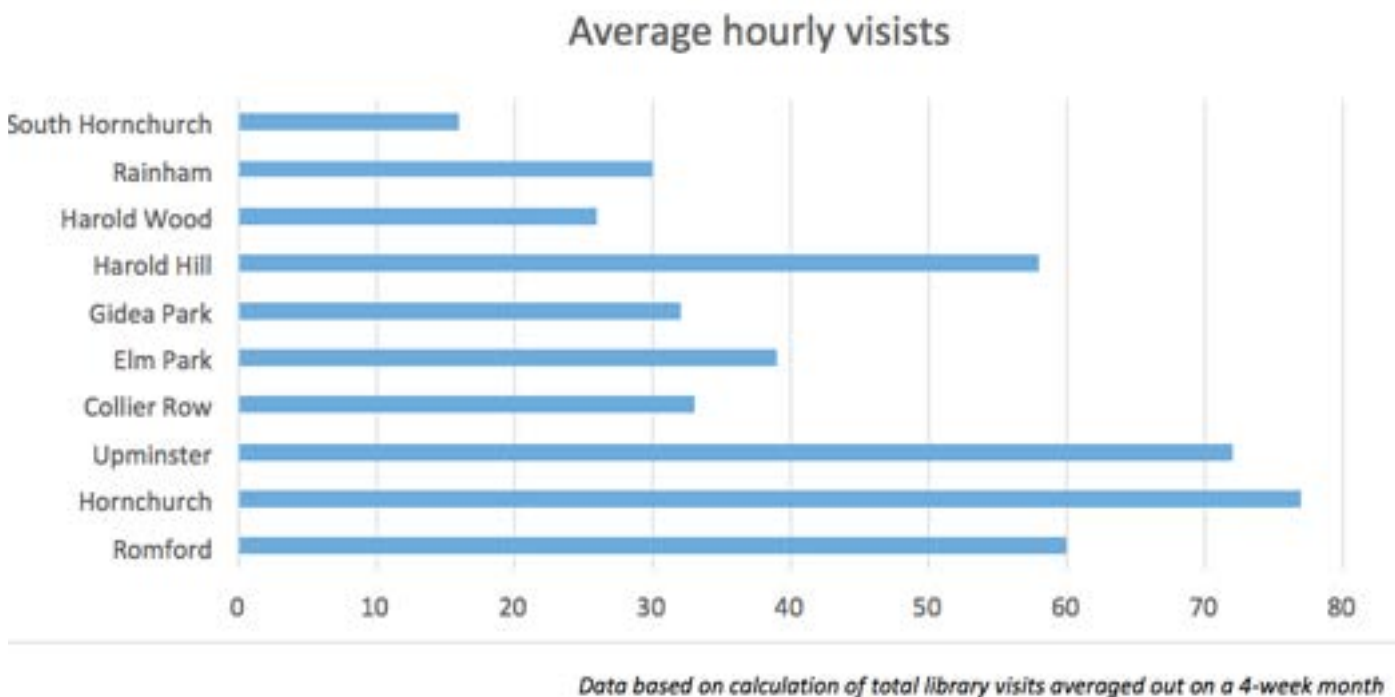
Note – the service’s recorded data on disability is limited . Less than 1% of members have provided data on disability, meaning the service holds no meaningful data to inform this needs assessment.

### Visits and Issue data

#### Library visits 2023-24

	April 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	March 2024	Total
Romford	10,614	12,503	14,080	14,100	13,699	11,787	12,178	11,417	8,864	11,059	11,988	12,824	145,113
Hornchurch	11,039	11,492	11,449	16,093	16,865	11,565	17,780	18,708	14,924	20,789	20,742	13,598	185,044
Upminster	12,821	10,554	12,690	15,940	19,226	13,299	15,342	13,034	13,816	18,839	14,388	12,502	172,451
Collier Row	2,276	3,110	3,427	4,142	6,037	3,733	2,474	2,703	2,113	2,671	2,798	2,546	38,030
Elm Park	3,074	3,045	3,896	4,132	3,983	4,187	3,582	3,242	4,216	4,132	3,447	3,932	44,868
Gidea Park	2,804	3,641	4,063	3,853	4,195	3,881	2,410	2,914	1,871	2,550	2,467	2,517	37,166
Harold Hill	6,183	7,219	7,153	8,361	9,039	11,354	11,599	14,201	12,011	15,029	17,753	19,400	139,302
Harold Wood	410	2,150	2,776	2,806	3,944	3,167	2,755	3,811	2,340	2,268	1,679	1,926	30,032
Rainham	4,221	4,491	4,877	4,841	5,163	5,383	6,796	9,475	6,434	7,324	7,423	7,168	73,596
South Hornchurch	1,655	1,741	1,619	1,704	1,936	1,950	1,471	1,335	1,821	1,673	741	1,065	18,711
Local History					57	59	70	170	42	158	53	66	675
Other activities	4,527	5,910	4,438	3,514	2,475	3,984	5,697	6,667	2,889	5,418	5,237	4,858	55,614
<b>Total</b>	<b>59,624</b>	<b>65,856</b>	<b>70,468</b>	<b>79,486</b>	<b>86,619</b>	<b>82,051</b>	<b>87,677</b>	<b>71,341</b>	<b>91,910</b>	<b>88,716</b>	<b>82,402</b>	<b>940,602</b>	

### Library average visits per hour



### Library issues 3 year trend

Year	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Total
Target	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	803,004
21/22	34,549	81,936	71,161	81,117	80,613	68,843	78,134	67,833	69,290	66,912	63,229	78,250	841,867
22/23	76,426	78,340	76,748	89,757	97,793	88,441	85,443	83,584	81,584	80,706	79,989	92,487	1,011,418
23/24	85,884	92,145	91,957	86,222	95,285	84,205	82,691	76,880	72,103	75,284	67,317	69,458	979,431

\*Figures include online issues of ebooks & eaudio

### Commentary

Measuring library performance on a library-by-library basis is not straightforward. Catchment area, opening hours, location (high street location sites tend to perform better than those buildings not on a high street), facility/activity mix and condition of building can all be factors explaining footfall.

However, a simple calculation based on averaging out the number of visitors divided by a four-week month can be used as a more meaningful comparison tool.

From this data, it is apparent that three libraries – Romford, Hornchurch and Upminster are far busier in terms of visits and issues. Rainham and Harold Hill are busier than branch libraries. Branch library visitor numbers are relatively similar although Elm Park has a higher average number of visitors.

Visitor numbers at Rainham and South Hornchurch remain very low by comparison to main and branch libraries respectively. It is possible that the geography of the south of the borough and Rainham library’s location as not on a recognisable high street is a cause for lower footfall figures at this location (and it should be noted that footfall is increasing at that site).

Three quarters of all library visits are made to the five main libraries and these libraries also account for 88% of all computer use and WiFi access.



## Schools in Havering

Havering's library service has built strong relationships with schools across the borough, linking with schools library services and running dozens of class visits to libraries. Each library has a catchment area of schools and this is listed below.

(Private schools are in *Italics*, Secondary schools at top of each list in **bold** and counted separately to Primary schools)

### Romford

- **Marshalls Park Academy**
- **St Edwards Academy**
- Concordia Academy
- Crowlands Primary
- Hylands Primary
- Gidea Park Primary
- The Mawney
- St Edwards CE Primary
- St Peters Catholic Primary
- **The Bridge** (Brentwood Rd) – secondary school for pupils with emotional needs

### Harold Wood

- **Redden Court School**
- Harold Court Primary
- Harold Wood Primary
- ***Lime Academy, Forest Approach***

### Elm Park

- **Abbs Cross Academy and Arts College**
- Benhurst School
- Elm Park Primary School
- RJ Mitchell Primary
- Scotts Primary
- St Albans Catholic Primary
- Harrow Lodge Primary



### Rainham

- **Harris Academy (formerly Chafford)**
- Brady Primary
- La Salette RC Primary
- Parsonage Farm Primary
- Rainham Village Primary

### South Hornchurch

- **Brittons Academy**
- Newtons Primary
- Scargill Infant
- Scargill Junior
- Whybridge Infant
- Whybridge Junior

### Hornchurch

- **Hornchurch High (formerly Albany)**
- **The Champion School**
- **Emerson Park Academy**
- **Sanders School**
- **Havering Sixth Form College**
- Hacton Primary
- Langtons Infant
- Langtons Junior
- Nelmes Primary
- St Mary's RC Primary
- Suttons Primary
- Towers Infant
- Towers Junior

### Gidea Park

- **Frances Bardsley Academy**
- **The Royal Liberty School**
- Ardleigh Green Infant
- Ardleigh Green Junior
- Squirrels Heath Infant
- Squirrels Heath Junior
- Gidea Park College
- St Marys Hare Park



### Upminster

- **Coopers' Company and Coborn School**
- **Gaynes School**
- **Hall Mead School**
- **Sacred Heart of Mary Girls' School**
- Branfil Primary
- Engayne Primary
- The James Oglethorpe Primary
- St Joseph's RC Primary
- Upminster Infant
- Upminster Junior
- *Oakfields Montessori*
- ***Corbets Tey additional needs school***

### Harold Hill

- **Drapers' Academy**
- Broadford Primary
- Drapers Brookside Infant
- Drapers Brookside Junior
- Drapers Maylands
- Hilldene Primary
- Mead Primary
- Drapers Pyrgo Priory
- St Ursula's RC Infant
- St Ursula's RC Junior
- Lime Academy, Forest Approach (Settle Rd opp Drapers Academy) additional needs
- Lime Academy, Ravensbourne (Neave Cres) additional needs

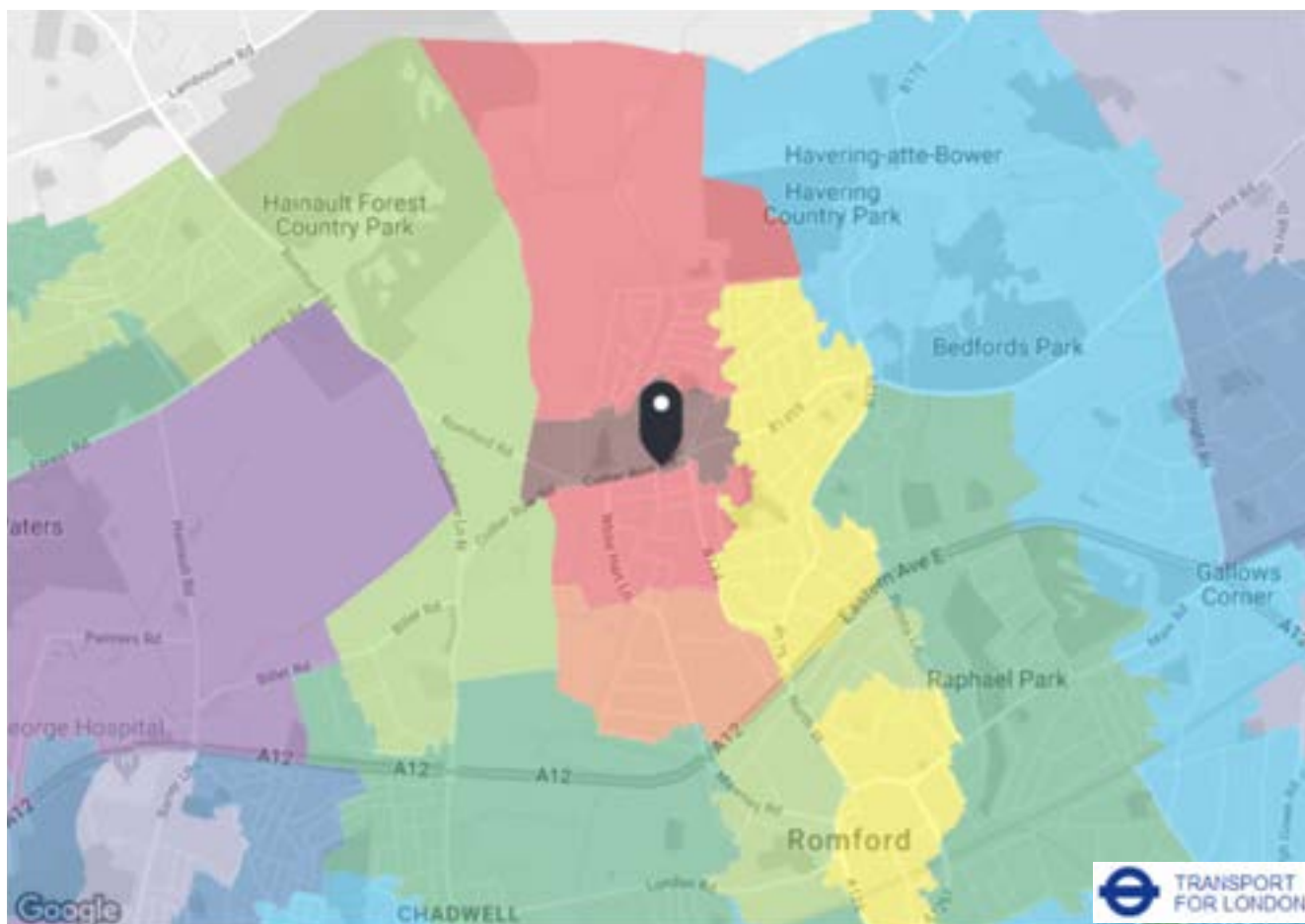
### Collier Row

- **Bower Park Academy**
- Rise Park Infant
- Rise Park Junior
- St Patricks Catholic Primary
- Clockhouse Infant
- Clockhouse Junior
- Crownfield Infant
- Crownfield Junior
- Dame Tipping CE Primary
- Parklands Infant
- Parklands Junior
- Oasis Pinewood Academy

## Transport links

### Collier Row

Collier Row library is located in a district shopping centre near the intersection of two main roads. The next nearest library to Collier Row is Romford, 2.4 miles away. This library is the most remote from any other in the borough. There is a bus stop outside the library and several bus routes serve the area. The map below shows approximate travelling times by public transport to the library outside peak hours.



Code: NT096105A

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#### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day:  
Between peak times, Direction: To location

**Collier Row Library**, 45 Collier Row Rd,  
Romford RM5 3NR, UK  
Easting: 549763, Northing: 191055

#### Map key - Travel Time

<span style="display: inline-block; width: 15px; height: 15px; background-color: #8B4513; border: 1px solid black;"></span> < 5 mins	<span style="display: inline-block; width: 15px; height: 15px; background-color: #E91E63; border: 1px solid black;"></span> 5 - 10 mins
<span style="display: inline-block; width: 15px; height: 15px; background-color: #FF9800; border: 1px solid black;"></span> 10 - 15 mins	<span style="display: inline-block; width: 15px; height: 15px; background-color: #FFF9C4; border: 1px solid black;"></span> 15 - 20 mins
<span style="display: inline-block; width: 15px; height: 15px; background-color: #C8E6C9; border: 1px solid black;"></span> 20 - 25 mins	<span style="display: inline-block; width: 15px; height: 15px; background-color: #A5D6A7; border: 1px solid black;"></span> 25 - 30 mins
<span style="display: inline-block; width: 15px; height: 15px; background-color: #BBDEFB; border: 1px solid black;"></span> 30 - 35 mins	<span style="display: inline-block; width: 15px; height: 15px; background-color: #90CAF9; border: 1px solid black;"></span> 35 - 40 mins
<span style="display: inline-block; width: 15px; height: 15px; background-color: #D1C4E9; border: 1px solid black;"></span> 40 - 45 mins	<span style="display: inline-block; width: 15px; height: 15px; background-color: #B39DDB; border: 1px solid black;"></span> 45 - 50 mins

Much of the inhabited parts of Havering-atte-Bower and Mawney’s wards are within ten minutes travelling time from the library. Travelling times to Romford library are between 17 and 28 minutes off peak, but from the north of the area they are considerably longer.

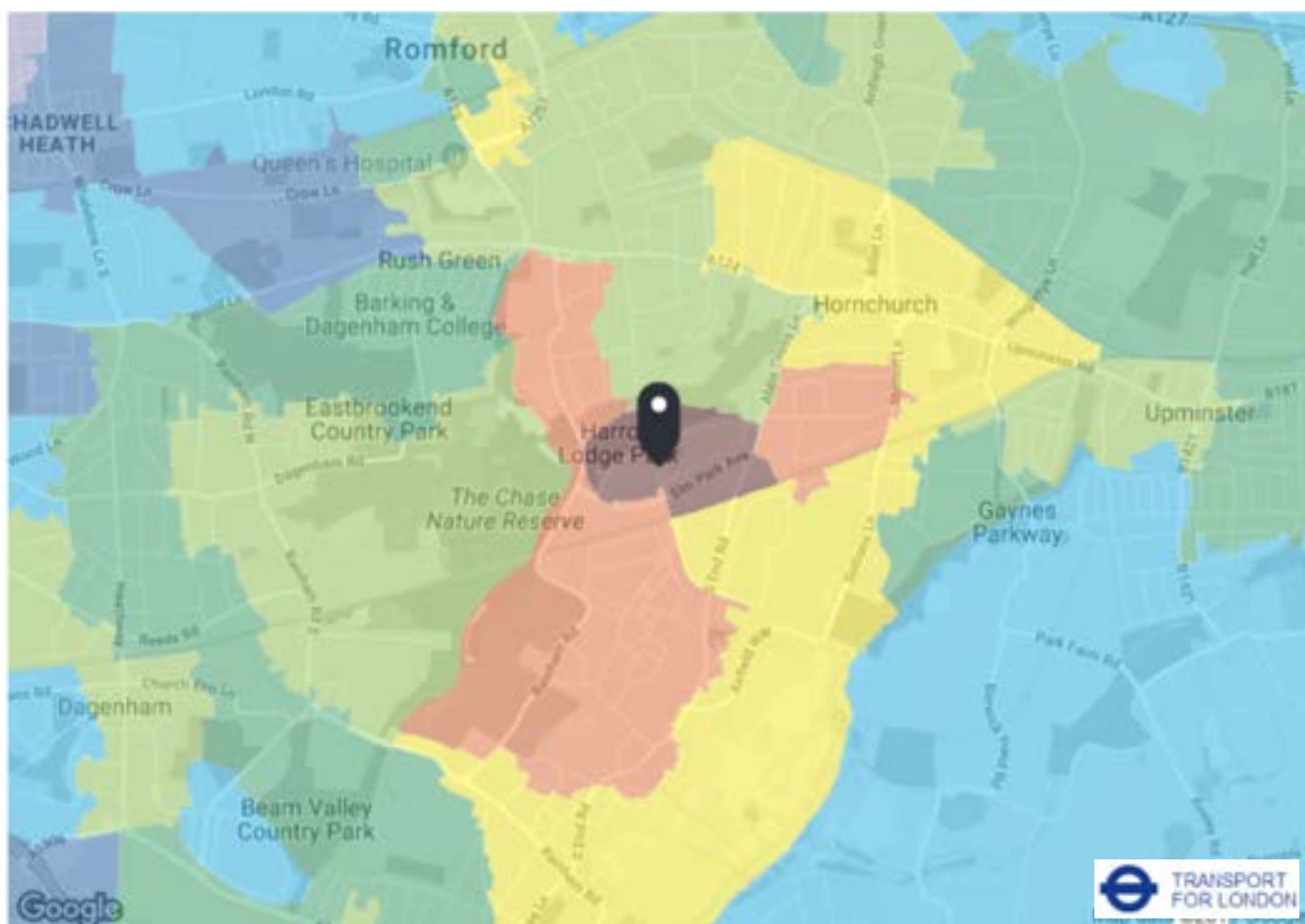
Around 20% of households in Havering-atte-Bower and Mawney’s wards, those closest to the library, had no access to a vehicle in latest available data. This was below average for the borough. There are seven dedicated parking spaces at the library and free parking nearby.



## Transport links

### Elm Park library

Elm Park library is located to the north of a district shopping centre and around 300 meters from an underground station. The next nearest library is Hornchurch, 1.8 miles away. This is the second most remote in the borough. There are bus stops within 150 metres of the library and several bus routes serve the area. The map below shows travelling times by public transport to the library outside peak hours.



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### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Elm Park Library**, 12 St. Nicholas Ave, Hornchurch RM12 4PT, UK

Easting: 552508, Northing: 186022

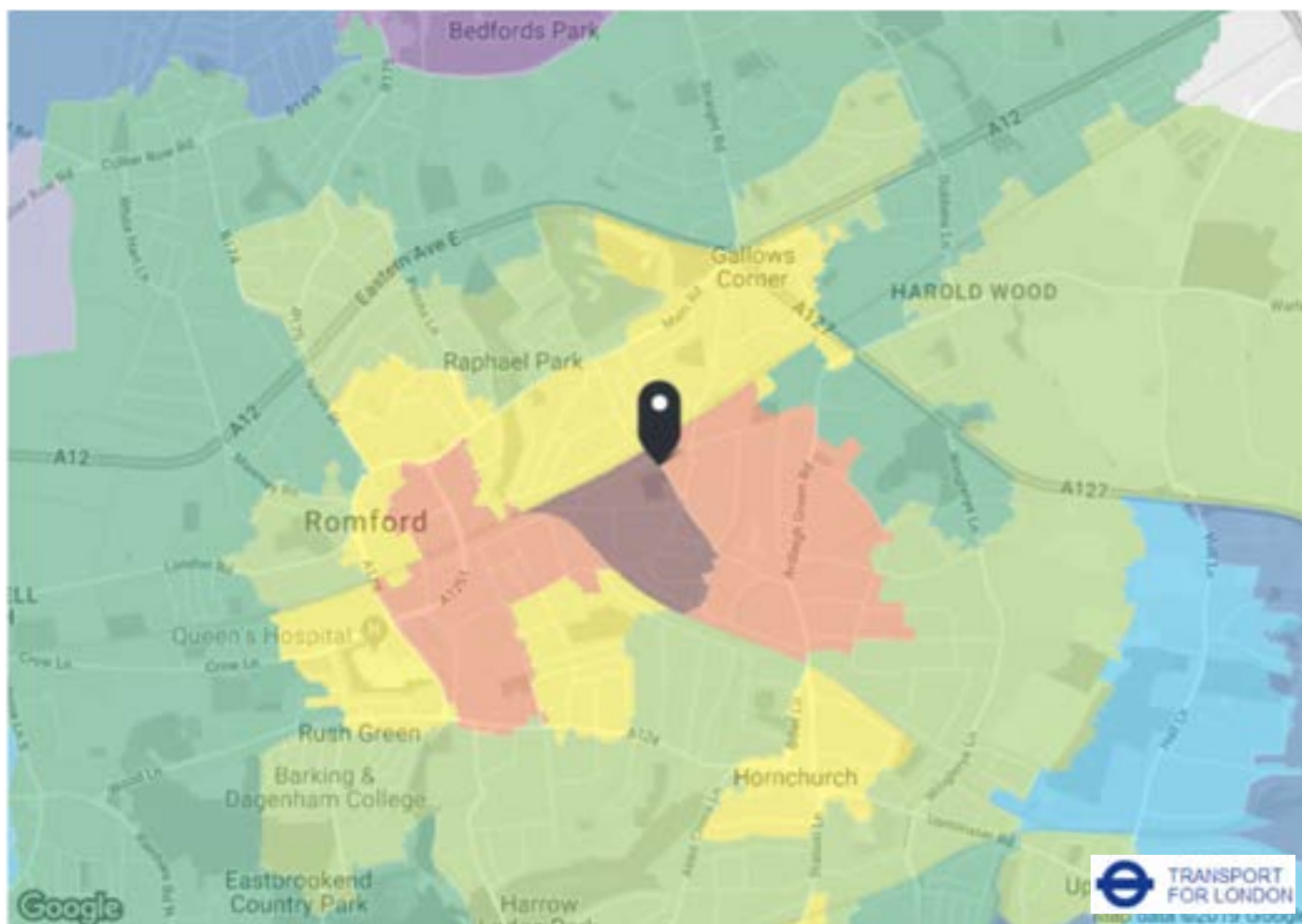
Much of Elm Park wards and parts of South Hornchurch and Hylands and Harrow Lodge wards are within ten minutes travelling time from the library. Travelling times to Hornchurch library are between 18 and 23 minutes.

Around 25% of households in Elm Park ward had no access to a vehicle in latest available data. This was above average for the borough. There is no dedicated parking space at the library, but there is free parking nearby.

## Transport links

### Gidea Park library

Gidea Park library is located about 300 metres from a small area of shops in a mainly residential area and around 200 meters from a main line station. The next nearest library is Hornchurch, 1.4 miles away and Romford is 1.5 miles away. There are bus stops nearby but not immediately outside the library. The map below shows travelling times by public transport outside peak hours.



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### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Gidea Park Library**, 168 Balgores Ln, Romford RM2 6BS, UK

Easting: 552940, Northing: 189103

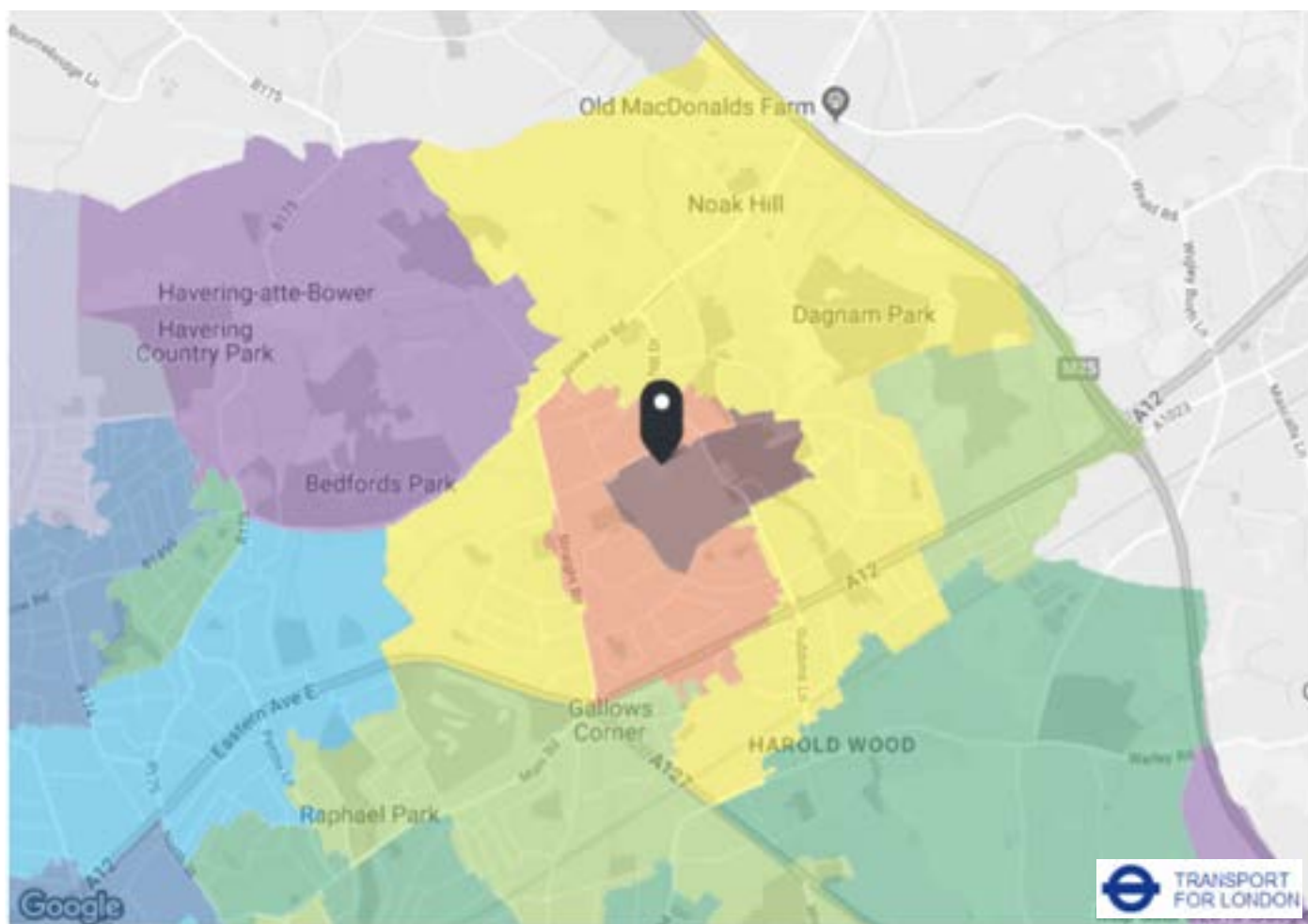
Much of Squirrel's Heath ward is within 15 minutes travel of the library. Travelling times to Hornchurch library are between 14 and 26 minutes off peak, and a similar time to Romford library.

19% of households in Squirrel's Heath ward had no access to a vehicle in latest available data. This was below average for the borough. There are 16 dedicated parking spaces at the library and free parking nearby.

## Transport links

### Harold Hill library

Harold Hill library is located within a district shopping centre. The next nearest library is Harold Hill, 1.3 miles away. There are bus stops nearby but not immediately outside the library. The map below shows travelling times by public transport to the library outside peak hours.



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### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Harold Hill Library**, 19a Farnham Rd, Romford RM3 8EH, UK

Easting: 553791, Northing: 192062

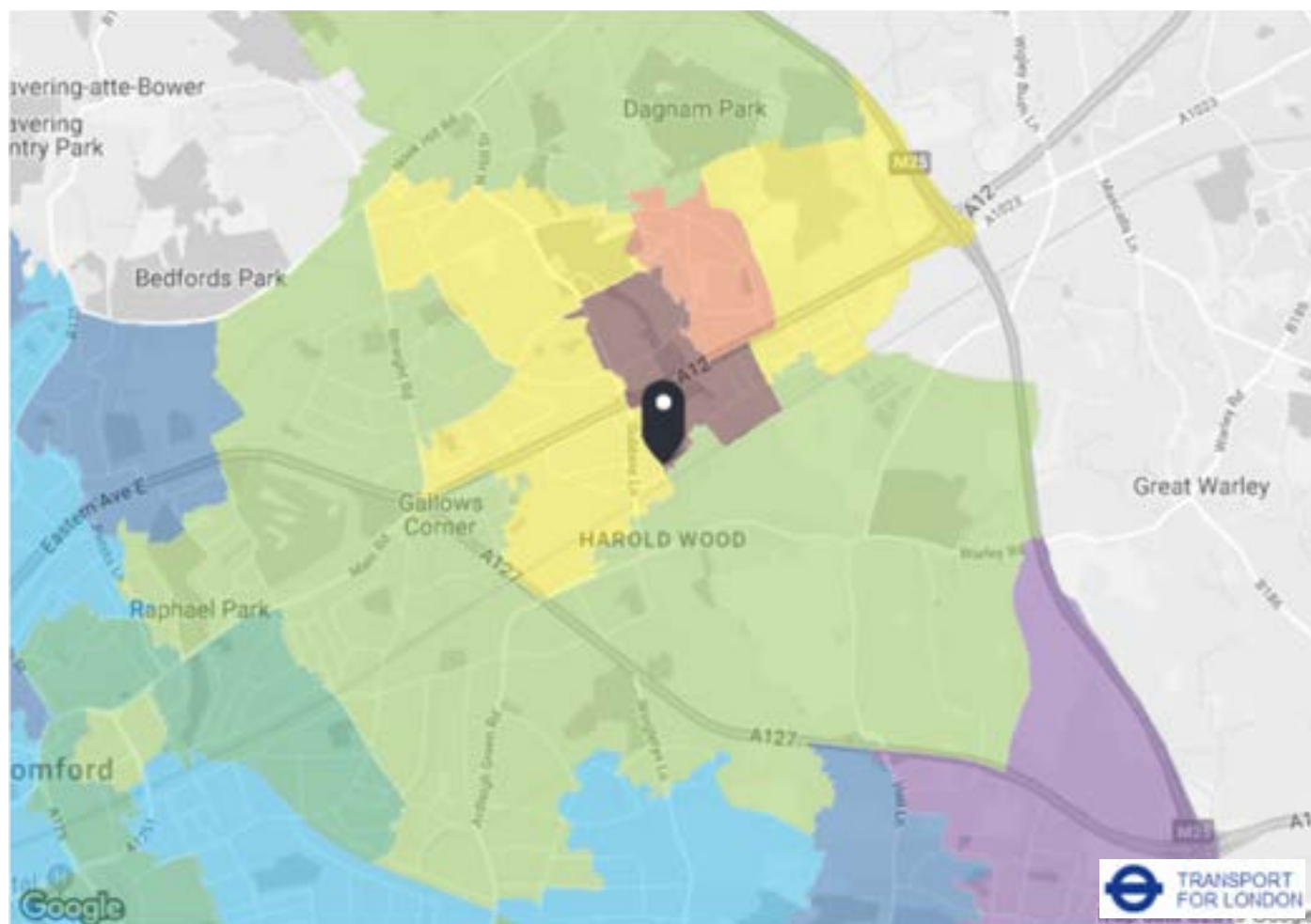
Much of Heaton ward is within 15 minutes travelling time from the library by public transport, but much of Gooshays ward has transport times of up to 20 minutes. Most of Harold Wood ward is within 20 minutes travelling time.

34% of households in Gooshays and Heaton wards, those closest to the library, had no access to a vehicle in latest available data. This was the highest in the borough. There are four dedicated parking spaces at the library and free parking nearby.

## Transport links

### Harold Wood library

Harold Wood library is located at a short distance from a district shopping centre and about 250 metres from a main line railway station. The next nearest library to Harold Wood is Harold Hill, 1.3 miles away. There is a bus stop outside the library and several bus routes serve the area, although most stop near the station. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

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### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Harold Wood Library**, Arundel Rd, London RM3 0RX, UK

Easting: 554942, Northing: 190766

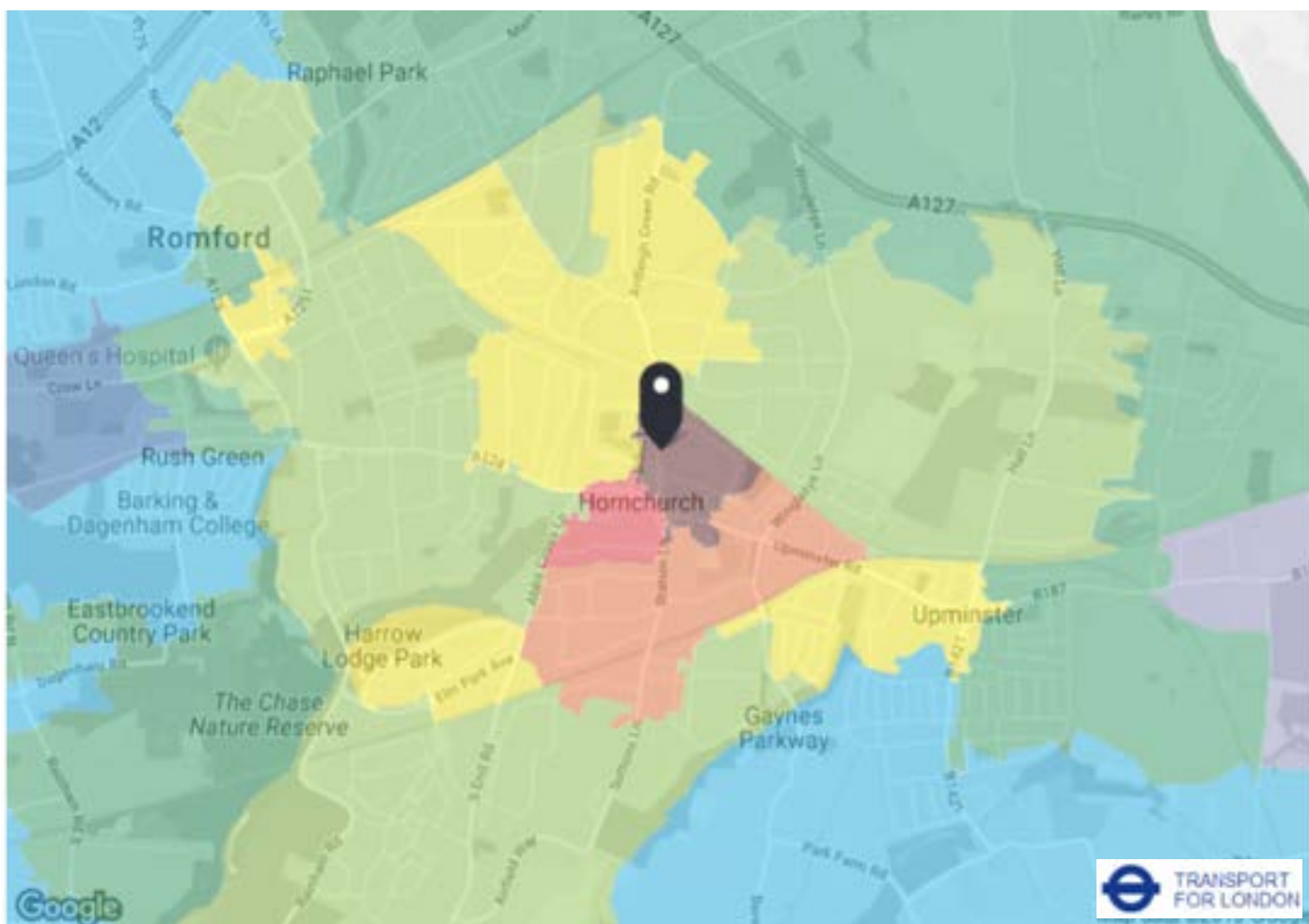
Much of the inhabited part of Harold Wood ward is within 15 minutes travelling time from the library and within 20 minutes of Harold Hill library. Travelling times to Harold Hill library are between 22 and 24 minutes off peak.

22% of households in Harold Wood ward had no access to a vehicle in latest available data. This was below average for the borough. There are four dedicated parking spaces at the library and free parking nearby.

## Transport links

### Hornchurch library

Hornchurch library is located on the edge of the town centre of Hornchurch and about 1.2km from both Hornchurch and Upminster Bridge underground stations. The next nearest library is Gidea Park, 1.4 miles away. There are bus stops nearby and Hornchurch is very well served by buses. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

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#### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Hornchurch Library**, 44 North St, Hornchurch RM11 1TB, UK

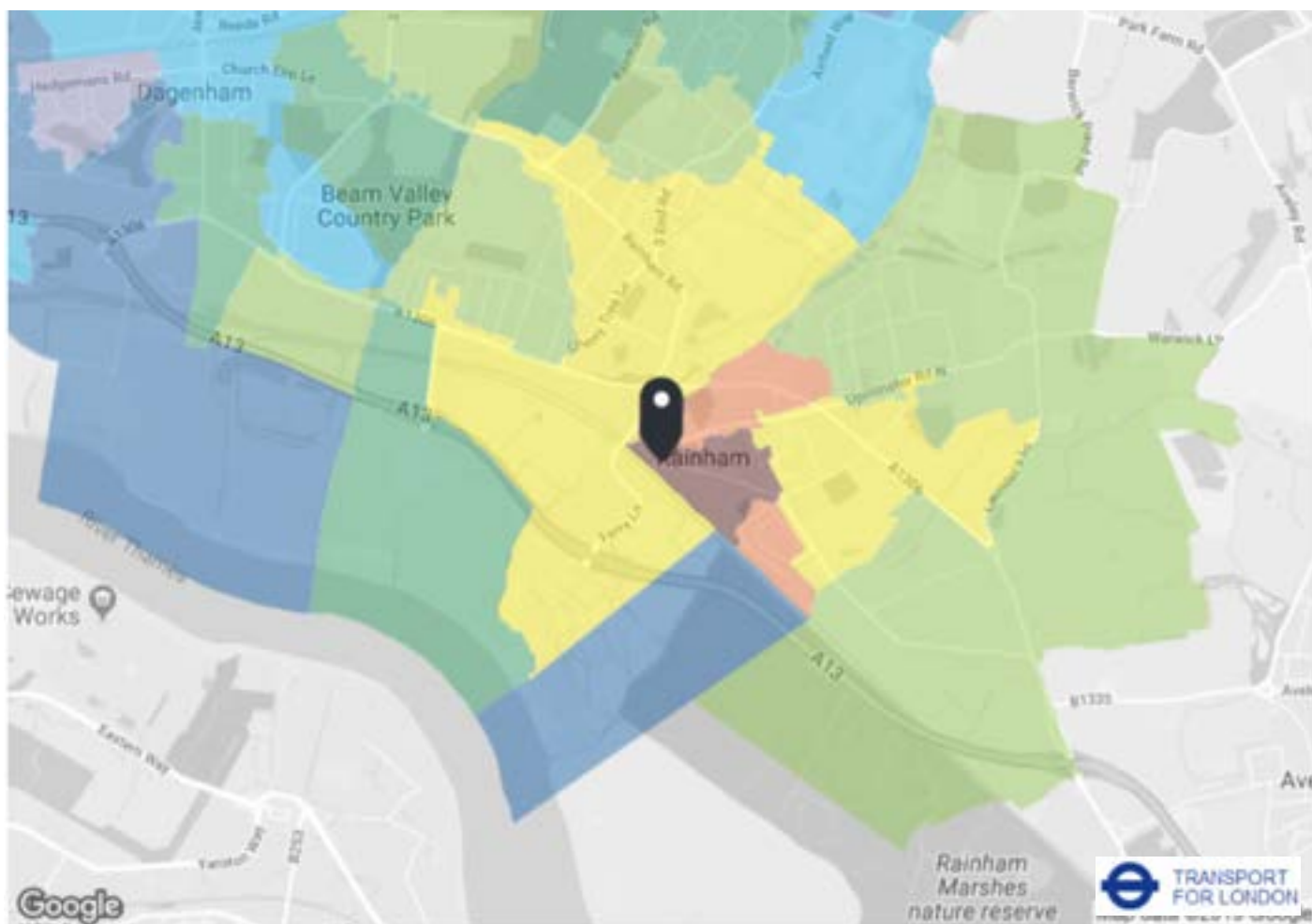
Easting: 554005, Northing: 187448

Much of St Andrews ward is within 15 minutes travelling time of the library, and most of Emerson Park ward within 20 minutes. Parts of Hacton and Hylands and Harrow Lodge wards are less accessible. 18% of households in these wards had no access to a vehicle in latest available data. This was well below average for the borough. There are 16 dedicated parking spaces at the library and free parking nearby.

## Transport links

### Rainham library

Rainham library is located close to the district shopping centre and adjacent to Rainham mainline station. The next nearest library is South Hornchurch, 1.1 miles away. There are bus stops outside the library and Rainham is served by several bus routes. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

Copyright 2019, TIL

#### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Rainham Library**, Celtic Farm Rd, Rainham RM13 9GP, UK  
Easting: 552120, Northing: 182076

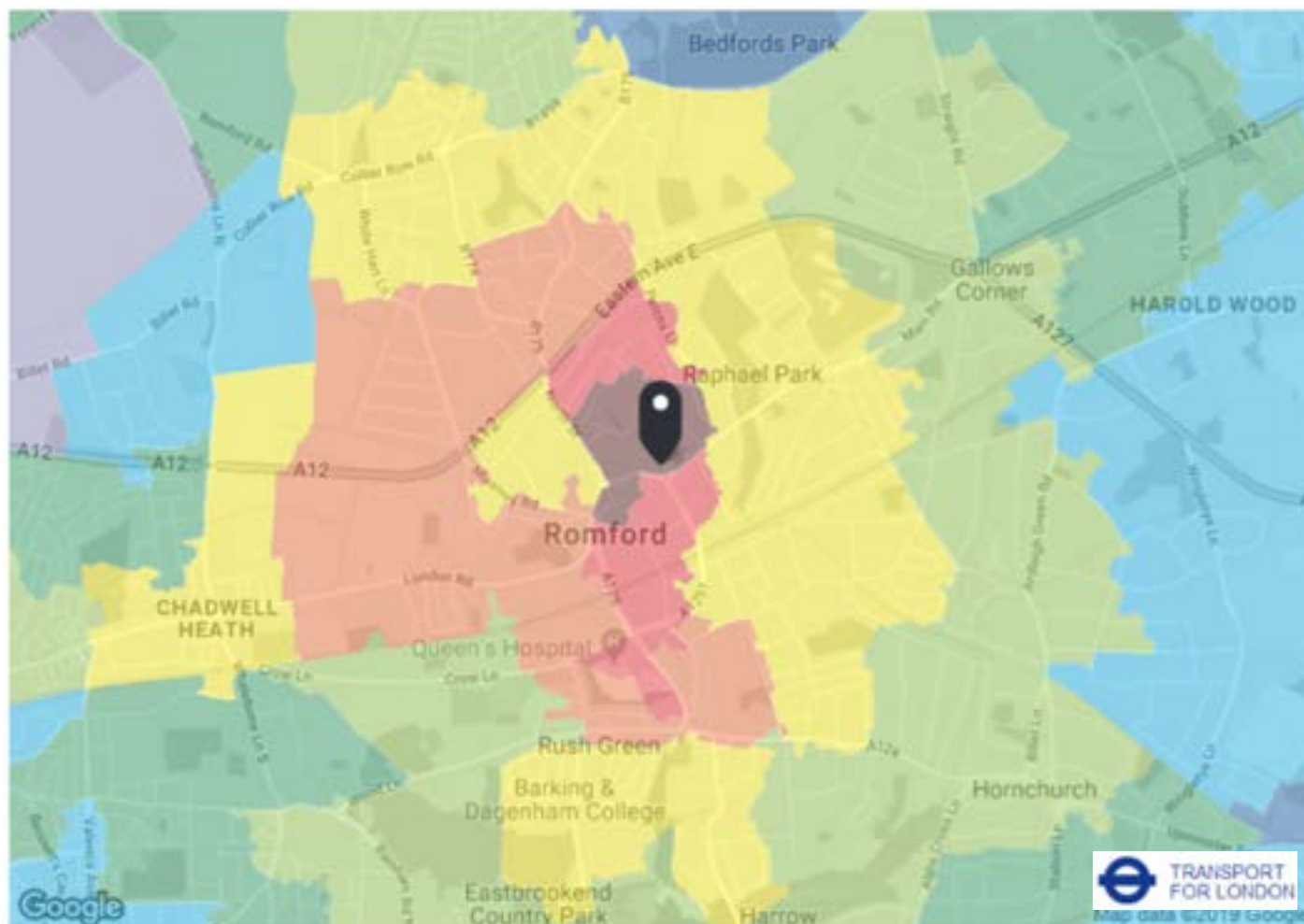
The map shows that most of the inhabited parts of Rainham and Wennington ward are within 25 minutes or less travelling time of the library. This also applies to the Beam Park and South Hornchurch wards.

21% of households in Rainham and Wennington ward had no access to a vehicle in latest available data. This was below average for the borough. There are no parking spaces at the library but there is free parking nearby.

## Transport links

### Romford library

Romford library is located on the edge of Romford town centre and about 700 metres from Romford mainline station. The next nearest library is Gidea Park, 1.5 miles away. There are bus stops outside the library and Romford is at the heart of the local bus network with routes to all parts of the borough. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

Copyright 2019, TfL

### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Romford Library**, St. Edwards Way, Romford RM1 3AR, UK

Easting: 551391, Northing: 189141

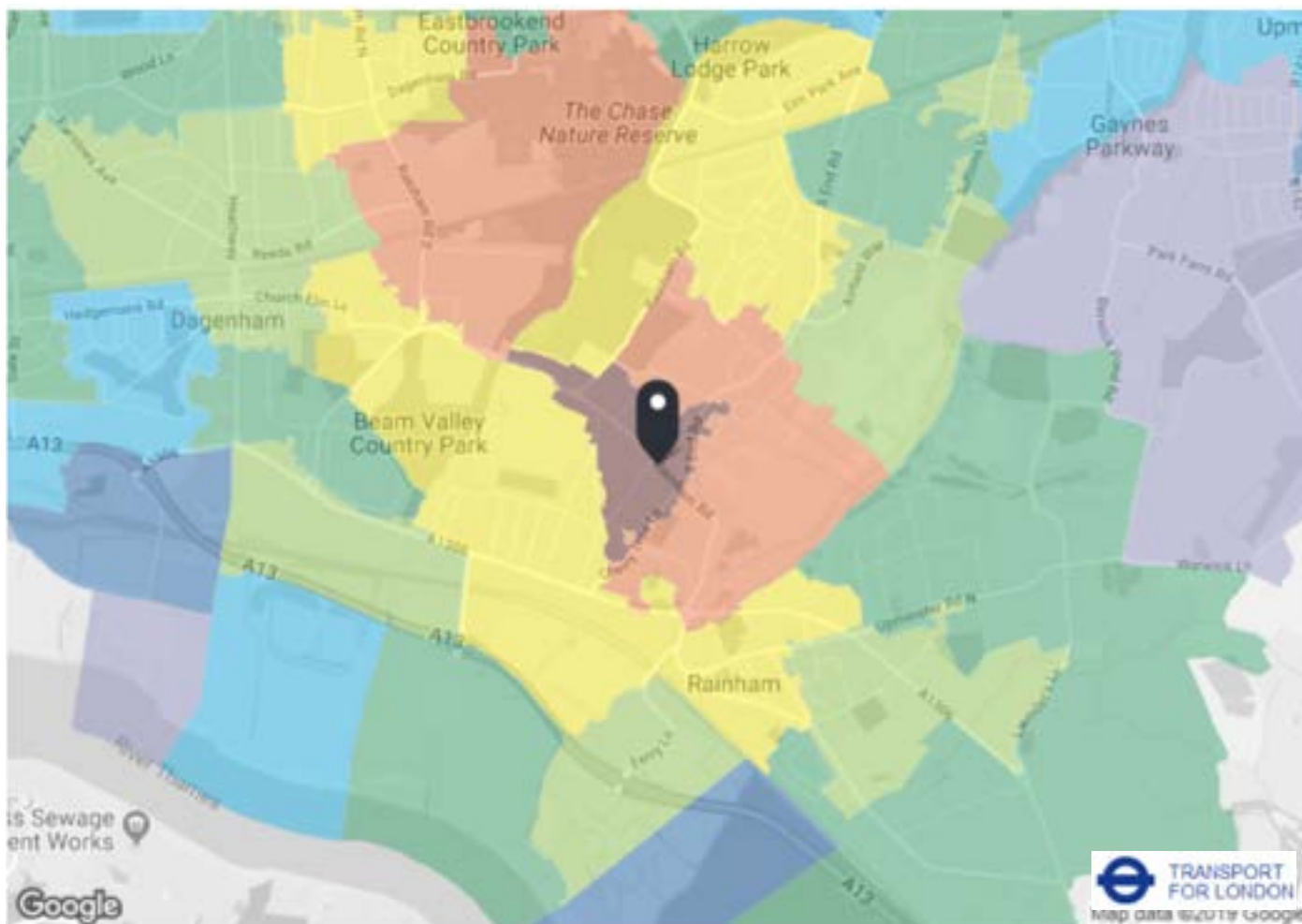
This shows that a wide area of the centre of the borough is within 20 minutes travelling time by public transport, including the areas around Collier Row and Gidea Park libraries.

the Beam Park and South Hornchurch wards. There are no parking spaces at the library but there is abundant chargeable parking nearby.

## Transport links

### South Hornchurch library

South Hornchurch library is located about 200m from a small retail district. The next nearest library is Rainham, 1.1 miles away. There is a bus stop outside the library and three bus routes serve the area, although only one passes the library. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

Copyright 2019, TfL

### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**South Hornchurch Library**, 138 Rainham Rd, Rainham RM13 7RH, UK

Easting: 551846, Northing: 183529

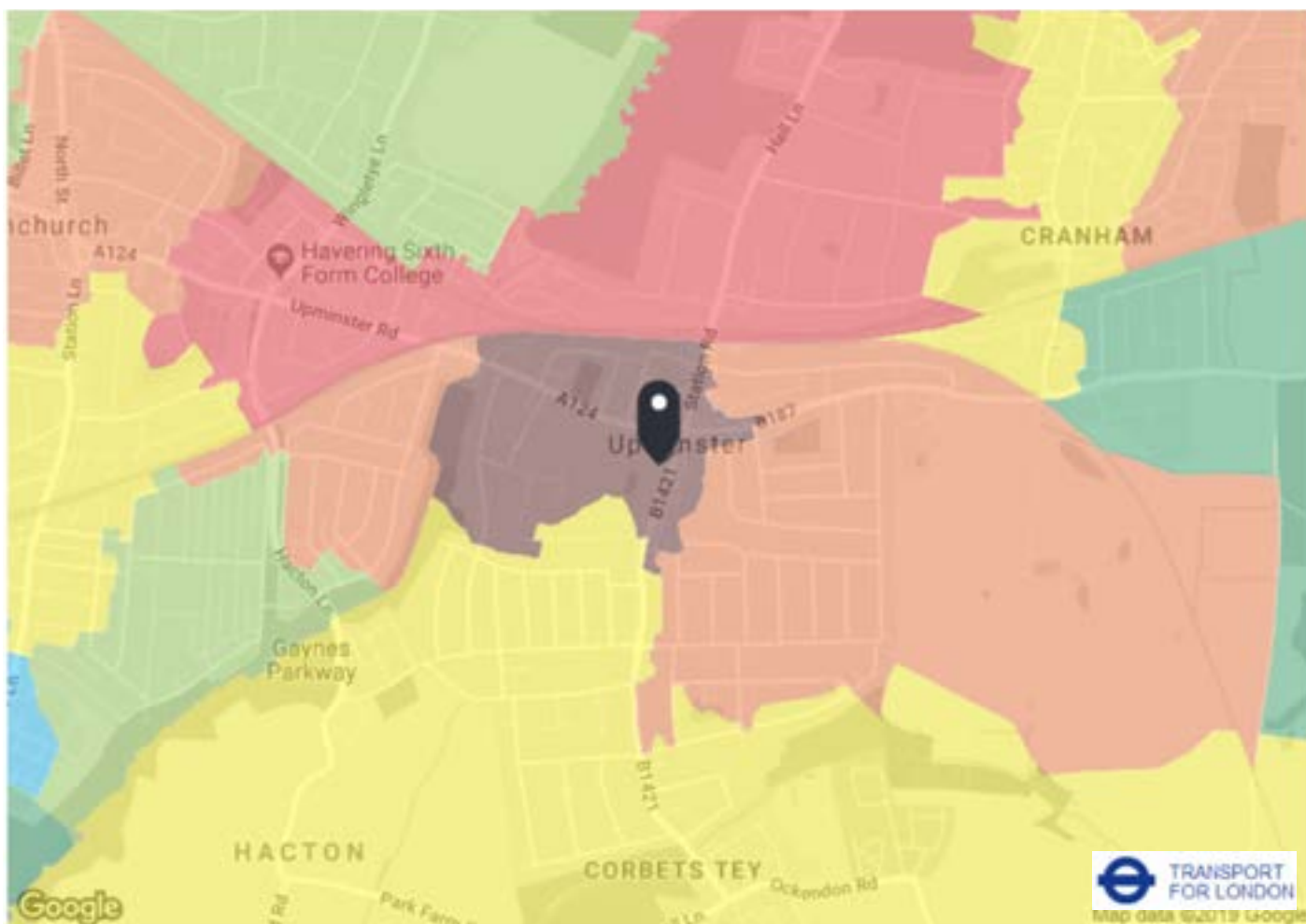
The map shows that most of the inhabited area of South Hornchurch ward is within 15 minutes travelling time of the library. Significant development and population growth in the Beam Park area is within 20 minutes of the library and a similar time to Rainham library. Off peak bus journeys to Rainham library take between 6 and 14 minutes from South Hornchurch library. 25% of households in South Hornchurch had no access to a vehicle in latest available data. This was above average for the borough. There are nine parking spaces at the library and free parking



## Transport links

### Upminster library

Upminster library is located within Upminster town centre. The next nearest library is Hornchurch, 1.6 miles away. There is a bus stop outside the library and four bus routes serve the area. Upminster mainline and underground station is around 450 metres away. The map below shows travelling times by public transport to the library outside peak hours.



Code: NT096105A

Copyright 2019, TFL

### TIM output for the Base Year

Scenario Base Year Mode.

All public transport modes, Time of day: Between peak times, Direction: To location

**Upminster Library**, Upminster RM14 2BB, UK  
Easting: 5559533, Northing: 186423

The map shows that the majority of the inhabited parts of Upminster and Cranham wards are within 15 minutes travelling time by public transport, although parts of Cranham and the Corbets Tey areas are less accessible.

15% of households in Cranham and Upminster wards had no access to a vehicle in latest available data. This was the lowest in the borough. There are no parking spaces at the library but there is some free parking nearby.

## Needs Assessment Conclusions

The needs assessment, assessing multiple factors, demonstrates a broad need for libraries across the borough. Every area has some level of need for a library and that with limited resources, difficult decisions need to be made about where the Council spends its resources. We have identified the following conclusions:

- The five main libraries serve three quarters of all visits and issues, the vast majority of wifi access and IT use and are easily accessible for the vast majority of the borough by public transport;
- These main libraries serve catchment areas which include large and growing numbers of children aged 0-15 as well as growing populations of adults aged over 60. They are also in general the libraries in the best condition (although it should be noted that Hornchurch library in particular will require significant investment approaching £500,000 within the next five years in order to maintain its operation.)
- There is therefore a strong evidence, based on the needs assessment and other factors, for the retention of these five main libraries as part of the future delivery model.

Of the remaining branch libraries (in alphabetical order):

- Collier Row branch library is furthest away from a nearby library, with Romford library being the closest venue. Collier Row also serves as a catchment area with relatively high numbers of children living in poverty. Collier Row also serves a larger number of schools in its catchment area. However, the library is in poor and deteriorating condition, cannot provide a comparable facility mix to other libraries and if retained will need to be replaced within the next decade.
- Elm Park branch library is relatively close to a nearby library with good public transport links to Hornchurch. Footfall at the library is higher than at the other branch libraries but significantly lower than the main libraries. Elm Park library is a relatively new building with low ongoing maintenance costs due to its eco-friendly design and features. The library has some scope to generate income through renting out meeting space or through alternate use of the library on non-opening days. There is relatively less deprivation in this library's catchment area than in other areas, but the library serves growing numbers of children and young people and adults aged over 60.
- Gidea Park branch library is relatively close to a nearby library with good public transport links to Romford. Footfall at the library is relatively low compared to other libraries and the condition of the library building is poor and deteriorating with a poor facility mix: the library is approaching the end of its natural life. Gidea Park serves a population with a growing number of children and a relatively high number of adults aged over 60.
- Harold Wood branch library is relatively close to a nearby library with good public transport links to Harold Hill although it provides a poor experience for pedestrians with the A12 having to be crossed. Footfall at the library is low compared to other branch libraries and the condition of the building is poor. The library serves a catchment area experiencing relatively less deprivation than in other areas. The library does have the potential to generate income from meeting space but as the condition of the building declines further it is unlikely income targets can be achieved



- South Hornchurch branch library is relatively close to a nearby library with good public transport links to Rainham. The library has the potential to serve growing populations in the South West of the borough but that has not translated into library use: footfall and issues at South Hornchurch are the lowest across the service. The library's catchment area includes parts of the borough experiencing some of the highest deprivation levels, including numbers of children living in poverty. South Hornchurch library delivers a significant income stream through a modular unit in use as an early years provision.

The impact of closing up to four branch libraries would be:

- The total provision of statutory library services in the borough would reduce from 370 hours to 274 hours per week, a reduction of 26% total hours of provision.
- More residents live further away from their nearest library and journeys that were able to be made on foot would now only be achievable by using public transport or by car or bicycle. More libraries would be further than 2.5 miles away from their neighbour and depending on which libraries were identified for closure some would be up to four miles away from their neighbour.
- Some areas experiencing high levels of deprivation and/or serving large and growing populations of children or older adults would lose a nearby library. This could mean that children are unable to access libraries and the library offer at key points in the year. One potential impact could be uptake of the summer reading challenge and it is feasible that such a reduction in service could have a longer-term impact on educational attainment and adult literacy.
- Concentrating the service on a provision of six fixed sites is likely to make more effective use of available capital funding to adequately maintain the library estate and make future improvements to condition and look and feel at each site.

Some of these impacts are discussed in further detail below.



## Appendix 2 – Equality Impact Assessment

We understand that our customers come from all walks of life, with various ages, backgrounds, and abilities, each having their own needs and preferences when it comes to accessing library services. We are committed to providing our library services in a fair and inclusive manner, in line with the Equalities Act 2010, which aims to prevent discrimination, promote equal opportunities, and encourage positive relationships among all individuals.

Our Library Strategy has been shaped by this Equality Impact Assessment (EQIA), which help us understand how proposed changes might affect people with different characteristics. Specifically, we have looked at how potential closures of certain libraries and reduced opening hours might impact various groups:

- Some libraries are at risk of closure, affecting their local communities.
- Overall reduction in library hours could affect service accessibility.
- Based on library membership and demographic data, these impact assessments have shown that library closures could particularly affect certain groups, such as:
- Children, older adults, and women are more likely to use libraries facing closure.
- Groups meeting in these libraries are often attended by children, older adults, and women.
- More women than men use the libraries at risk of closure.
- Older or disabled individuals relying on these libraries may struggle to access alternative options, potentially needing the Housebound Service.

To gauge the impact, we have looked at various data sources, including attendance records, membership data, census data, and performance metrics. The closure of libraries could lead to difficulties in accessing books and resources, digital services, and social interactions, impacting mental health and well-being, especially for those who consider libraries a safe community space.

To address these concerns, we are considering measures like guiding people to other nearby libraries, providing travel information, promoting digital services, and offering housebound library services where necessary. However, despite these efforts, we recognize that some individuals with specific needs may still face challenges, potentially limiting their ability to participate in community life through library access.

Potential Negative Impact	Action Required To Mitigate the Potential Negative Impact
<p>The closure of libraries will impact on groups with protected characteristics who are current users, and any person who wishes to access its library provision, whether they live in the community or elsewhere within the Borough.</p> <p>The groups most likely to be affected are disabled people, older people, and families with young children and disabled children.</p>	<p>The library website will be updated with bus and train information, as well as information for nearby car parks and disabled car parking spaces. Available car parking at libraries will be assessed to ensure that parking is available for those who need it most.</p> <p>We will work with partners to support provision of information on active and alternate travel.</p> <p>Digital support: This will be targeted at those who most need it, including older people, users with a disability (e.g., visual impairment).</p> <p>Better marketing and promotion of the e-library service offer is needed, as some people may be able to download books, audio, newspapers, magazines and comics to their own devices.</p> <p>The Library Service will offer familiarisation visits to other libraries for older people and families with young children who may feel anxious about visiting new libraries. This could help them to feel welcome to visit other libraries, encourage them to continue to attend groups and activities that promote social, emotional, and wellbeing support, and to help with the adjustment to the loss of their familiar library space.</p>
<p>Closure of library sites may increase demand for housebound delivery services which then put unsustainable burdens on staff.</p>	<p>Home Delivery Library Service: The consultation results will be analysed to assist with the referrals process onto the Housebound service, providing people meet the referral criteria as a reasonable adjustment to mitigate any barrier to library service access that they might experience as a direct result of the proposed closures.</p> <p>Further work will be done to expand the number of library volunteers able to meet increased housebound delivery demand.</p>
<p>Some disabled people, older people and families with young children and those from BAME communities may find it difficult to travel to other libraries. There is a potential impact for people who share these protected characteristics where their local library will close. Some may find it difficult to travel to other libraries if they are required to walk certain distances, travel lengthy routes, or take a journey which requires them to change bus or train to get to a library. There may also be a financial barrier to accessing alternative travel methods.</p>	<p>Signposting to alternative library provision: The library website will be updated with bus and train information, as well as car parking arrangements and disabled parking bays for each library.</p> <p>Housebound services will be offered to people as a reasonable adjustment to mitigate any barrier to library service access that they might experience as a direct result of the proposed closures, providing they meet the referral criteria.</p> <p>Digital support will be targeted at those who most need it. Better marketing and promotion of the e-library service offer is needed, as some people may be able to download books, audio, newspapers, magazines and comics to their own devices.</p>

Potential Negative Impact	Action Required To Mitigate the Potential Negative Impact
<p>Some disabled people, older people, children and people from the BAME community rely on regular visits to their library to socialise and establish friendships and experience social and emotional support. User feedback suggests that many people who share different protected characteristics feel the library is a safe, familiar place in which they are comfortable, included and respected. There is a potential impact for people who share these protected characteristics where their local library will close.</p>	<p>Familiarisation visits to other libraries: These will be offered to disabled people, older people and people with young families who may feel upset and angry that their library is closing and/or anxious about visiting other libraries. This will help them to feel welcome to visit other libraries, encourage them to continue to attend groups that promote social, emotional and wellbeing support and to help with the adjustment to the loss of their familiar library space. Staff will signpost vulnerable residents to additional support agencies.</p>
<p>Some children, in particular children in care or children living in poverty may find it difficult to travel to other libraries, in particular to access school holiday educational activities like participation in the summer reading challenge.</p> <p>Local schools and nurseries who visit libraries that are proposed to close to look at books and find out about the services on offer may be negatively impacted.</p>	<p>Provide an outreach offer targeting schools and community settings which serve communities affected by Library closures, to ensure the continued engagement of young people in initiatives such as the Summer Reading Challenge. Seek to identify alternate community locations where the service can deliver Library activities.</p>
<p>The closure of libraries may result in an increase in usage of the Digital Library Service if the Strategy is adopted.</p>	<p>Promote the Online Library Service: Better promotion/ awareness of the Online Library. Providing training for customers so they can access the digital library offer at any time of the day. Supporting customers to download books and offering tablet/device loan to access on-line provision. Seek to identify community locations in communities served by libraries that will close where the service can deliver Digital and Information Literacy.</p>
<p>A closure of up to four library sites will not reduce library usage, but rather concentrates nearly one million visits annually in four fewer sites, leading to some buildings becoming increasingly busy and unsatisfactory to use.</p>	<p>We will monitor on an active basis library footfall and look to schedule activities in ways complementary to how libraries are being used.</p> <p>We will consider ways of providing more flexible space in libraries, such as using unbooked meeting room space as study space in busy periods such as examination season.</p>



# HAVING LIBRARY STRATEGY 2024-2029 CONSULTATION REPORT



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## Executive Summary

- 1.1 The London Borough of Havering (Havering Council) has a statutory duty under the Public Libraries and Museums Act 1964 to provide a comprehensive and efficient library service for the people who live, work and study in the local authority area.
- 1.2 Against a backdrop of continuing significant financial pressures for the Council, which included needed to request exceptional financial support from the Ministry of Housing, Communities and Local Government in order to set a balanced budget for the financial year 2024/25.
- 1.3 That budget included proposals to reduce the revenue budget of the Council's library service by £300,000 over two years. The library service accordingly developed a draft library strategy which included a set of proposals to close a number of libraries in order to deliver that saving.

### The draft strategy

- 1.4 The draft strategy comprised:
  - The proposals to reduce the revenue budget of the service by means to closing four of the five "branch" libraries (Collier Row, Elm Park, Gidea Park, Harold Wood, South Hornchurch);
  - Proposals to reduce the service's book stock budget by 61% (£161,000) in 2024/25 and £30,000 (from the 2023/24 base) in both 2025/26 and 2026/27.
  - A detailed needs and usage assessment which was used to develop the proposals;
  - A refreshed vision and strategic priorities to underpin the statutory service in coming years;
  - Proposals to develop an investment business case seeking capital funding to improve the quality of the library estate;
  - Proposals seeking views on whether a purpose-designed children's library – either at a fixed site or as a mobile provision – could better meet library need in the future.
- 1.5 A copy of the draft strategy is at Appendix A

### The Consultation

- 1.6 The draft strategy was subjected to full public consultation beginning on 10 May 2024 and ending on 2 August 2024. The consultation included:
  - Online consultation on the draft strategy via the Council's *CitizenSpace* portal;
  - Hard copy paper version of the above, copies of which were made available at all libraries in the borough (hard copy consultations were subsequently manually entered on to the electronic portal);
  - A series of 15 public meetings held across the entire library estate;

- “SHOUT about Libraries”, a version of the consultation designed for children and young people. The SHOUT consultation commenced in mid July 2024 and closed in September 2024.

1.7 The consultation attracted a large response: more than 3,000 responses were made via *CitizenSpace* and more than 300 hard copy responses were received during the consultation. The hard copy responses were subsequently manually uploaded on to the *CitizenSpace* system in order that a comprehensive set of results could be analysed. The SHOUT survey saw a further 1,000-plus responses received.

1.8 Public meetings held at each library to discuss the proposals were well-attended.

<b>Meeting type</b>	<b>Venue</b>	<b>Date and time</b>
Private (all member briefing)	Online	Tuesday 21 May 1730
Private (Compact briefing for voluntary and charity partners)	Online	TBD
Public	Havering Town Hall	Tuesday 9 July 1830-2000
Public	Gidea Park Library	Thursday 11 July 1730-1900
Public	Collier Row Library	Friday 12 July 1730-1900
Public	Elm Park Library	Thursday 18 July 1730-1900
Public	South Hornchurch	Friday 19 July 1430-1600
Public	Harold Wood Library	Friday 19 July 1730-1900
Public	Gidea Park Library	Wednesday 24 July 1030-1200
Public	Collier Row Library	Thursday 25 July 1730-1900
Public	Elm Park Library	Friday 26 July 1430-1600
Public	South Hornchurch Library	Friday 26 July 1730-1900
Public	Harold Wood Library	Saturday 27 July 1030-1200
Public	Harold Hill Library	Monday 29 July 1100-1230
Public	Hornchurch Library	Tuesday 30 July 1100-1230
Public	Upminster Library	Wednesday 31 July 1100-1230
Public	Rainham Library	Thursday 1 August 1100-1230

1.9 A number of petitions pertaining to individual libraries were received during and after the consultation. Petitions were received on behalf of each of the five branch libraries proposed for closure.

## Consultation Summary

### Introduction

- 2.1 The Havering Council Libraries Consultation gathered insights from 3,399 respondents regarding the usage, importance, and impact of potential closure of libraries within the borough. This report presents a detailed analysis of the responses, highlighting key findings, trends, and concerns raised by the community. This report also details, in a separate section, the analysis of the SHOUT about libraries survey.

### Characteristics of responses

- 2.2 The vast majority of consultation responses – more than 90% of all responses received – came from residents who declared that they are current library members. Almost two thirds of responses (63%) came from residents whose declared “main local library” was one of the five libraries proposed for consideration of closure.
- 2.3 This is relevant because the library needs assessment published as part of the strategy set out that only 23% of library visits in 2023/24 took place at these five libraries. This data speaks to a pattern of residents in areas identified for potential closure being extremely motivated to respond to the consultation whereas residents whose main or only use of a library is one of the sites not proposed for closure may have been less motivated to respond or perceived little direct impact on their library usage from the proposals.
- 2.4 Of the main library sites, there is a statistically relevant difference in the quantum of responses received. Whereas Hornchurch and Upminster library users made up more than 10% each of the total consultation responses, responses from those who cited Harold Hill, Rainham or Romford as their main/only library comprised in sum only 12% of responses received.
- 2.5 As much as the data shows that it was overwhelmingly current library members who chose to respond to the consultation, it also shows that those who responded are regular users of the service. More than 40% of respondents declared that they visit libraries daily or weekly and eight out of ten stated that their usage was at least monthly.
- 2.6 More than 70% of respondents told us that they borrow books or other material from libraries at least as frequently as monthly, but a 26% told us that they did so rarely or never, an indication that the secondary main use of libraries by the public is for events and activities that occur there. This evidence will be relevant for the development of the final strategy as preserving access to and developing events and

activities will be crucial going forward and library usage is discussed in more detail below.

## Demographic makeup of respondents

- 2.7 More than 70% of respondents answered one or more equalities question in the consultation. From this data, we can understand that there is no outlier in the age range of respondents, which reflects a service used regularly by a broad cross-section of residents. The age range with the largest volume of responses – 19%, was from those who told us they are between 35 and 44 years of age. Respondents aged 65-74 (14%), 55-64 and 45-64 (both 13%) were next highest in volume. Residents aged 75 and over (7%) and 25-34 (6%) followed, with just 1.5% of responses coming from those who told us they were aged up to 24. 22% of responses either did not answer the question or selected that they preferred not to say.
- 2.8 Nearly 25% of respondents did not tell us their gender. 57% of responses came from people who told us they are female and 18% from people who told us they are male.
- 2.9 More than 2,500 responses were received from residents who told us whether or not they have a disability, impairment or health condition. Of that figure, 19% told us they do have a disability, impairment or health condition. Declaration of a long-term illness or health condition accounted for most responses (7%), followed by sensory disability or impairment (5%), mental health condition (4%) and physical impairment or disability (4%).
- 2.10 In total 851 respondents told us they did have a disability, impairment or health condition. However, far more respondents answered questions in the main part of the consultation about the specific services in libraries used by people with such conditions, suggesting that either some respondents feel the need for some form of assistance but do not qualify that formally as a “disability, impairment or health condition” and/or that some respondents were also remarking on the services used by a household member who perhaps did not themselves respond to the consultation.
- 2.11 More than 2,000 respondents told us they use some form of assistance in accessing library services. This ranged from use of accessible formats (large print, audiobooks) at 20%, accessible facilities like ramps and elevators (17%), and assistive technology (screen readers, magnifiers) at 9%.
- 2.12 A significant majority of respondents (nearly 75% of responses received) told us they were concerned or significantly concerned about the availability of alternative accommodations or services for individuals with disabilities if the library were to close. More than 750 responses (23%) were received telling us that the closure of a nearest library impact would impact or significantly impact ability to access other libraries due to a disability.

## Views expressed on the proposal to close four libraries and reduce the book stock budget

- 2.13 As could be expected from the difficult choices presented in the consultation, the vast majority of responses (more than 82%) declared that they either disagreed or

strongly disagreed with the proposal to close four of the five branch libraries. Just under 10% of respondents either strongly agreed or agreed with the proposals and 7% told us they neither agreed nor disagreed with the proposals.

- 2.14 Proposals to reduce the book stock budget were also opposed in the consultation responses, albeit by a smaller margin. The stock budget reduction proposals were either disagreed or strongly disagreed with by 57% of respondents, with 19% agreeing and 23% neither agreeing nor disagreeing.

### Draft library vision

- 2.15 Two thirds of responses endorsed the service's proposed refreshed vision, with 20% disagreeing. Library members provided valuable evidence on the activities they enjoy and pursue in libraries and on what other services libraries could provide. Despite the broad range of services that libraries provide, books are still the bedrock of the service and remain as the most frequently used service at a library. Children's activities, computer use and personal/school study were also cited by large numbers of residents. This is relevant as outside of the professional library world books tend to be overlooked by policymakers as key drivers of why people visit libraries. This may seem counterintuitive given for many it is the *raison d'être* of the library but it is clear from the consultation that books as a driver of library visits and therefore satisfaction with and efficiency of libraries is still vital. Any future estate development will need to have regard to the reasons why residents use libraries.
- 2.16 More community programmes and events (59%) more digital and online resources (26%), job search assistance (24%) and enhanced language learning resources (21%) were cited by respondents as events or activities they wanted to see more of in libraries. This evidence provides an imperative to look at partnership work across the borough to meet demand.

### A Children's Library for Havering?

- 2.17 The consultation provided for early engagement with library users on a proposal to explore whether a purpose-designed Children's Library – either at a fixed site in the borough or as a mobile service – could contribute to service development and respond to demographic change in future years. The draft strategy was clear that any development would require growth and was not proposed at the expense of the loss of any current library site.
- 2.18 In consultation, respondents gave mixed views on the proposal. 32% of responses told us they were likely or very likely to use such a facility and gave feedback on the range of facilities such a library could contain. There was a particularly strong response from those indicating that such a facility should contain opportunities to develop more activities and materials for children with special educational needs and disabilities. However, the proposal was, as could be expected, overshadowed by the consultation on library closures. Many attendees of meetings told us they would prefer children's sections of libraries to be improved rather than a new library to be commissioned. There was no consensus on what form that library should take either – some residents accepted that a mobile library for children could mitigate anticipated reductions in classroom visits to local libraries in the event of closures, while others

questioned whether a mobile provision could replace a building. The geography of the borough, one based on localities rather than an acknowledged centre, was cited by those who did not feel a fixed site library to be workable.

### Quality of library buildings and views on a business case to secure capital improvements

- 2.19 In spite of the condition survey for the library estate setting out significant challenges in coming years with the quality of and facility mix in current buildings, respondents told us that they are broadly content with the comfort of buildings.
- 2.20 Two thirds of respondents told us the condition and comfort of buildings was very or extremely important to their overall satisfaction with library services. More than 90% told us they were satisfied or very satisfied with the condition and cleanliness of their local library building and more than 90% also told us that they were satisfied or very satisfied with the comfort and amenities available within the library.
- 2.21 While the data sets out a level of satisfaction with library buildings that

### Means of access to current libraries and impact of closure

- 2.22 The draft strategy identified that those whose means of access to the library is currently on foot (with a particular focus on the elderly, disabled people, parents and children) were likely to be negatively impacted by library closures as proposed. In the consultation we asked a number of questions to develop evidence on transport options.
- 2.23 A large majority of respondents, more than 76% of all responses received, told us that their usual mode of travel to the library was on foot. 29% told us they travel usually by car and 20% by bus or train.
- 2.24 More than 58% of respondents told us they were somewhat or very reliant on public transport if they had to access another library in the event of their local site closing. 59% told us they had some or significant concerns about the reliability or availability of local transport options for accessing alternative libraries.
- 2.25 The qualitative data received during the consultation, either via free text boxes in the consultation or at public meetings, echoed these concerns. We heard very clearly from a large number of residents, particularly older residents, who travel on a limited basis in the borough and usually visit only familiar places – shopping districts, restaurants, supermarkets etc. Some residents told us that they would not be able to visit a different library if their nearest one was to close, while others told us that crossing major arterial routes (such as the A12 to reach Harold Hill library in the event of Harold Wood closing) would be a significant barrier.

### Other alternative library models not proposed in the consultation

- 2.26 A theme that emerged particularly during the consultation public meetings was the possibility that library closures could be avoided or limited if individuals or community groups donated time, energy and skills in volunteering and contributing to the running of libraries. This was particularly prevalent at consultation events in Collier Row, Gidea Park and Harold Wood.

- 2.27 The consultation did not develop evidence as to whether alternate models are viable and could deliver the same or increased revenue budget savings as closures, but the service considers that unlikely, certainly in the short term.
- 2.28 Alternate models of libraries – in particular libraries that benefit in some way from council grant funding and professional librarian support but are run by community groups or charities on a day-to-day basis have been set up to varying degrees of success in other parts of the country. Further work and consultation would need to be developed if the council wishes to take this forward.

### Positive impact of libraries on community health and wellbeing

- 2.29 Respondents gave clear and compelling evidence on the benefits they believe regular use of libraries brings them. To the question “*Are there specific benefits to your health and wellbeing that you have identified as a direct result of regular attendance at your local library or activities within libraries?*” 57% agreed that their mental health and 25% that their physical health had improved. More than 50% agreed that they felt less lonely or had made more friends because of regular attendance at their local library.
- 2.30 The public meetings held during the consultation built on this. We found residents prepared to talk with passion and no little emotion about the positive impact of libraries on their lives and those of people they know and love.
- 2.31 The conclusions and recommendations section of this report builds on the issue of library impact on health and wellbeing.

### Evidential drawbacks of the consultation

- 2.32 Although the consultation saw a significant response in numbers, there are issues which will be material to future political decisions on the future of the service that the consultation either did not touch on or on which a clear picture has not emerged.
- 2.33 The consultation did not seek to identify evidence from respondents about why one library should remain open at the expense of another. Rather, the consultation was designed to evidence impact from geographic communities about the usage of and impact of losing a specific library. It did not, for example, ask residents to express a preference to retain one library over another. The service believes that the needs and usage assessment published in the draft strategy, combined with condition surveys, information about the facility mix of buildings which includes income-generating potential, plus the response to this consultation, provides sufficient evidence to make an informed and evidenced decision on the future of the service. However, in other recent closure proposals elsewhere in the country a second phase of consultation seeking more detail has been taken forward. Members and senior officers may want to consider this moving forward.
- 2.34 Further to the above, the consultation did not seek views on any of the alternate library operating models outlined in the draft strategy, nor on whether respondents are prepared to volunteer time in order to make any of those models viable. For reasons set out in the strategy the service did not consider achieving the savings through means of reducing opening hours across the entire service but not closing

libraries as satisfactory or likely to meet statutory obligations. If this is revisited further public consultation will be essential.

- 2.35 Any consultation is only informed by those who choose to take part. Although the council considers that it did take active steps to promote the consultation and exhort residents to respond, and taking into account the volume of response being one of the largest responses in recent council history, a large majority of residents and in particular non-library users (but residents whose council tax still contributes to library services) chose not to respond.

## Acknowledgements

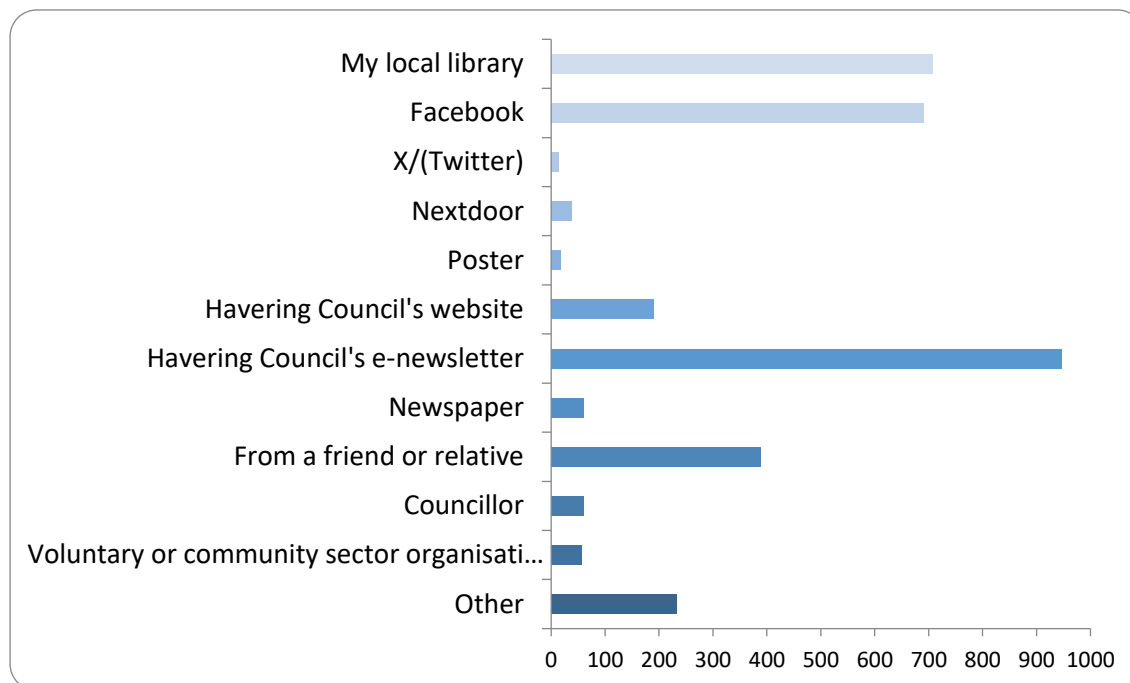
- 2.36 We would like to thank the residents who took part in the consultation, whether through signing a petition, coming to a public meeting, commenting on social media or responding to the consultation questions.
- 2.37 We are grateful to members for their engagement and interest in the consultation and their efforts to encourage responses to it.
- 2.38 Above all, we thank library service and communications and engagement team staff for their dedication, support and hard work throughout the consultation.



## Consultation response detail

How did you find about this consultation?

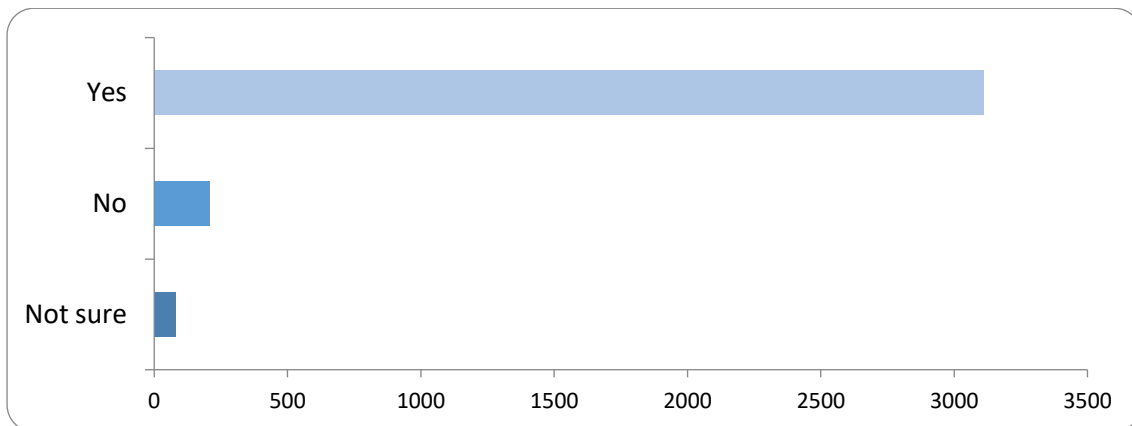
There were 3399 responses to this part of the question.



Option	Total	Percent
My local library	708	20.83%
Facebook	691	20.33%
X/(Twitter)	13	0.38%
Nextdoor	38	1.12%
Poster	17	0.50%
Havering Council's website	190	5.59%
Havering Council's e-newsletter	946	27.83%
Newspaper	60	1.77%
From a friend or relative	388	11.42%
Councillor	60	1.77%
Voluntary or community sector organisation	56	1.65%
Other	232	6.83%
Not Answered	0	0.00%

### Are you a Havering Library member?

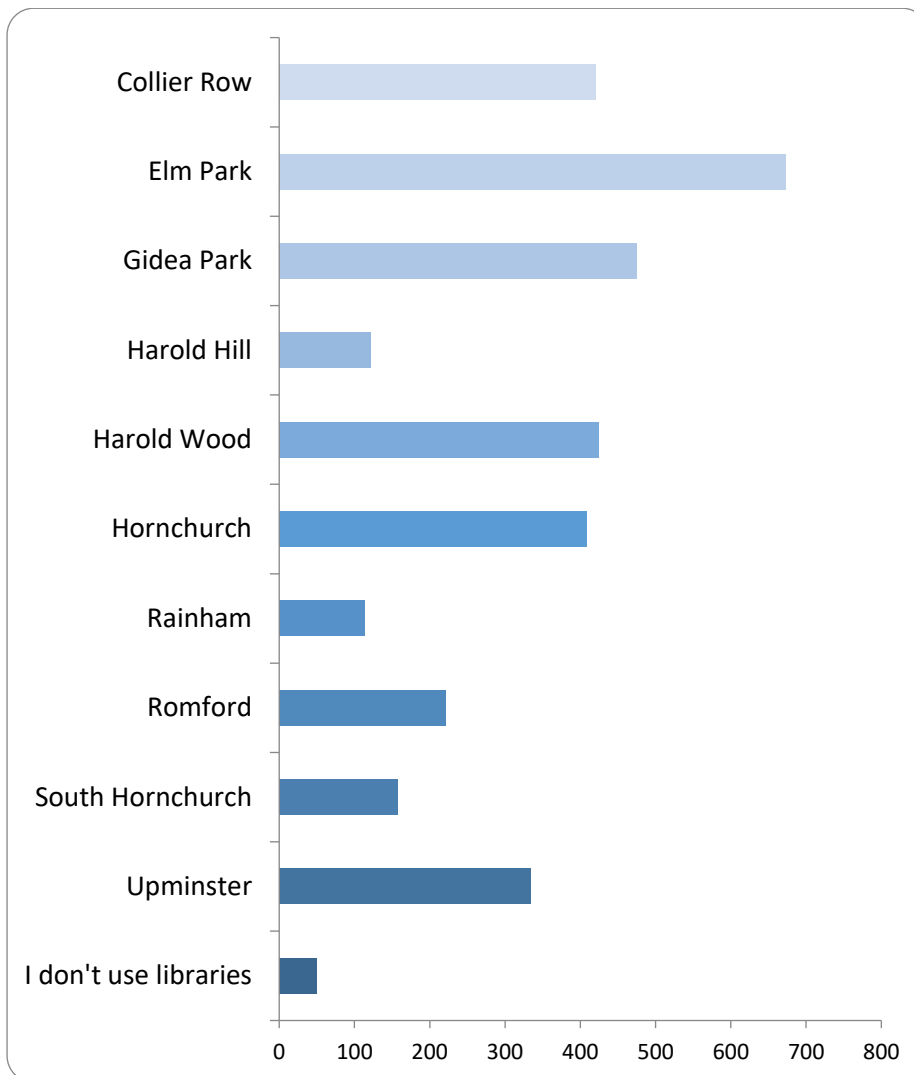
There were 3399 responses to this part of the question.



Option	Total	Percent
Yes	3111	91.53%
No	208	6.12%
Not sure	80	2.35%
Not Answered	0	0.00%

Which is your main local library, that is, the one that you use most frequently?

There were 3399 responses to this part of the question.

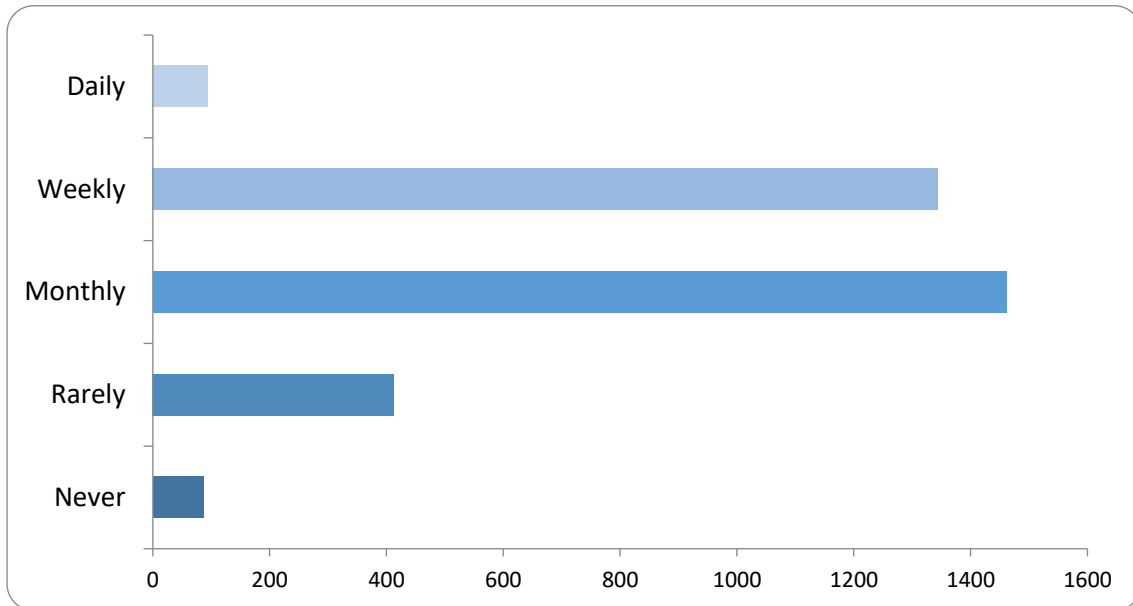


Option	Total	Percent
Collier Row	421	12.39%
Elm Park	673	19.80%
Gidea Park	475	13.97%
Harold Hill	121	3.56%
Harold Wood	424	12.47%
Hornchurch	408	12.00%
Rainham	114	3.35%
Romford	221	6.50%
South Hornchurch	158	4.65%

Upminster	334	9.83%
I don't use libraries	50	1.47%
Not Answered	0	0.00%

Please tell us how often you visit your main local library and how often you borrow books.

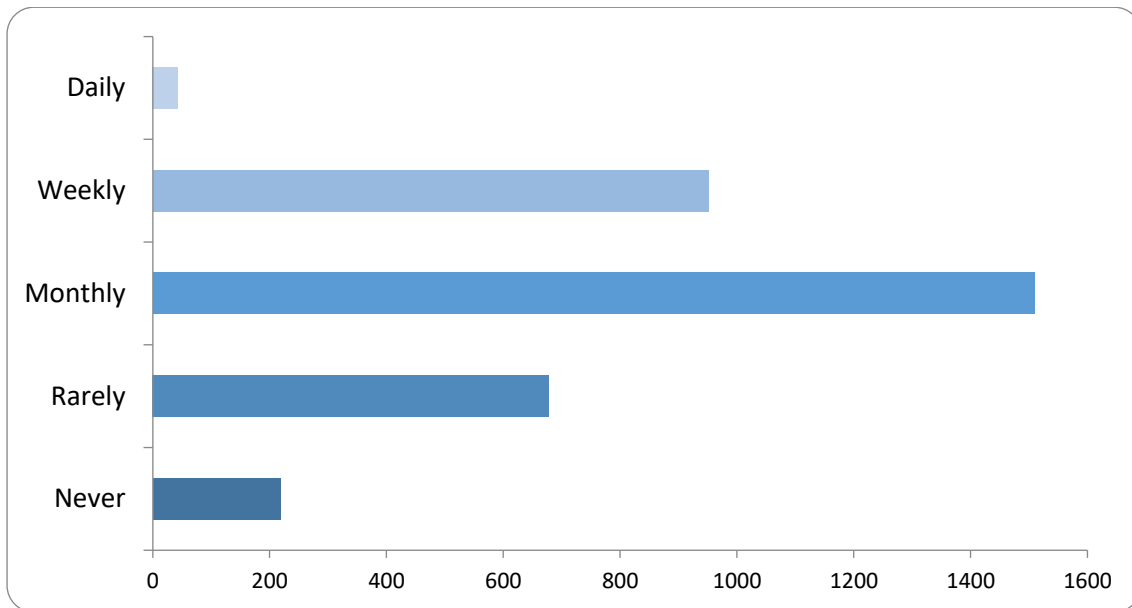
There were 3399 responses to this part of the question.



Option	Total	Percent
Daily	94	2.77%
Weekly	1344	39.54%
Monthly	1461	42.98%
Rarely	413	12.15%
Never	87	2.56%
Not Answered	0	0.00%

How often do you borrow books or other materials from your main local library?

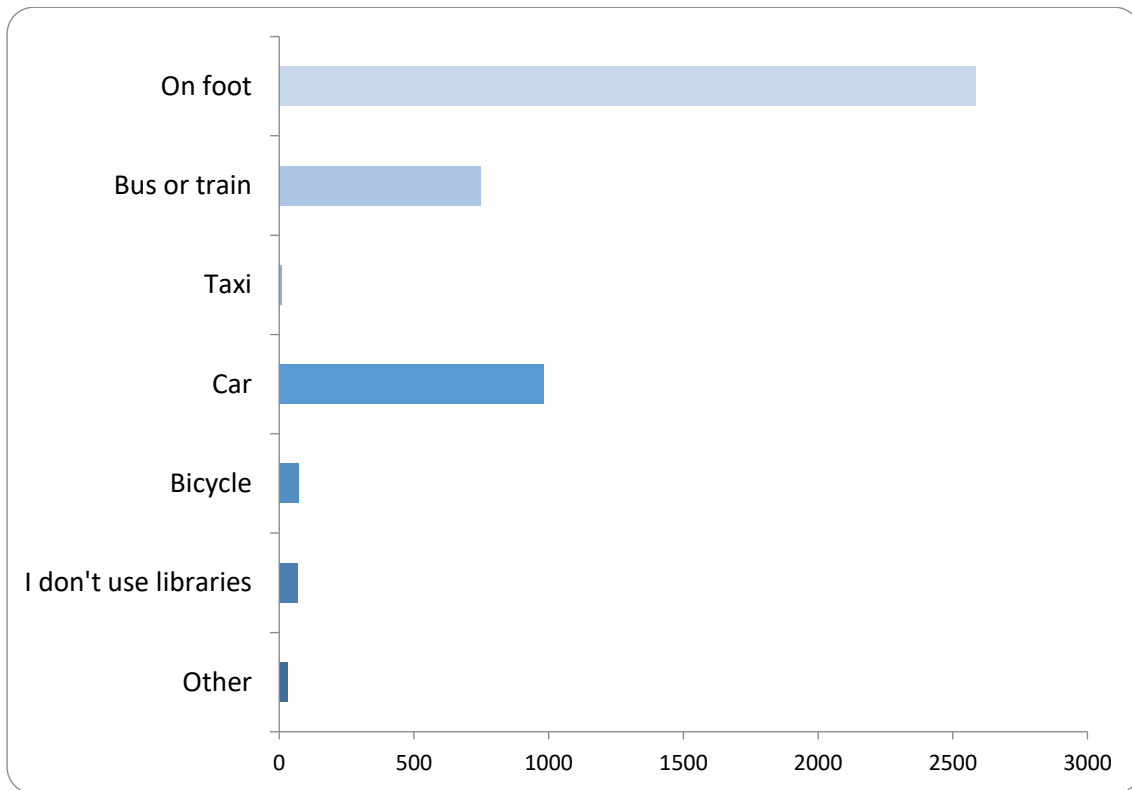
There were 3399 responses to this part of the question.



Option	Total	Percent
Daily	43	1.27%
Weekly	951	27.98%
Monthly	1509	44.40%
Rarely	678	19.95%
Never	218	6.41%
Not Answered	0	0.00%

### How do you usually travel to the library?

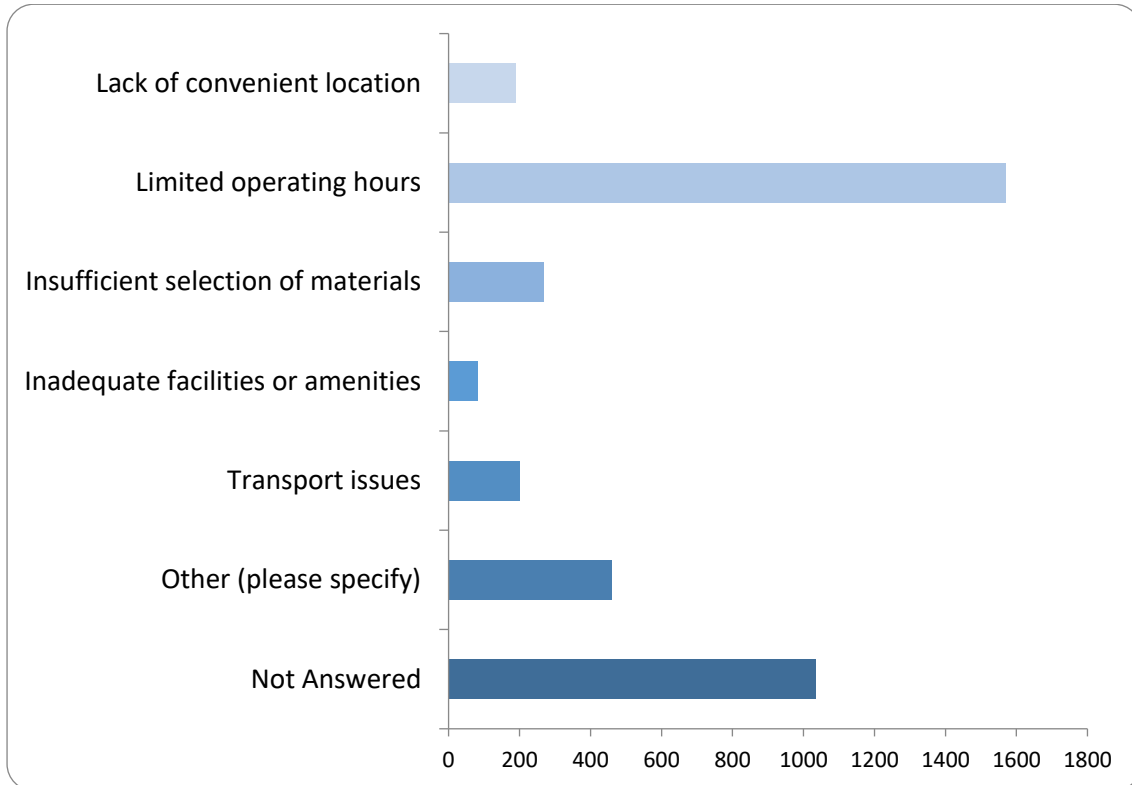
There were 3399 responses to this part of the question.



Option	Total	Percent
On foot	2586	76.08%
Bus or train	749	22.04%
Taxi	8	0.24%
Car	980	28.83%
Bicycle	71	2.09%
I don't use libraries	68	2.00%
Other	33	0.97%
Not Answered	0	0.00%

Is there anything that prevents you from using libraries more?

There were 2364 responses to this part of the question.

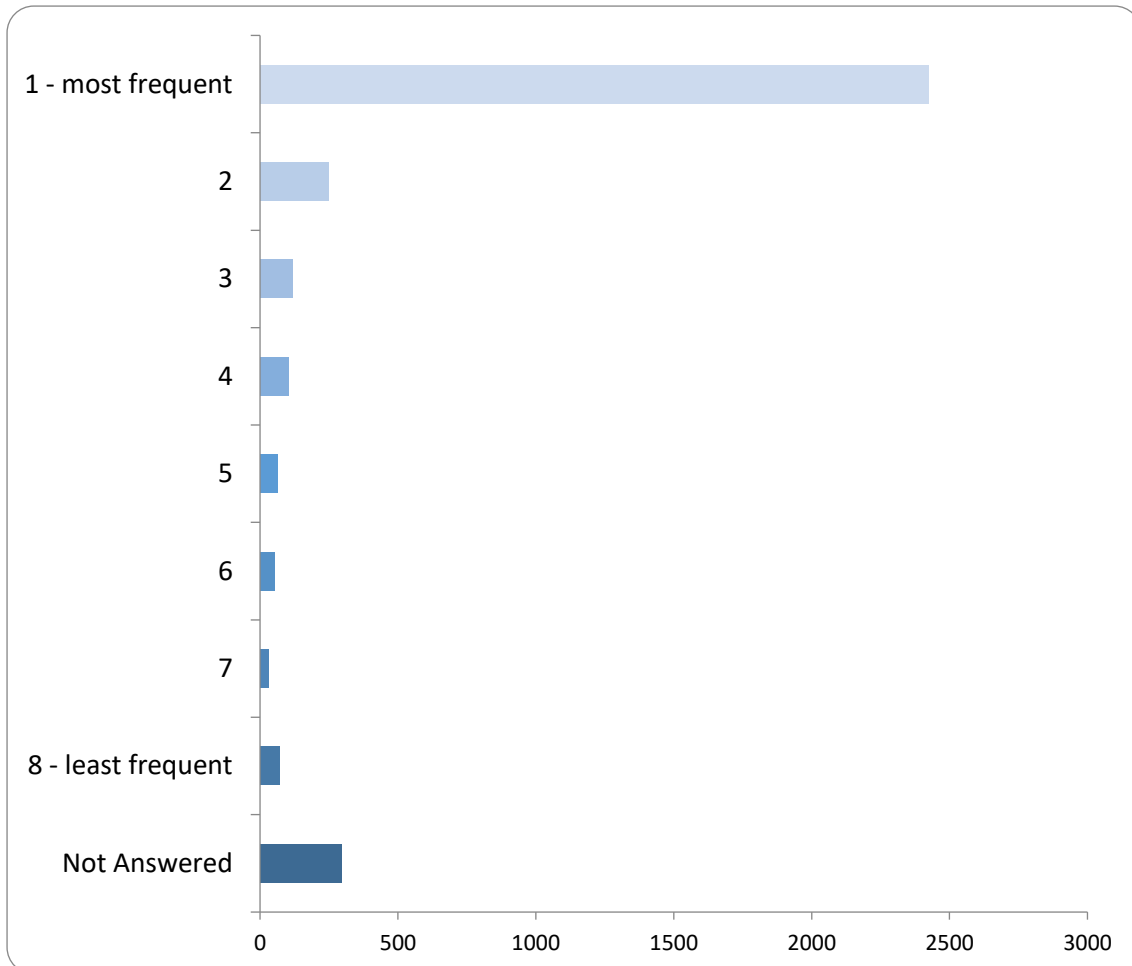


Option	Total	Percent
Lack of convenient location	189	5.56%
Limited operating hours	1570	46.19%
Insufficient selection of materials	270	7.94%
Inadequate facilities or amenities	84	2.47%
Transport issues	200	5.88%
Other (please specify)	461	13.56%
Not Answered	1035	30.45%

What services or resources do you use at your local library?

### Books

There were 3105 responses to this part of the question.



Option	Total	Percent
1 - most frequent	2422	71.26%
2	248	7.30%
3	119	3.50%
4	102	3.00%
5	62	1.82%
6	52	1.53%
7	30	0.88%
8 - least frequent	70	2.06%



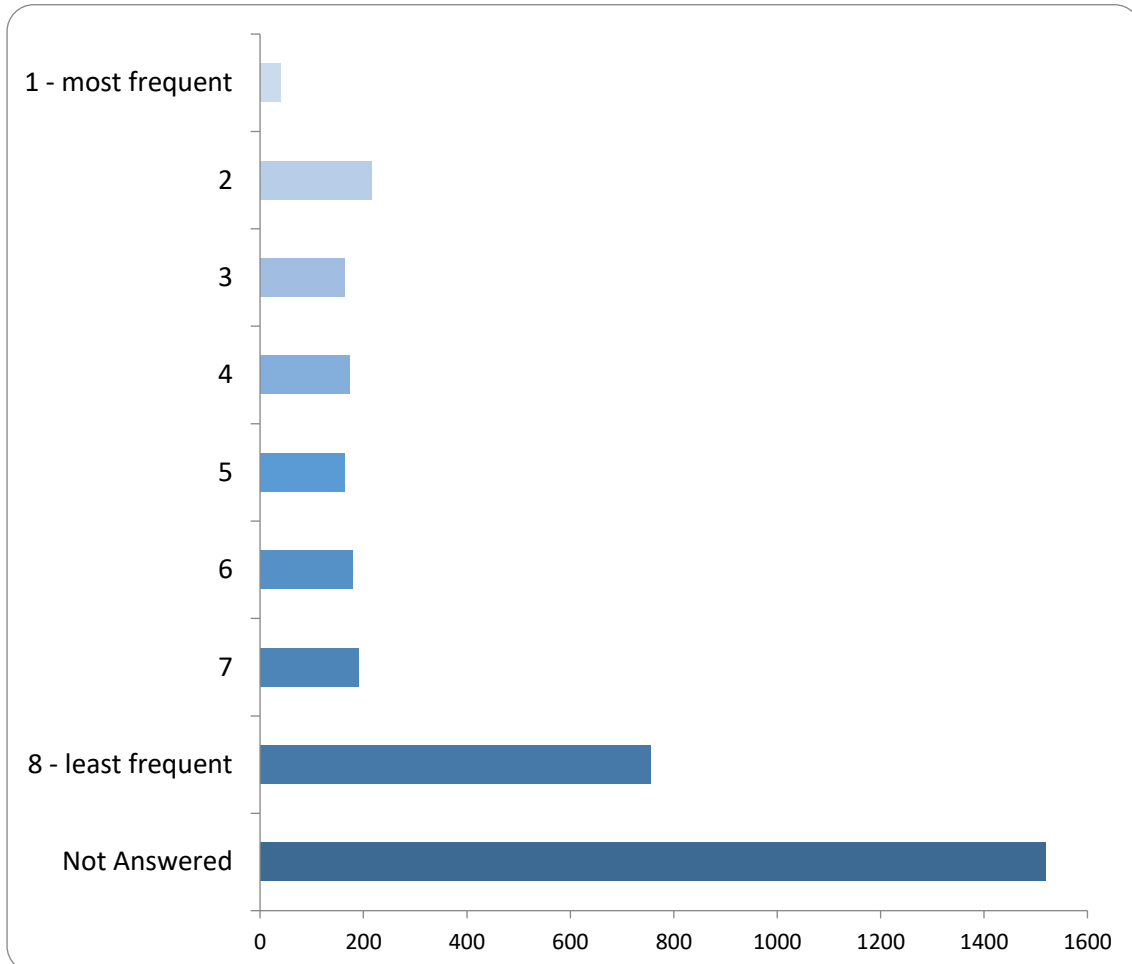
Not Answered

294

8.65%

### Newspapers, periodicals and magazines

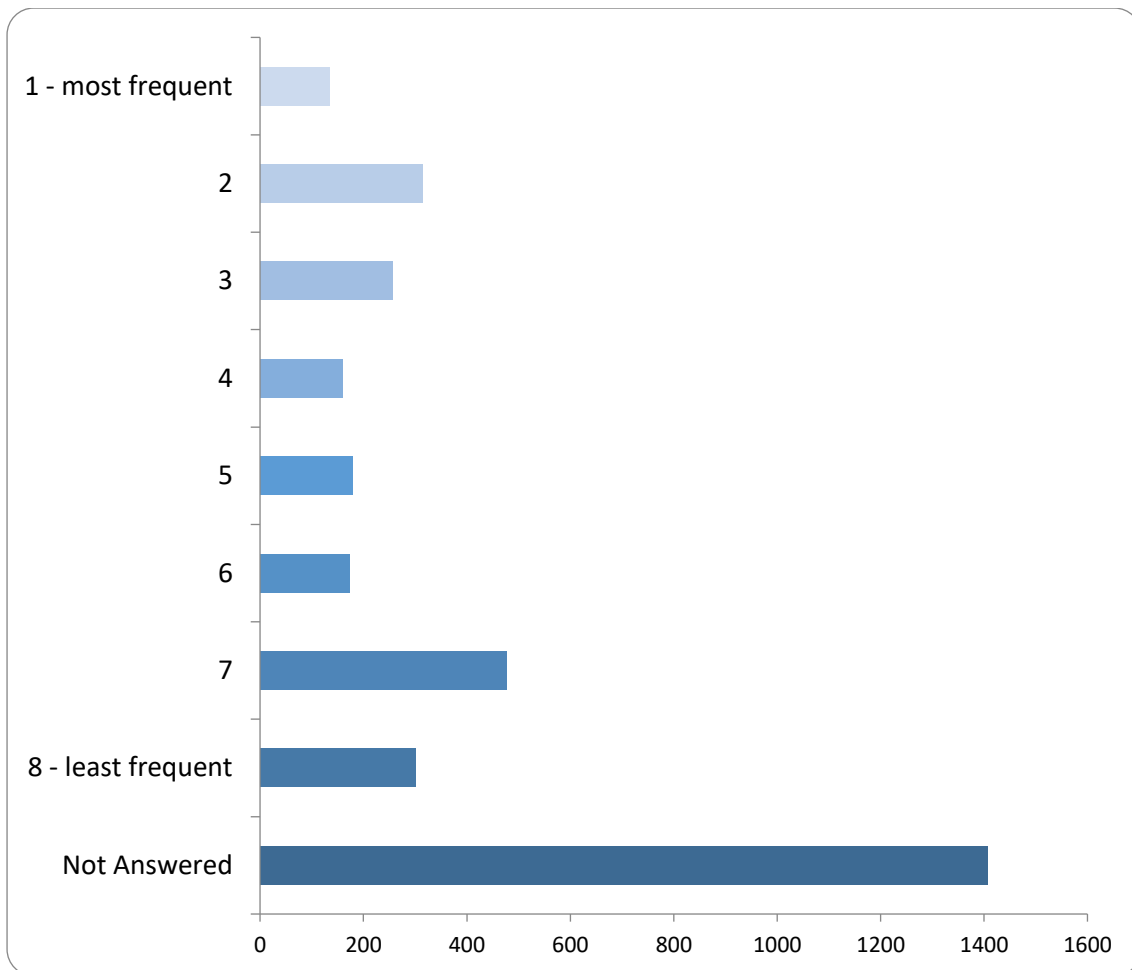
There were 1881 responses to this part of the question.



Option	Total	Percent
1 - most frequent	39	1.15%
2	215	6.33%
3	164	4.82%
4	174	5.12%
5	164	4.82%
6	179	5.27%
7	191	5.62%
8 - least frequent	755	22.21%
Not Answered	1518	44.66%

### Internet and computer access

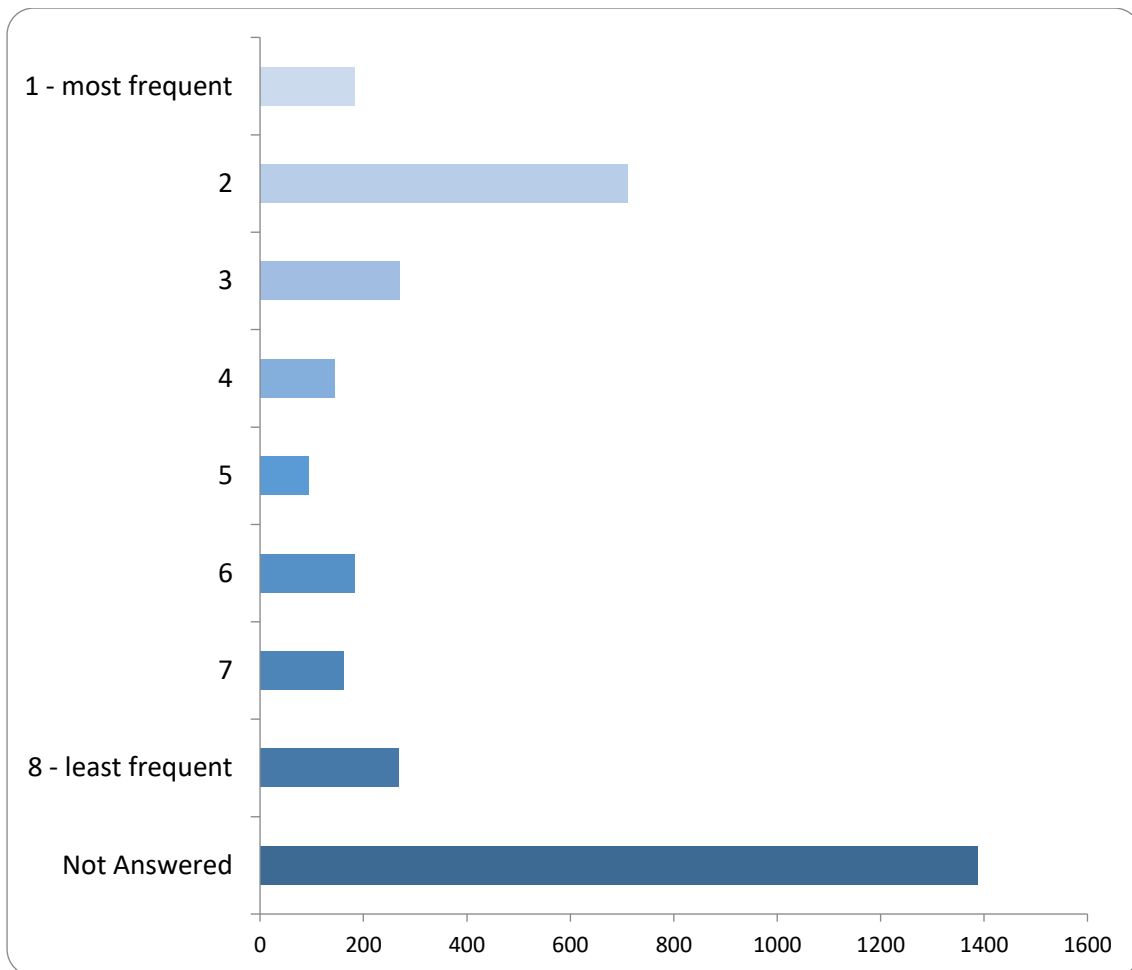
There were 1993 responses to this part of the question.



Option	Total	Percent
1 - most frequent	134	3.94%
2	315	9.27%
3	257	7.56%
4	160	4.71%
5	178	5.24%
6	173	5.09%
7	476	14.00%
8 - least frequent	300	8.83%
Not Answered	1406	41.37%

## Children's activities

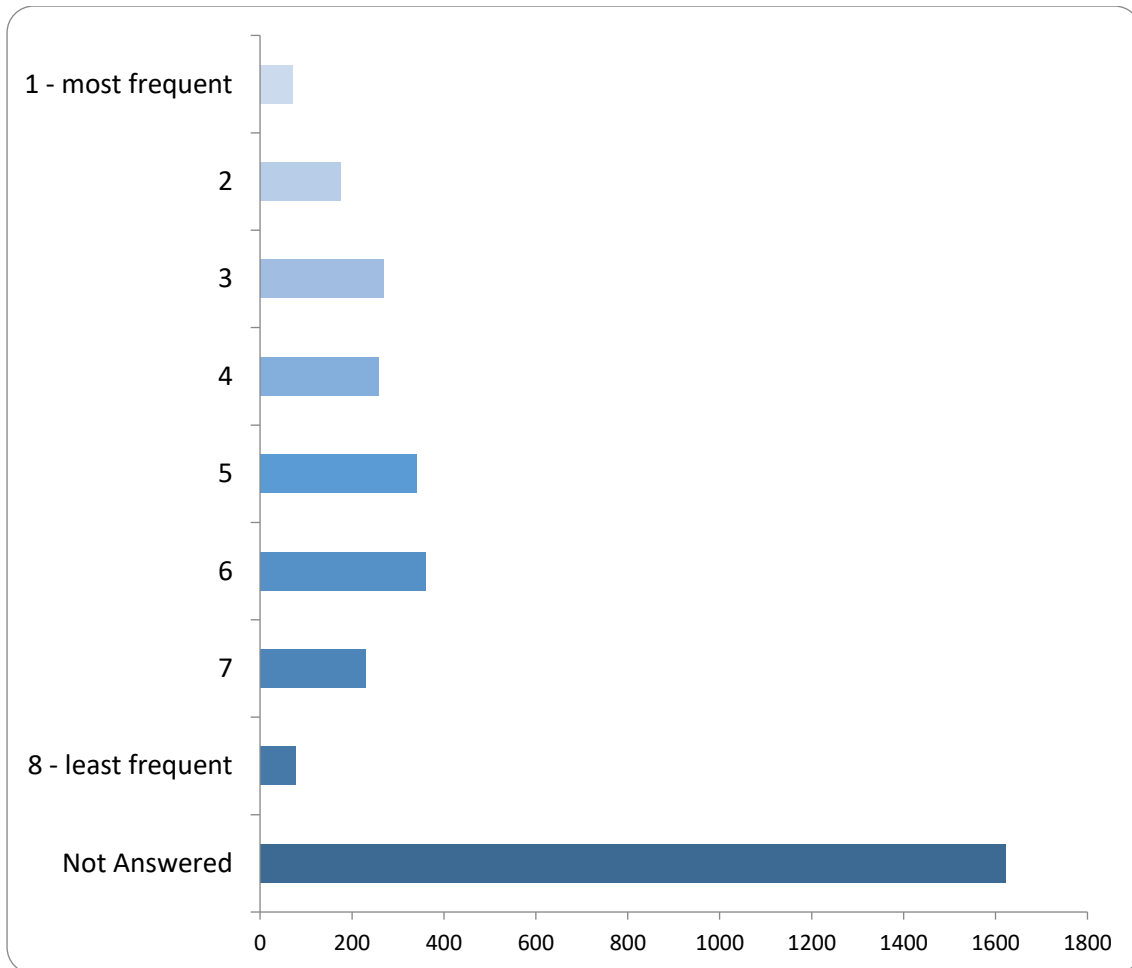
There were 2011 responses to this part of the question.



Option	Total	Percent
1 - most frequent	182	5.35%
2	711	20.92%
3	269	7.91%
4	144	4.24%
5	94	2.77%
6	182	5.35%
7	162	4.77%
8 - least frequent	267	7.86%
Not Answered	1388	40.84%

### Adult activities

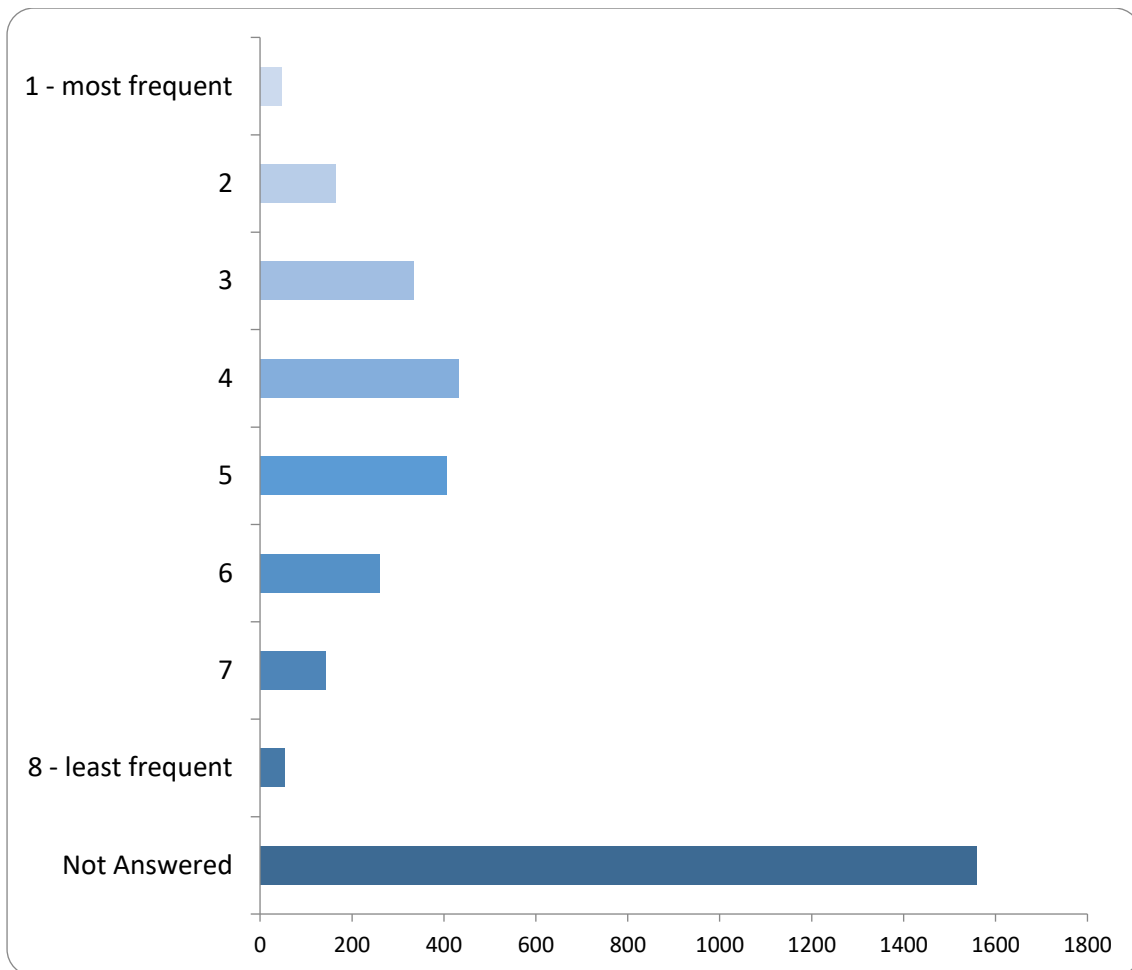
There were 1778 responses to this part of the question.



Option	Total	Percent
1 - most frequent	71	2.09%
2	175	5.15%
3	269	7.91%
4	258	7.59%
5	340	10.00%
6	359	10.56%
7	229	6.74%
8 - least frequent	77	2.27%
Not Answered	1621	47.69%

### Community events and meetings

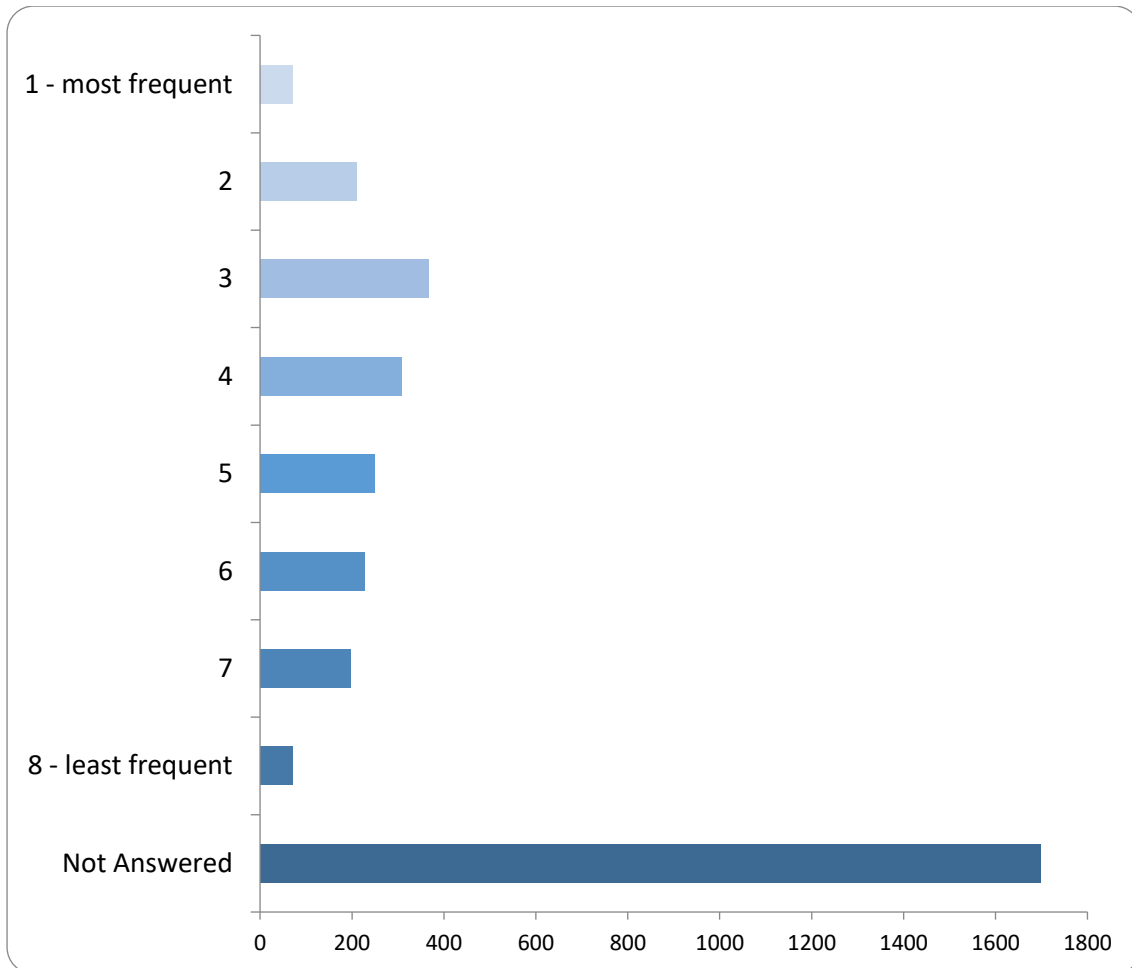
There were 1841 responses to this part of the question.



Option	Total	Percent
1 - most frequent	46	1.35%
2	165	4.85%
3	335	9.86%
4	432	12.71%
5	406	11.94%
6	261	7.68%
7	142	4.18%
8 - least frequent	54	1.59%
Not Answered	1558	45.84%

### Personal or school study

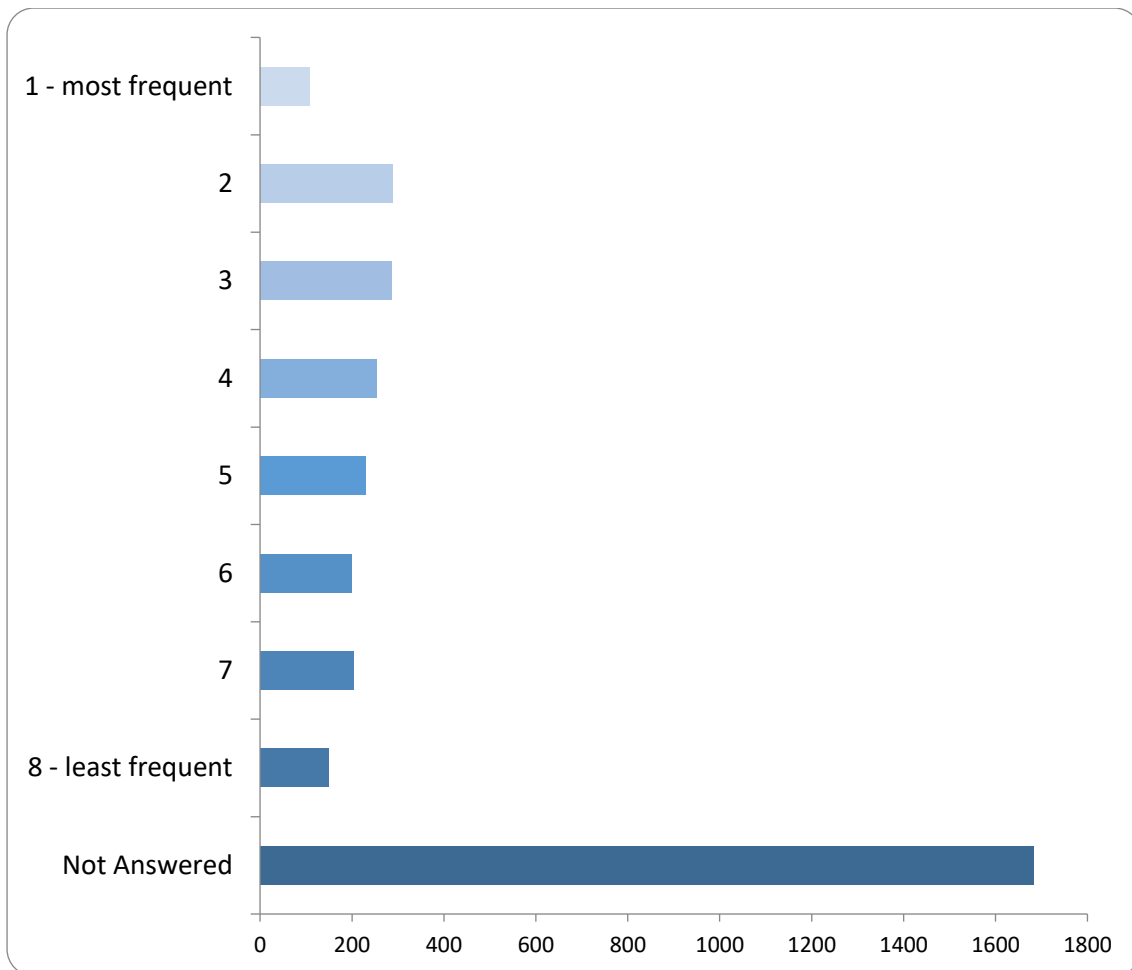
There were 1702 responses to this part of the question.



Option	Total	Percent
1 - most frequent	71	2.09%
2	211	6.21%
3	367	10.80%
4	308	9.06%
5	250	7.36%
6	228	6.71%
7	196	5.77%
8 - least frequent	71	2.09%
Not Answered	1697	49.93%

### Online resources such as e-books or audiobooks

There were 1716 responses to this part of the question.

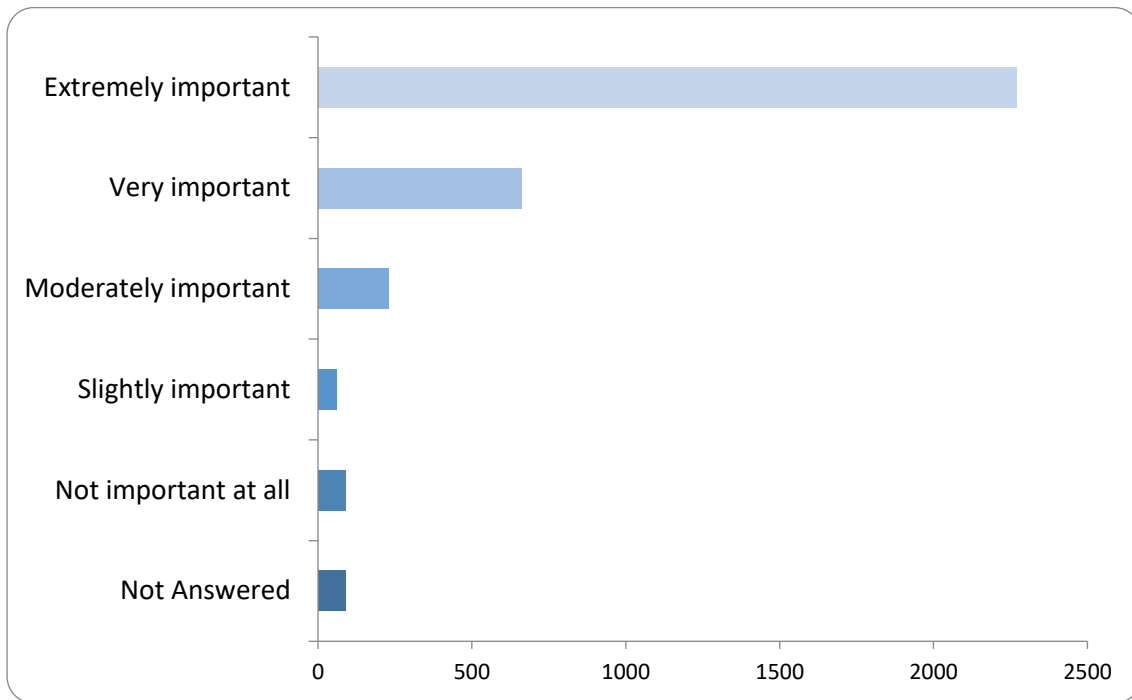


Option	Total	Percent
1 - most frequent	107	3.15%
2	289	8.50%
3	286	8.41%
4	254	7.47%
5	229	6.74%
6	199	5.85%
7	203	5.97%
8 - least frequent	149	4.38%
Not Answered	1683	49.51%

How important have you found libraries are for health and wellbeing?:

**Fostering a sense of community in your area**

There were 3311 responses to this part of the question.

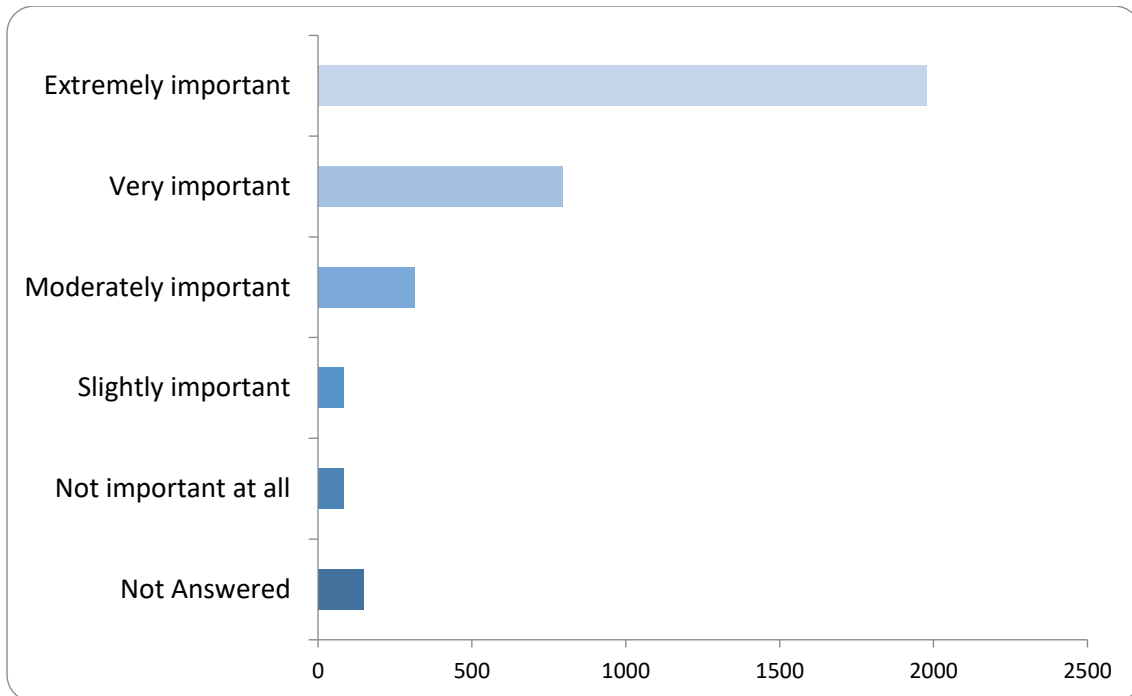


Option	Total	Percent
Extremely important	2270	66.78%
Very important	662	19.48%
Moderately important	228	6.71%
Slightly important	61	1.79%
Not important at all	90	2.65%
Not Answered	88	2.59%



### Improving health and wellbeing in your area

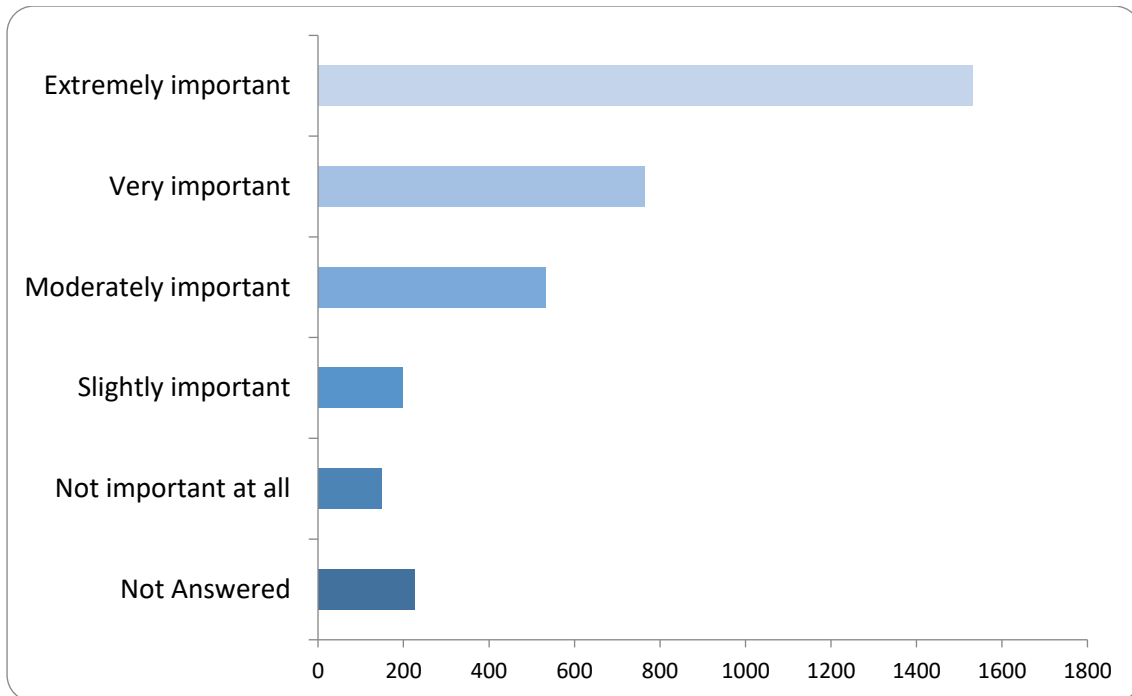
There were 3250 responses to this part of the question.



Option	Total	Percent
Extremely important	1976	58.13%
Very important	795	23.39%
Moderately important	314	9.24%
Slightly important	82	2.41%
Not important at all	83	2.44%
Not Answered	149	4.38%

### Positively impacting the local job economy or job market

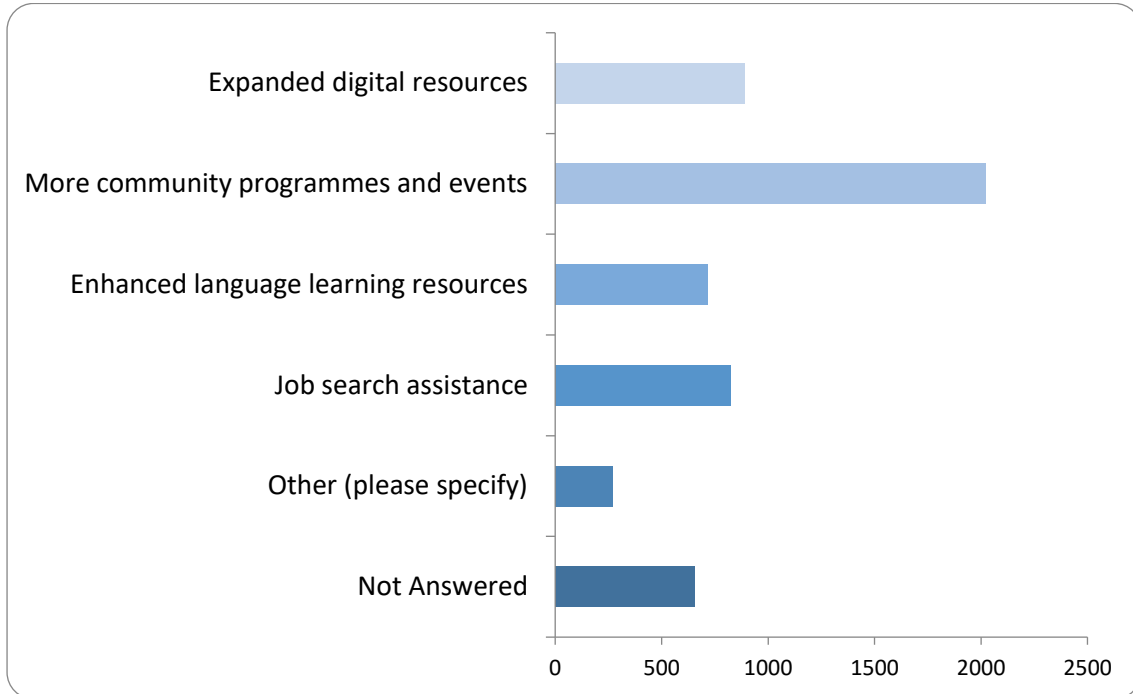
There were 3173 responses to this part of the question.



Option	Total	Percent
Extremely important	1532	45.07%
Very important	763	22.45%
Moderately important	533	15.68%
Slightly important	197	5.80%
Not important at all	148	4.35%
Not Answered	226	6.65%

Are there any additional services or resources that you would like to see provided by your local library to better meet the needs of the community?

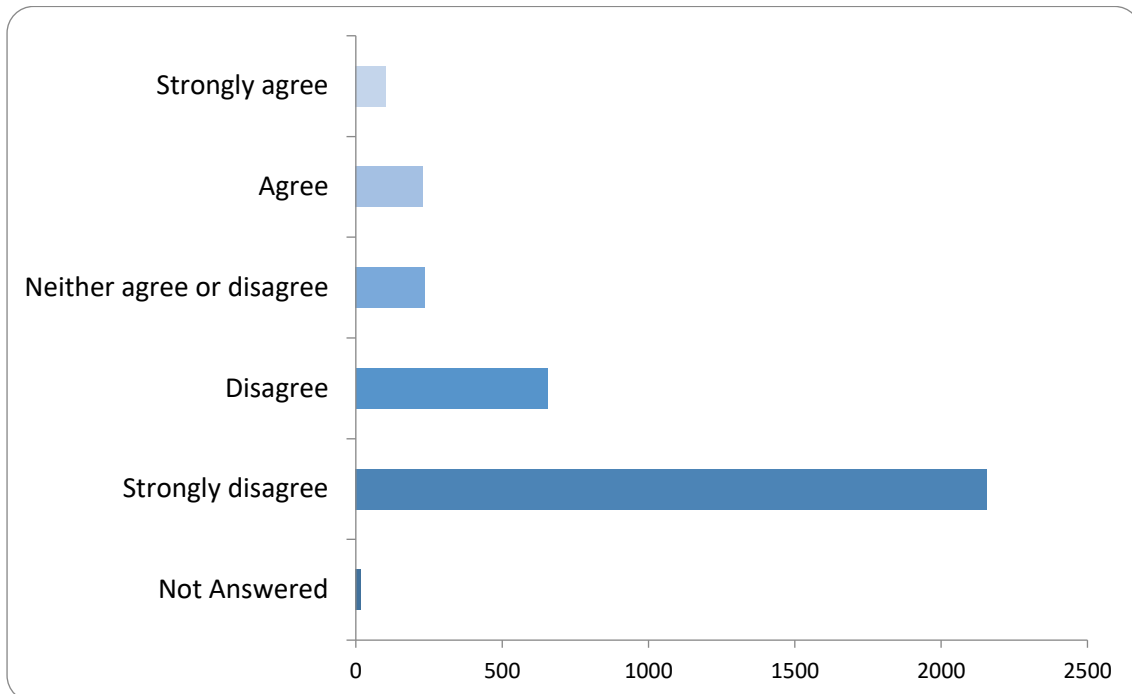
There were 2743 responses to this part of the question.



Option	Total	Percent
Expanded digital resources	892	26.24%
More community programmes and events	2020	59.43%
Enhanced language learning resources	718	21.12%
Job search assistance	825	24.27%
Other (please specify)	268	7.88%
Not Answered	656	19.30%

Do you agree with our proposals that in order to meet the Council’s financial savings targets we need to close up to four branch libraries?

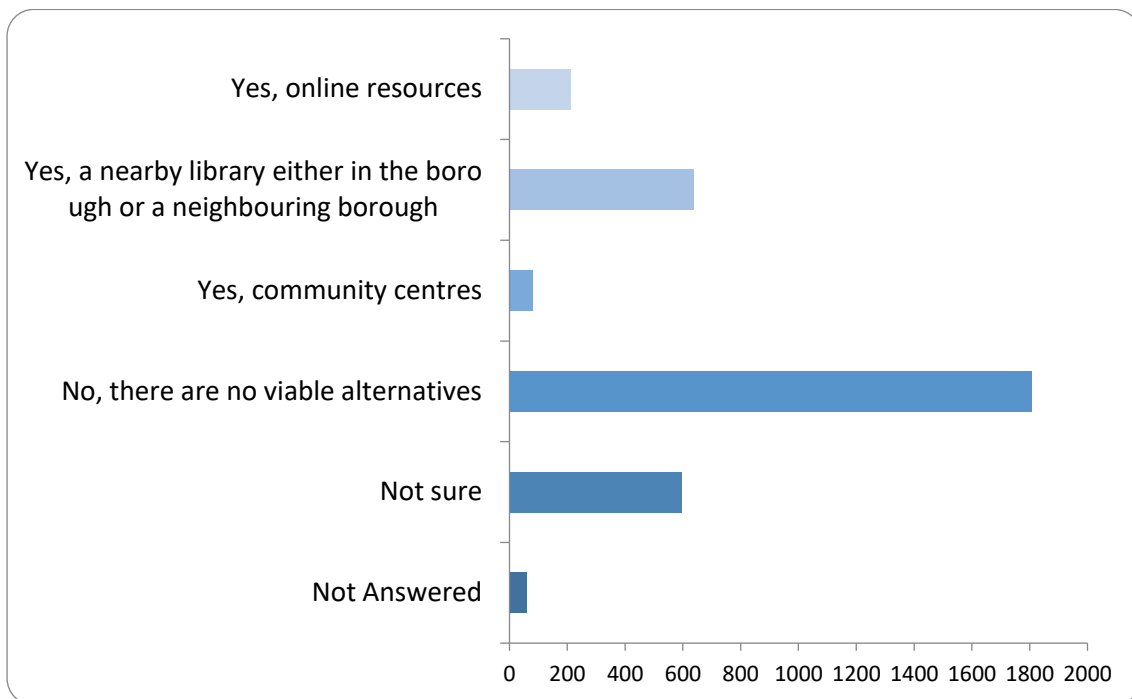
There were 3381 responses to this part of the question.



Option	Total	Percent
Strongly agree	103	3.03%
Agree	229	6.74%
Neither agree or disagree	236	6.94%
Disagree	656	19.30%
Strongly disagree	2157	63.46%
Not Answered	18	0.53%

Are there any alternative means of accessing some or all of the services provided by your local library that you could use if it were to close?

There were 3338 responses to this part of the question.

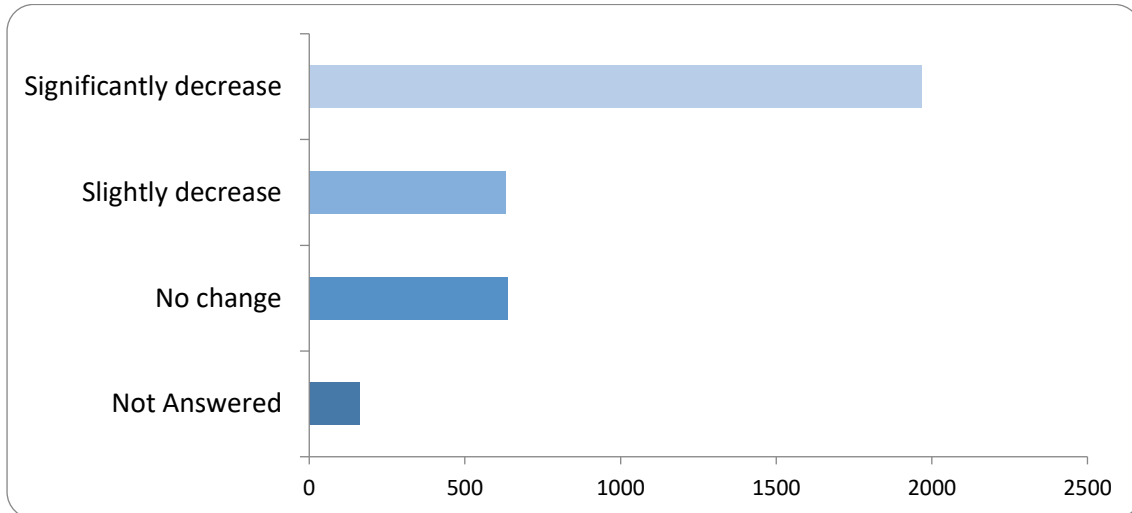


Option	Total	Percent
Yes, online resources	214	6.30%
Yes, a nearby library either in the borough or a neighbouring borough	640	18.83%
Yes, community centres	81	2.38%
No, there are no viable alternatives	1807	53.16%
Not sure	596	17.53%
Not Answered	61	1.79%

How would the closure of up to four branch libraries affect your ability to access these services or participate in these activities?

**Accessing information and resources**

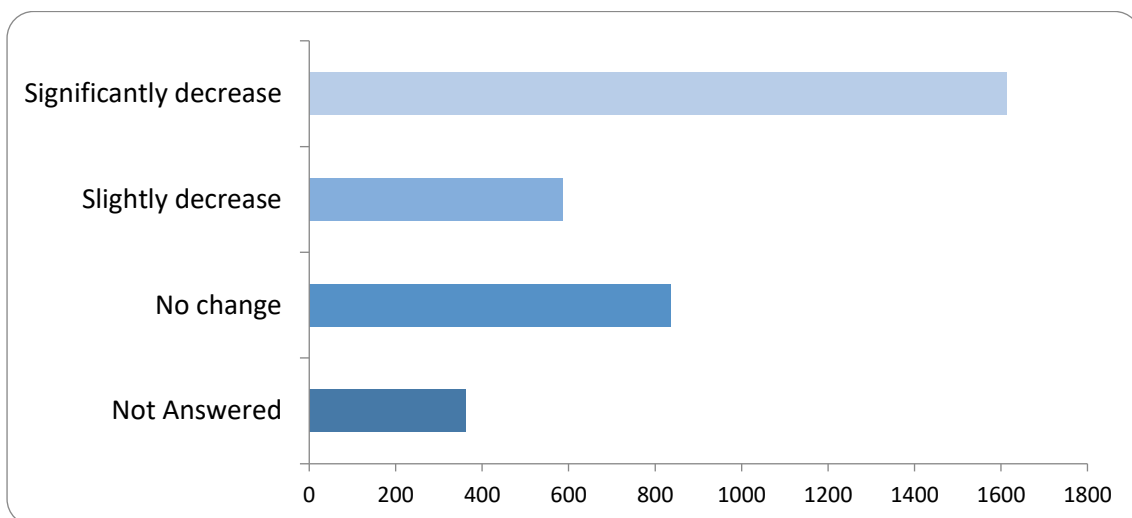
There were 3238 responses to this part of the question.



Option	Total	Percent
Significantly decrease	1968	57.90%
Slightly decrease	631	18.56%
No change	639	18.80%
Not Answered	161	4.74%

**Accessing educational materials or support**

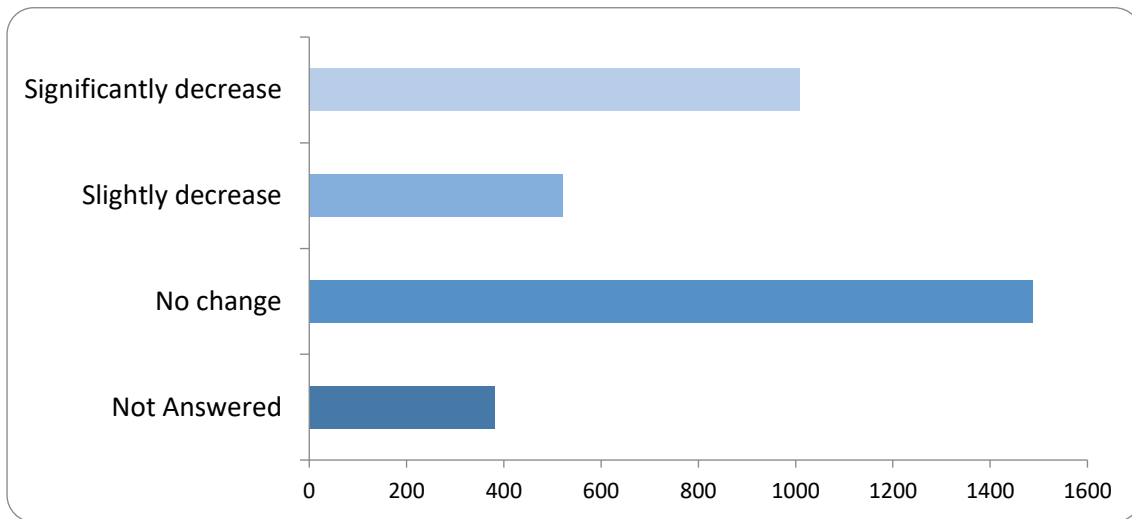
There were 3037 responses to this part of the question.



Option	Total	Percent
Significantly decrease	1614	47.48%
Slightly decrease	586	17.24%
No change	837	24.62%
Not Answered	362	10.65%

**Accessing computers or the internet**

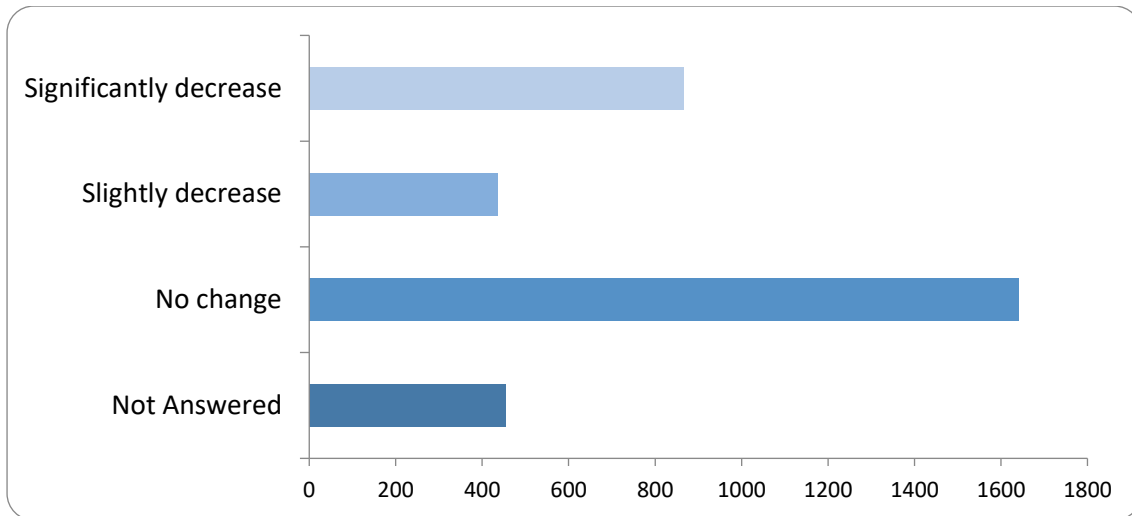
There were 3018 responses to this part of the question.



Option	Total	Percent
Significantly decrease	1009	29.69%
Slightly decrease	521	15.33%
No change	1488	43.78%
Not Answered	381	11.21%

### Accessing support for job searching or career development

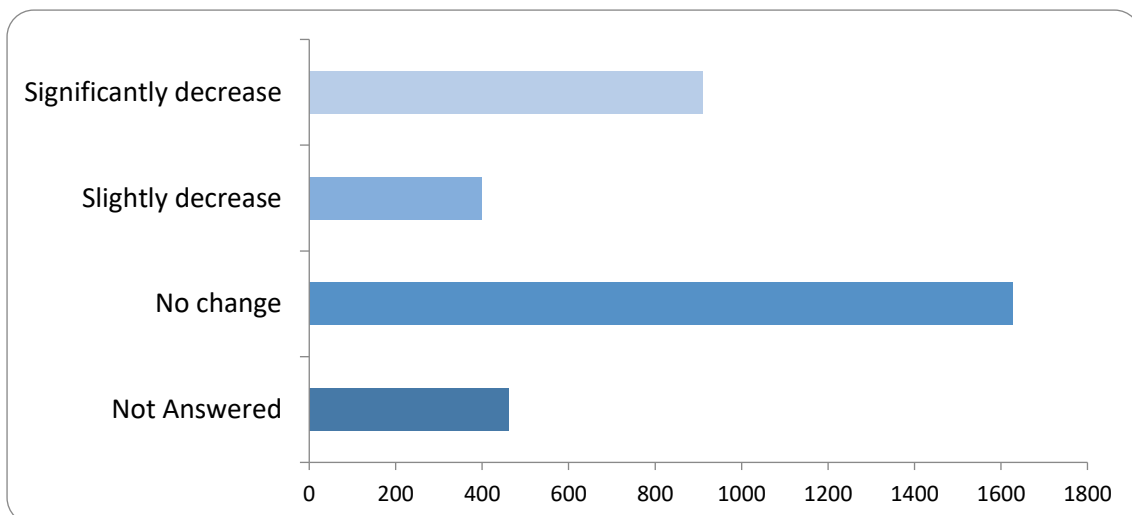
There were 2944 responses to this part of the question.



Option	Total	Percent
Significantly decrease	866	25.48%
Slightly decrease	436	12.83%
No change	1642	48.31%
Not Answered	455	13.39%

### Accessing materials or support for learning English or other languages

There were 2937 responses to this part of the question.



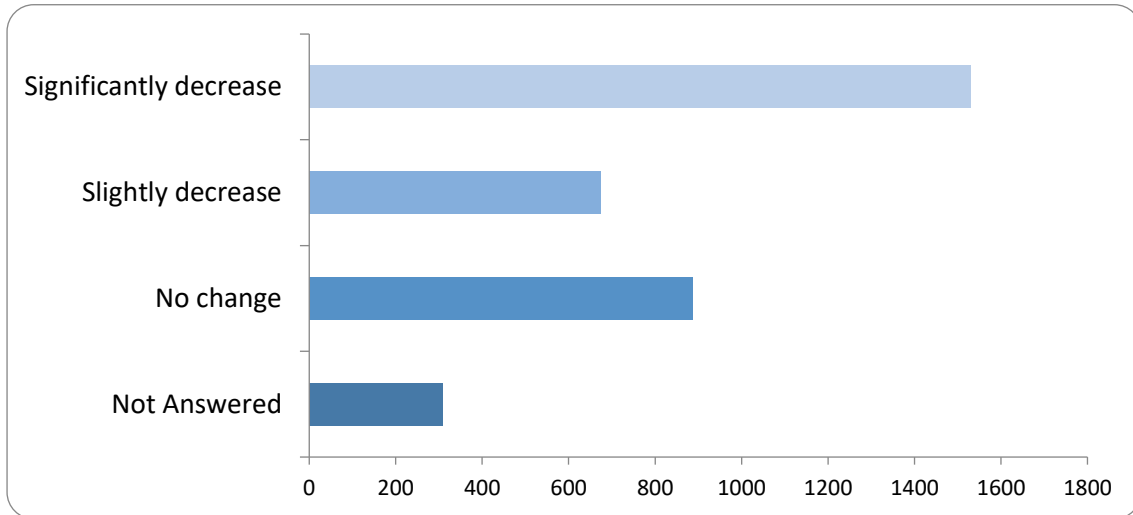
Option	Total	Percent
Significantly decrease	911	26.80%
Slightly decrease	399	11.74%
No change	1642	48.31%
Not Answered	455	13.39%



No change	1627	47.87%
Not Answered	462	13.59%

**Participation in cultural or recreational activities**

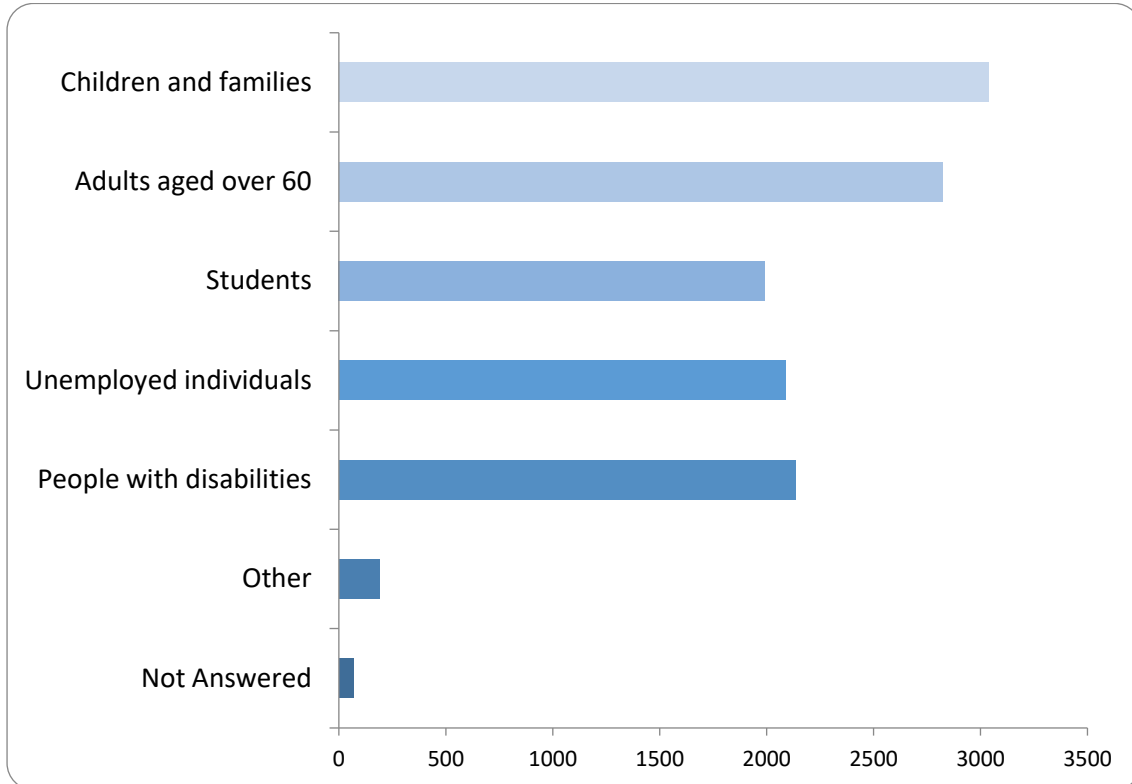
There were 3091 responses to this part of the question.



Option	Total	Percent
Significantly decrease	1529	44.98%
Slightly decrease	674	19.83%
No change	888	26.13%
Not Answered	308	9.06%

Are there any specific groups within the community that you believe would be disproportionately affected by the closure of the library?

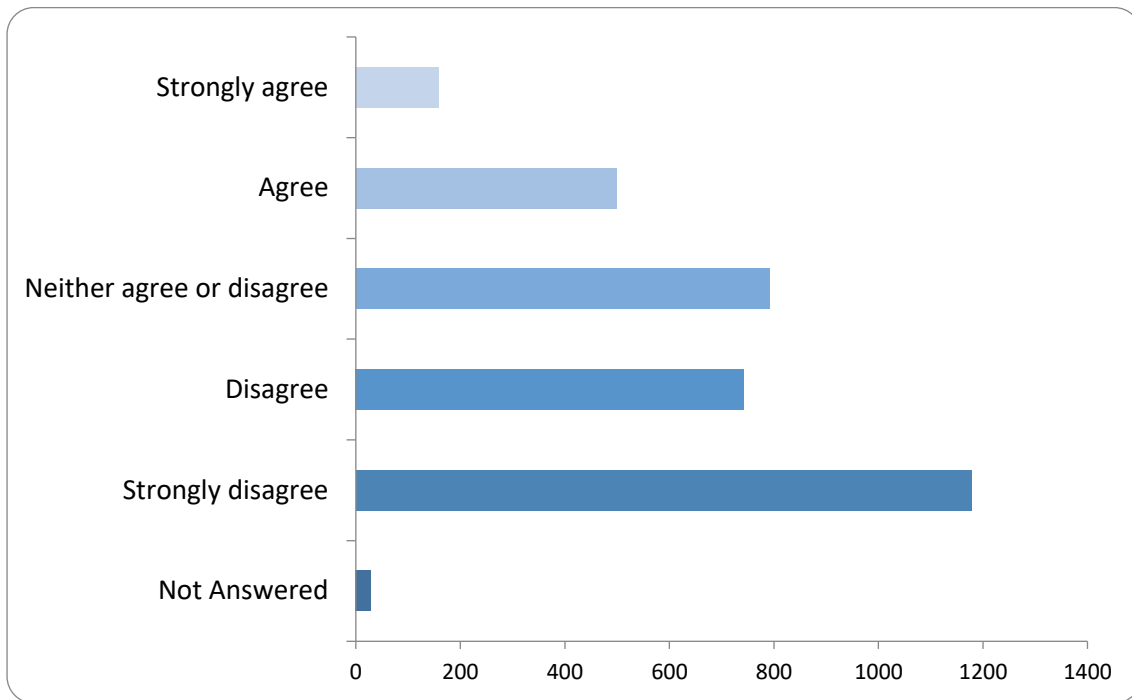
There were 3330 responses to this part of the question.



Option	Total	Percent
Children and families	3037	89.35%
Adults aged over 60	2822	83.02%
Students	1992	58.61%
Unemployed individuals	2087	61.40%
People with disabilities	2134	62.78%
Other	190	5.59%
Not Answered	69	2.03%

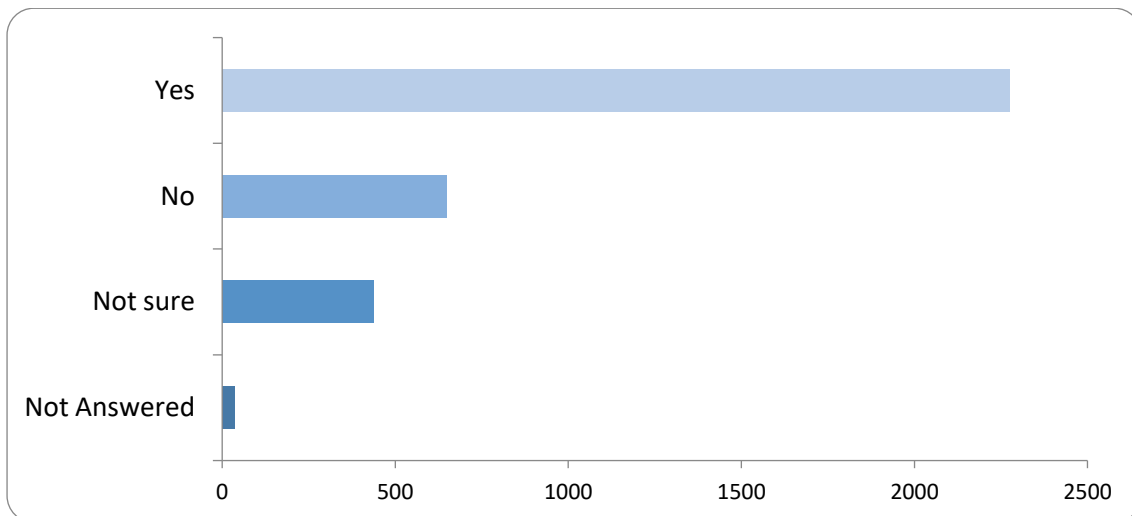
We propose that in order to contribute to the savings the Council needs to make, the library budget to buy new stock should reduce by a one-off 61% (£161,000) in 2024/25 and £30,000 in each of the two following years. Do you agree with our proposal?

There were 3370 responses to this part of the question.



Option	Total	Percent
Strongly agree	159	4.68%
Agree	499	14.68%
Neither agree or disagree	791	23.27%
Disagree	743	21.86%
Strongly disagree	1178	34.66%
Not Answered	29	0.85%

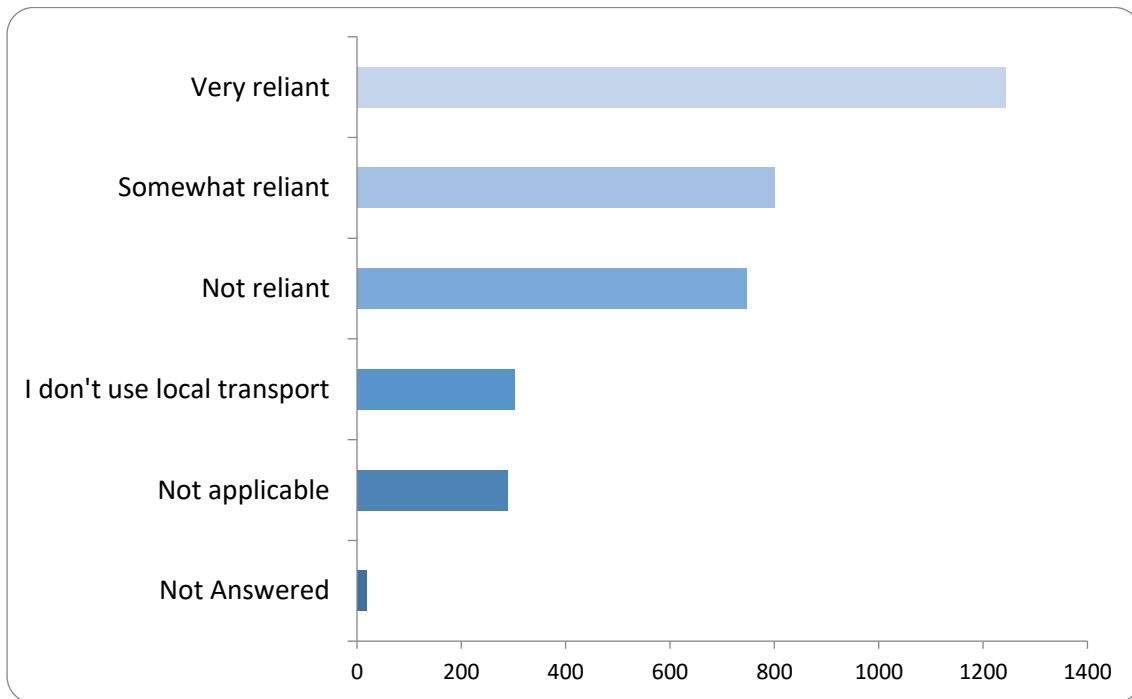
Do you agree that the library service has published an appropriate vision?  
There were 3363 responses to this part of the question.



Option	Total	Percent
Yes	2275	66.93%
No	650	19.12%
Not sure	438	12.89%
Not Answered	36	1.06%

How reliant are you on local public transport links to access other nearby libraries if your nearest library were to close?

There were 3380 responses to this part of the question.

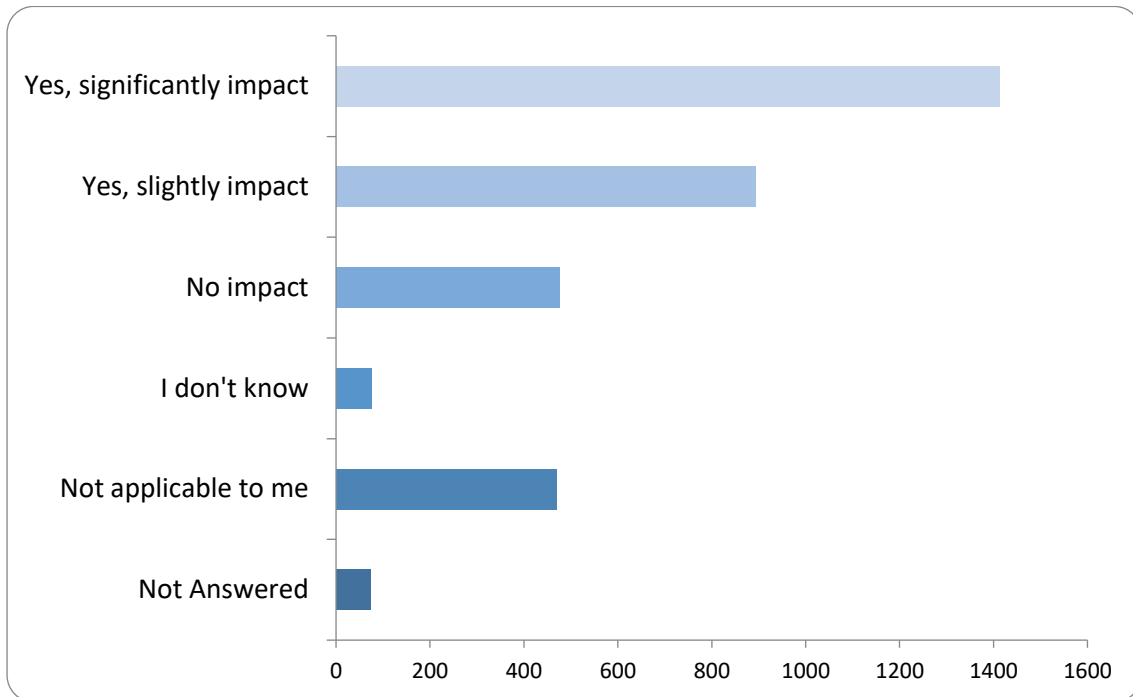


Option	Total	Percent
Very reliant	1242	36.54%
Somewhat reliant	801	23.57%
Not reliant	747	21.98%
I don't use local transport	301	8.86%
Not applicable	289	8.50%
Not Answered	19	0.56%

Would the closure of your nearest library impact your ability to access other libraries due to transportation limitations or a disability?

**Transport limitations**

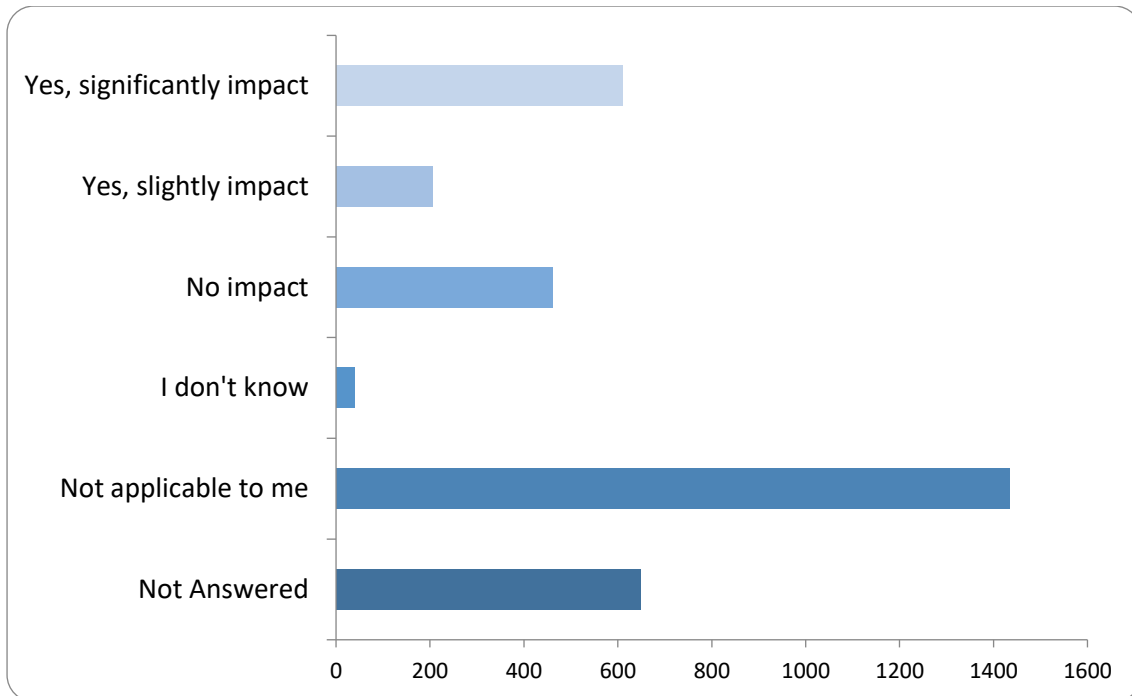
There were 3326 responses to this part of the question.



Option	Total	Percent
Yes, significantly impact	1412	41.54%
Yes, slightly impact	893	26.27%
No impact	476	14.00%
I don't know	75	2.21%
Not applicable to me	470	13.83%
Not Answered	73	2.15%

## Disability

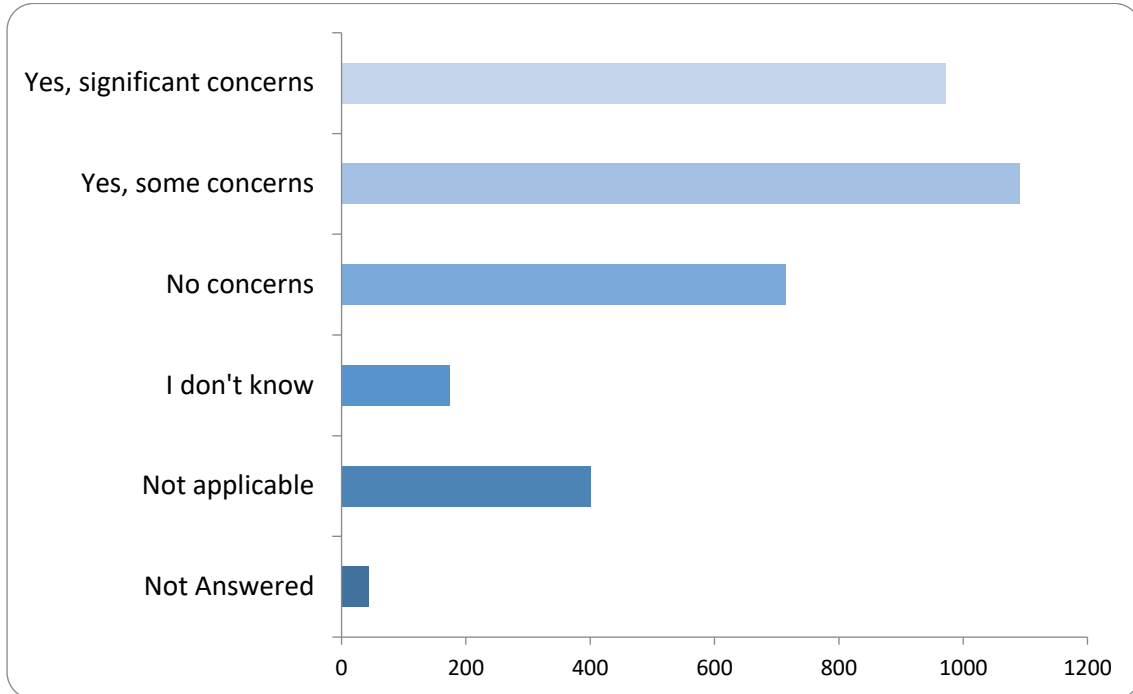
There were 2750 responses to this part of the question.



Option	Total	Percent
Yes, significantly impact	611	17.98%
Yes, slightly impact	205	6.03%
No impact	461	13.56%
I don't know	40	1.18%
Not applicable to me	1433	42.16%
Not Answered	649	19.09%

Do you have any concerns about the reliability or availability of local transport options for accessing alternative libraries?

There were 3355 responses to this part of the question.

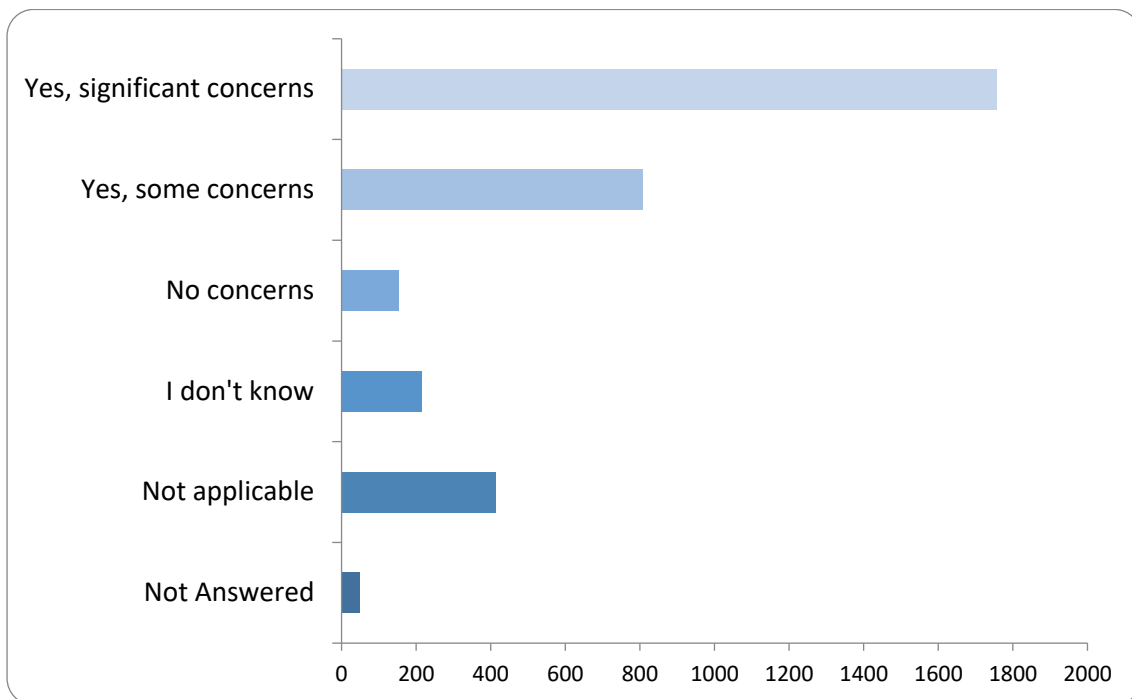


Option	Total	Percent
Yes, significant concerns	972	28.60%
Yes, some concerns	1091	32.10%
No concerns	715	21.04%
I don't know	175	5.15%
Not applicable	402	11.83%
Not Answered	44	1.29%



Do you have any concerns about the availability of alternative accommodations or services for individuals with disabilities if the library were to close?

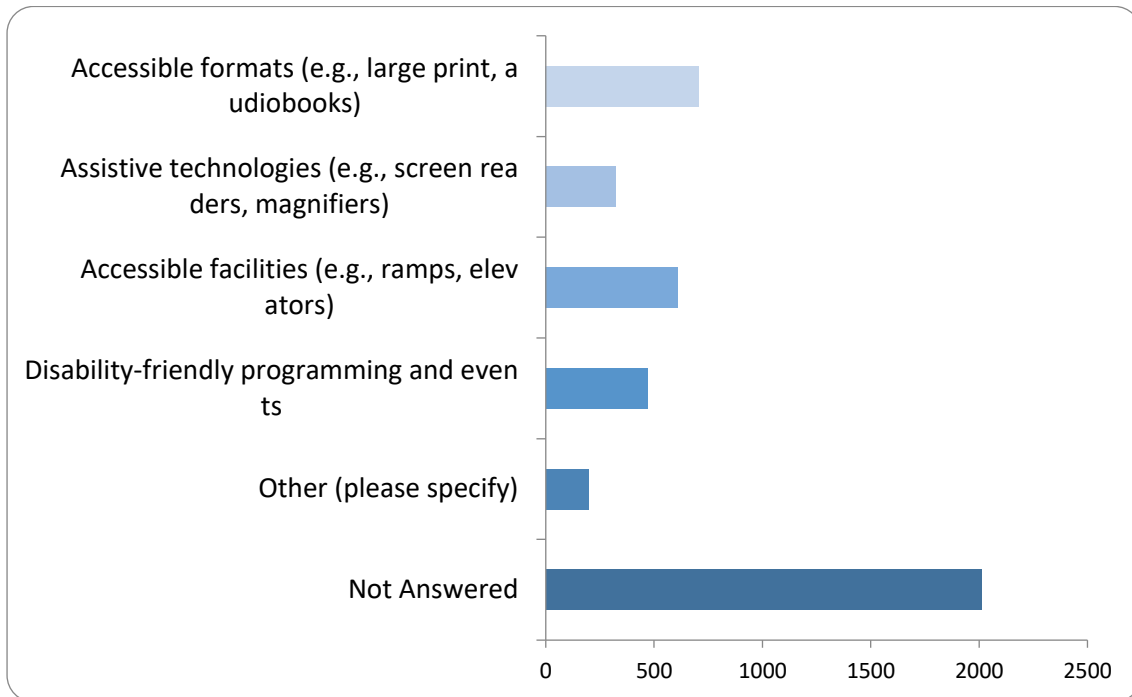
There were 3350 responses to this part of the question.



Option	Total	Percent
Yes, significant concerns	1757	51.69%
Yes, some concerns	808	23.77%
No concerns	154	4.53%
I don't know	216	6.35%
Not applicable	415	12.21%
Not Answered	49	1.44%

Are there any specific disability accommodations or services provided by your local library that you or a household member rely on?

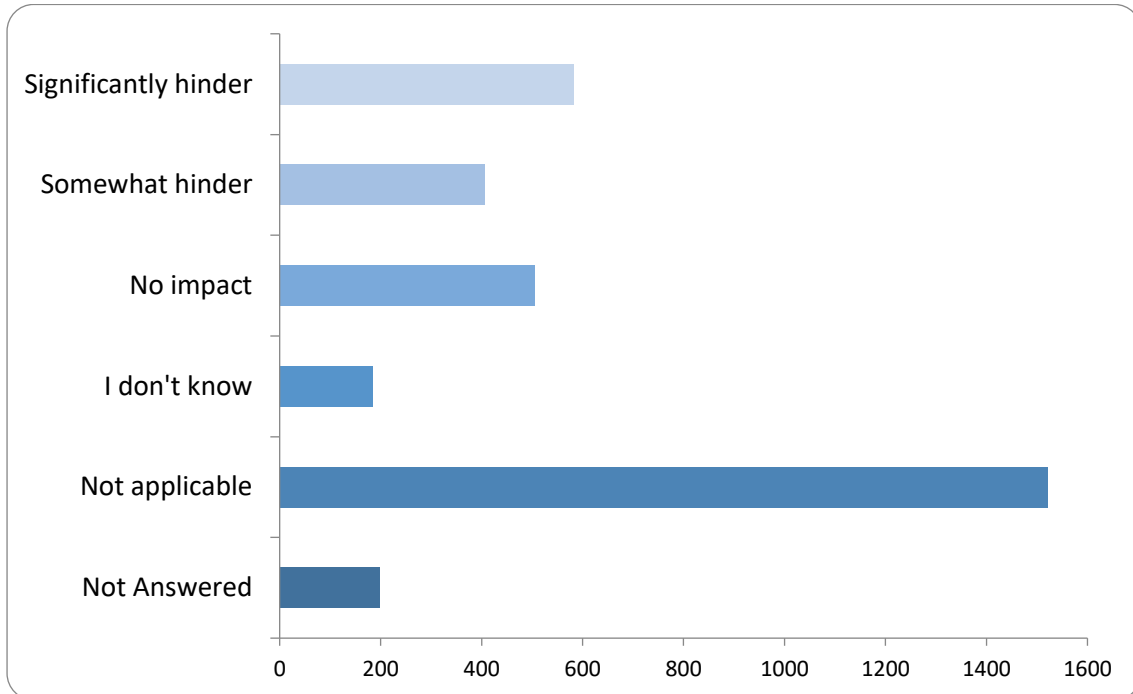
There were 1388 responses to this part of the question.



Option	Total	Percent
Accessible formats (e.g., large print, audiobooks)	708	20.83%
Assistive technologies (e.g., screen readers, magnifiers)	323	9.50%
Accessible facilities (e.g., ramps, elevators)	610	17.95%
Disability-friendly programming and events	470	13.83%
Other (please specify)	196	5.77%
Not Answered	2011	59.16%

Would the closure of the library impact your ability, or a household member's ability to access disability-specific resources or accommodations?

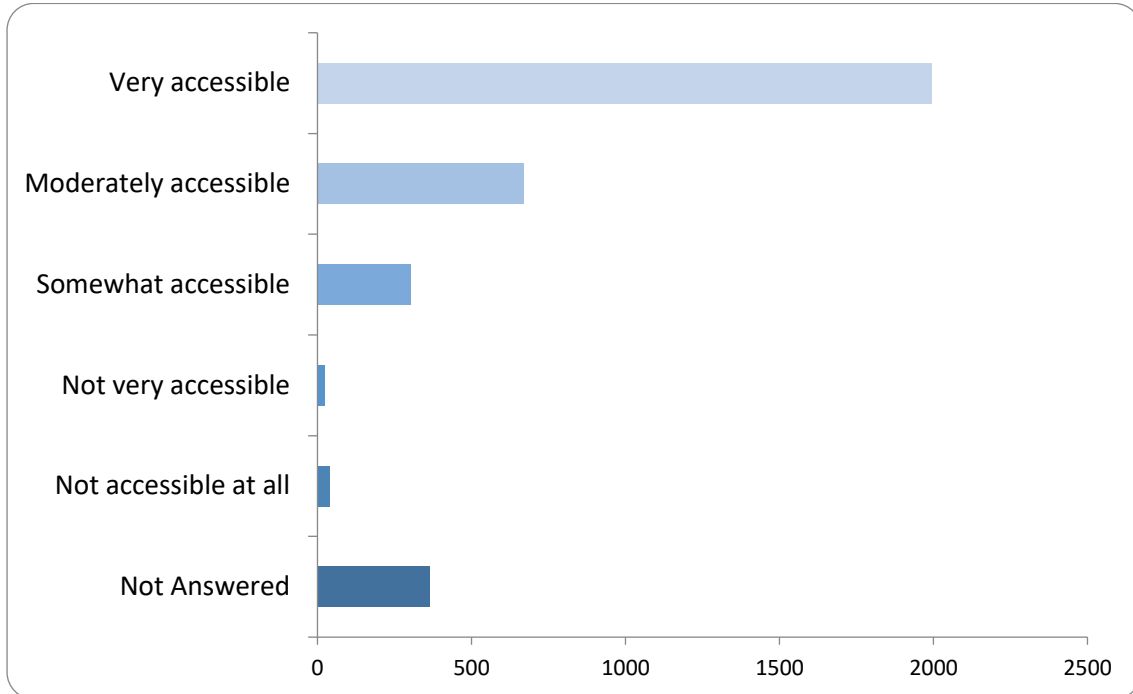
There were 3200 responses to this part of the question.



Option	Total	Percent
Significantly hinder	583	17.15%
Somewhat hinder	406	11.94%
No impact	505	14.86%
I don't know	185	5.44%
Not applicable	1521	44.75%
Not Answered	199	5.85%

How accessible do you find the current library facilities and services for individuals with disabilities?

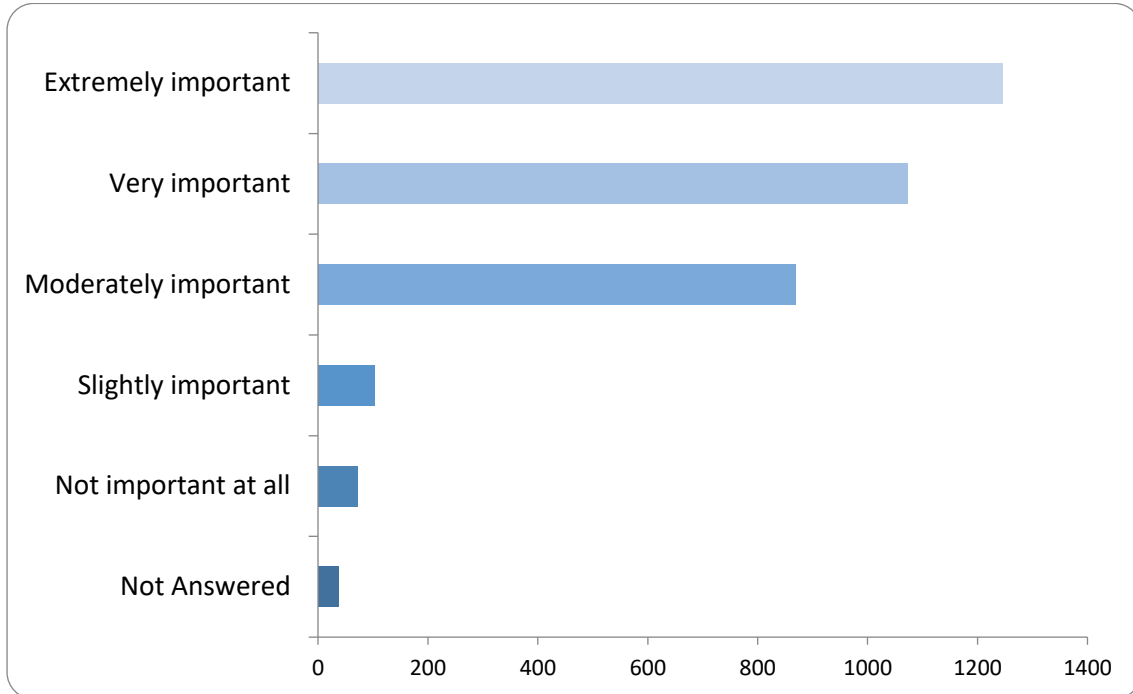
There were 3033 responses to this part of the question.



Option	Total	Percent
Very accessible	1996	58.72%
Moderately accessible	671	19.74%
Somewhat accessible	303	8.91%
Not very accessible	24	0.71%
Not accessible at all	39	1.15%
Not Answered	366	10.77%

How important is the condition and comfort of the library building to your overall satisfaction with library services?

There were 3362 responses to this part of the question.

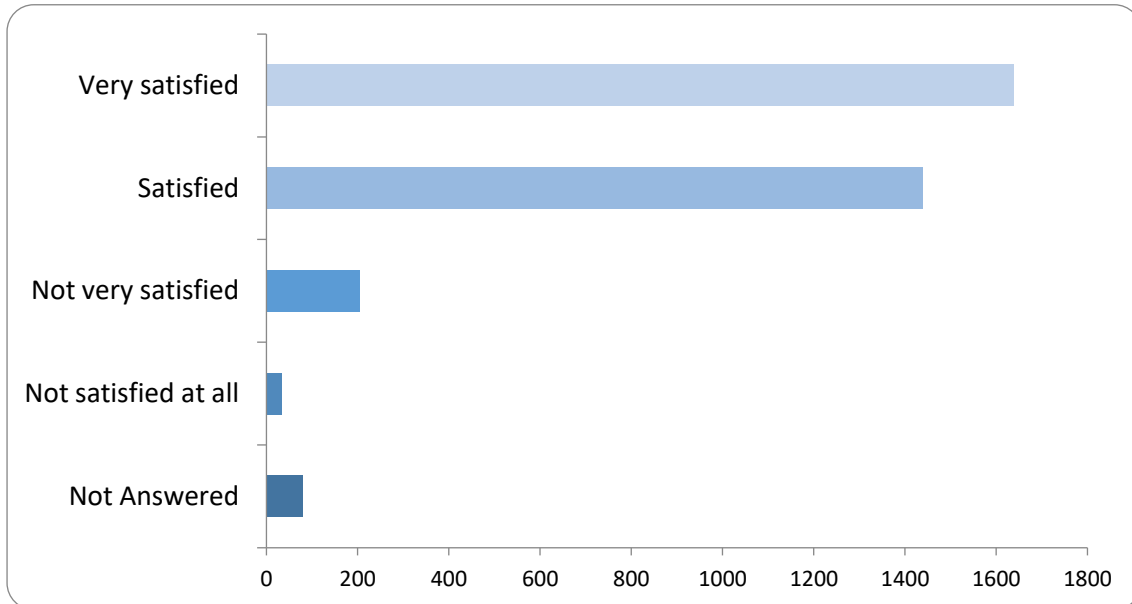


Option	Total	Percent
Extremely important	1246	36.66%
Very important	1073	31.57%
Moderately important	869	25.57%
Slightly important	103	3.03%
Not important at all	71	2.09%
Not Answered	37	1.09%

Please tell us how satisfied you are with our current library facilities

**The variety and quality of books available at your local library**

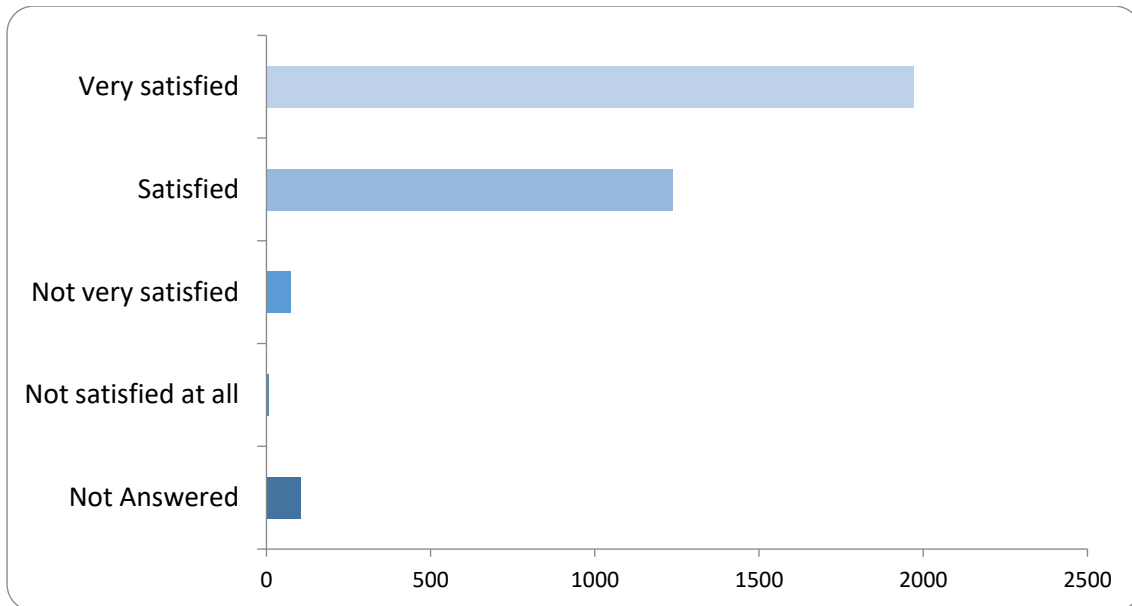
There were 3319 responses to this part of the question.



Option	Total	Percent
Very satisfied	1639	48.22%
Satisfied	1439	42.34%
Not very satisfied	206	6.06%
Not satisfied at all	35	1.03%
Not Answered	80	2.35%

### The condition and cleanliness of your local library building

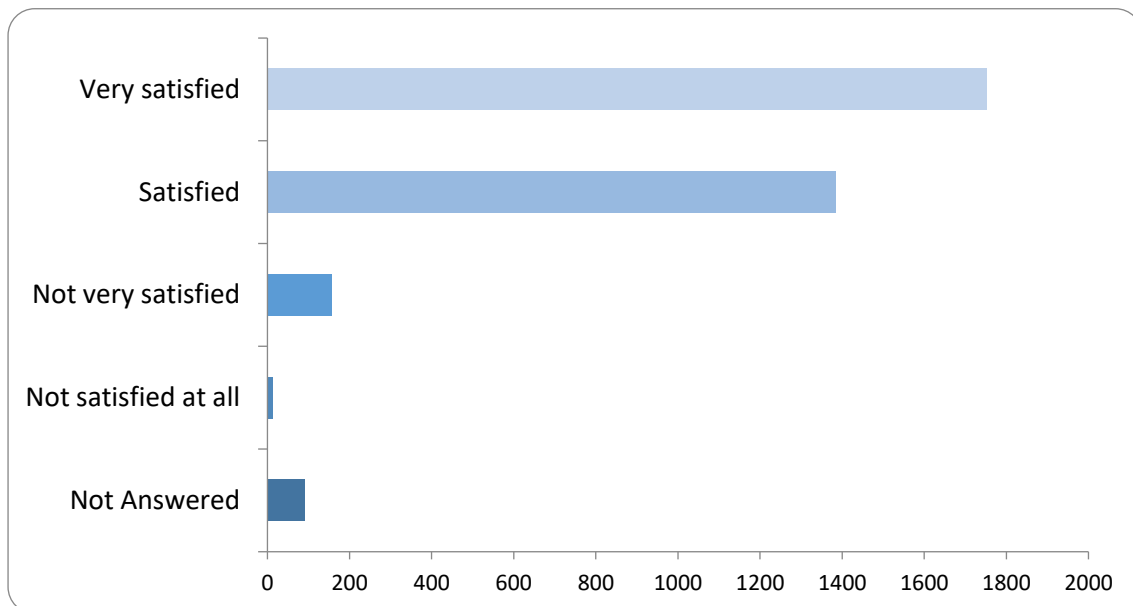
There were 3294 responses to this part of the question.



Option	Total	Percent
Very satisfied	1972	58.02%
Satisfied	1238	36.42%
Not very satisfied	75	2.21%
Not satisfied at all	9	0.26%
Not Answered	105	3.09%

**Comfort and amenities available within the library building (eg seating, lighting, heating/cooling etc)**

There were 3308 responses to this part of the question.

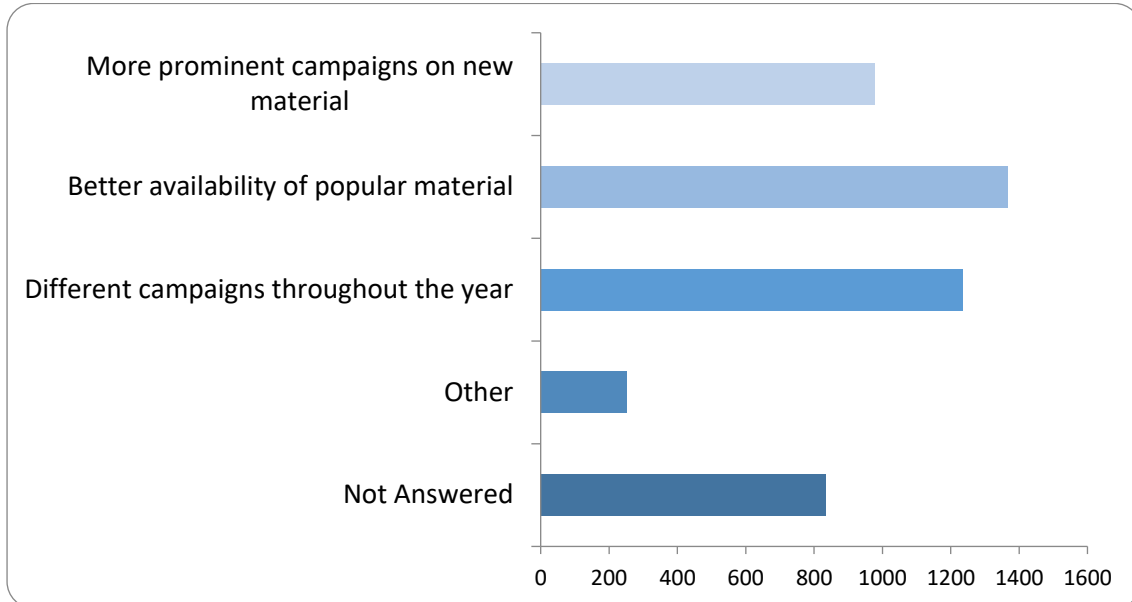


Option	Total	Percent
Very satisfied	1753	51.57%
Satisfied	1385	40.75%
Not very satisfied	156	4.59%
Not satisfied at all	14	0.41%
Not Answered	91	2.68%



Do you have any specific suggestions for improving the variety and quality of books available at the library?

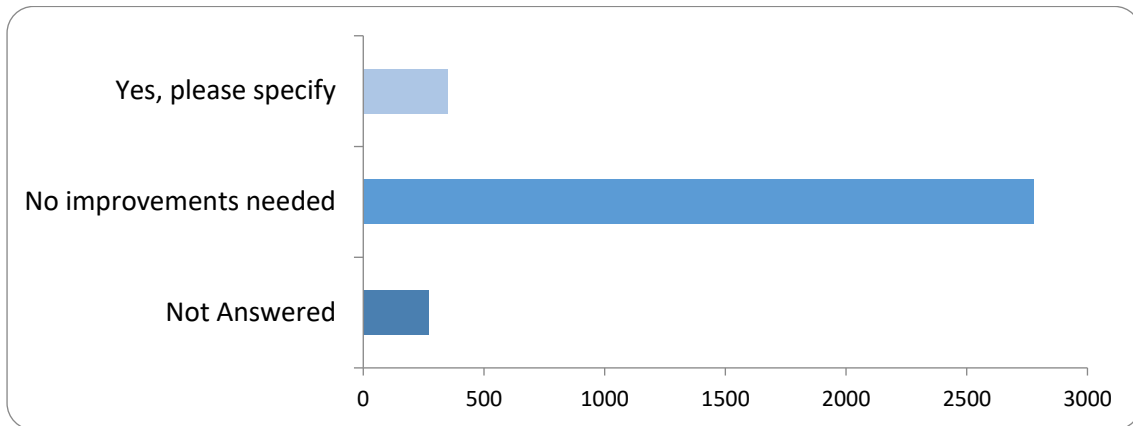
There were 2564 responses to this part of the question.



Option	Total	Percent
More prominent campaigns on new material	977	28.74%
Better availability of popular material	1367	40.22%
Different campaigns throughout the year	1234	36.30%
Other	253	7.44%
Not Answered	835	24.57%

Are there any specific improvements you would like to see in the condition and cleanliness of the library building?

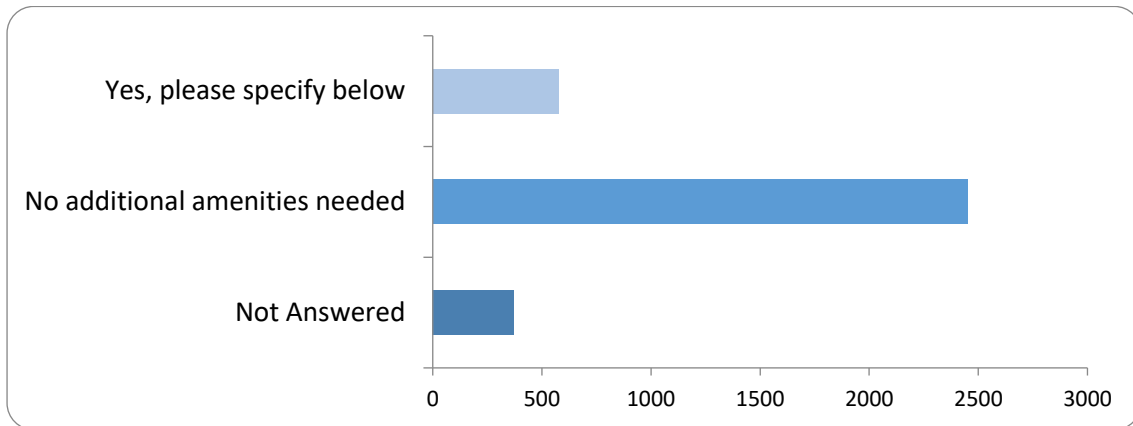
There were 3128 responses to this part of the question.



Option	Total	Percent
Yes, please specify	351	10.33%
No improvements needed	2777	81.70%
Not Answered	271	7.97%

Are there any additional amenities or facilities you would like to see added to enhance the comfort and usability of the library building?

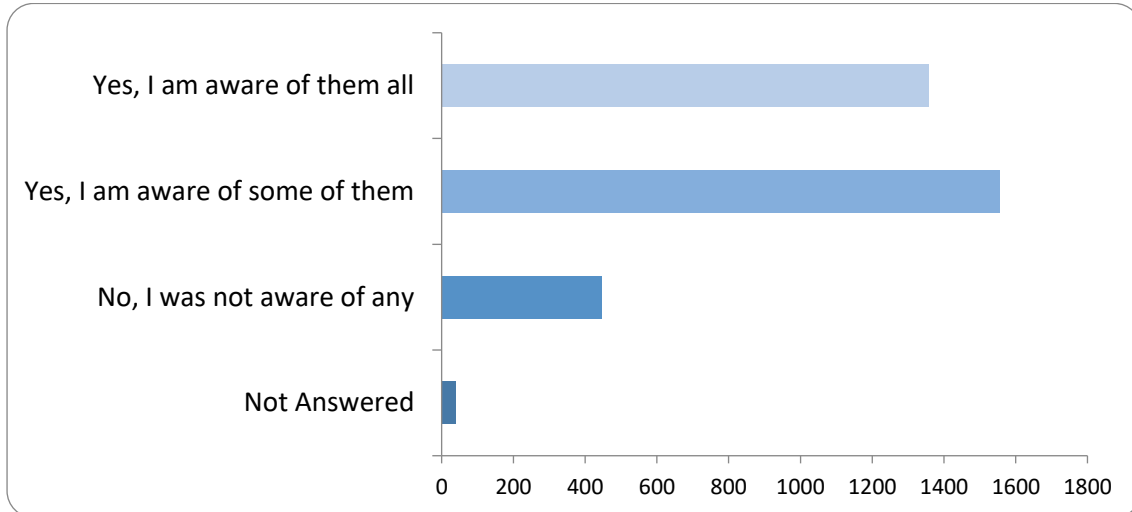
There were 3027 responses to this part of the question.



Option	Total	Percent
Yes, please specify below	576	16.95%
No additional amenities needed	2451	72.11%
Not Answered	372	10.94%

Are you aware of the various activities and programmes offered at your local library, such as Baby Bounce, Wiggle and Giggle, Stay and Play, and Knit and Natter?

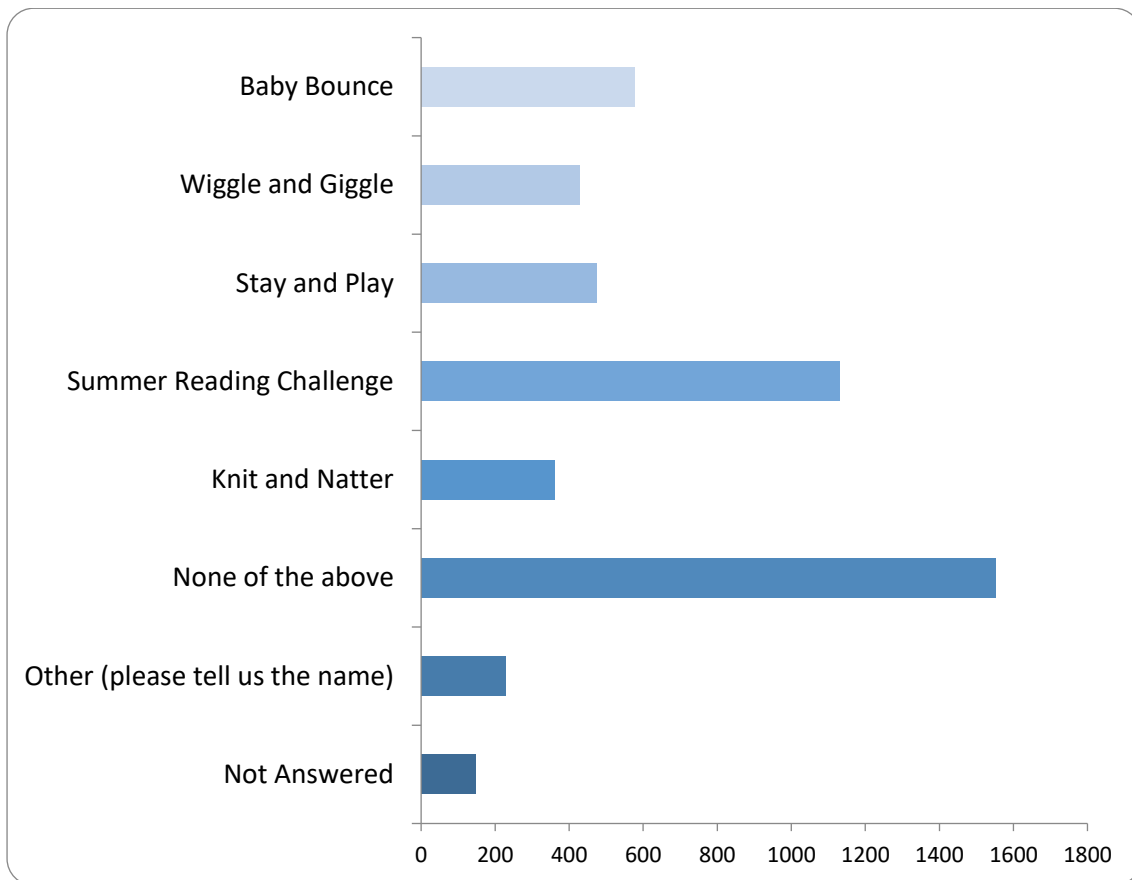
There were 3360 responses to this part of the question.



Option	Total	Percent
Yes, I am aware of them all	1359	39.98%
Yes, I am aware of some of them	1555	45.75%
No, I was not aware of any	446	13.12%
Not Answered	39	1.15%

Have you participated in any of the following library activities in the past year?

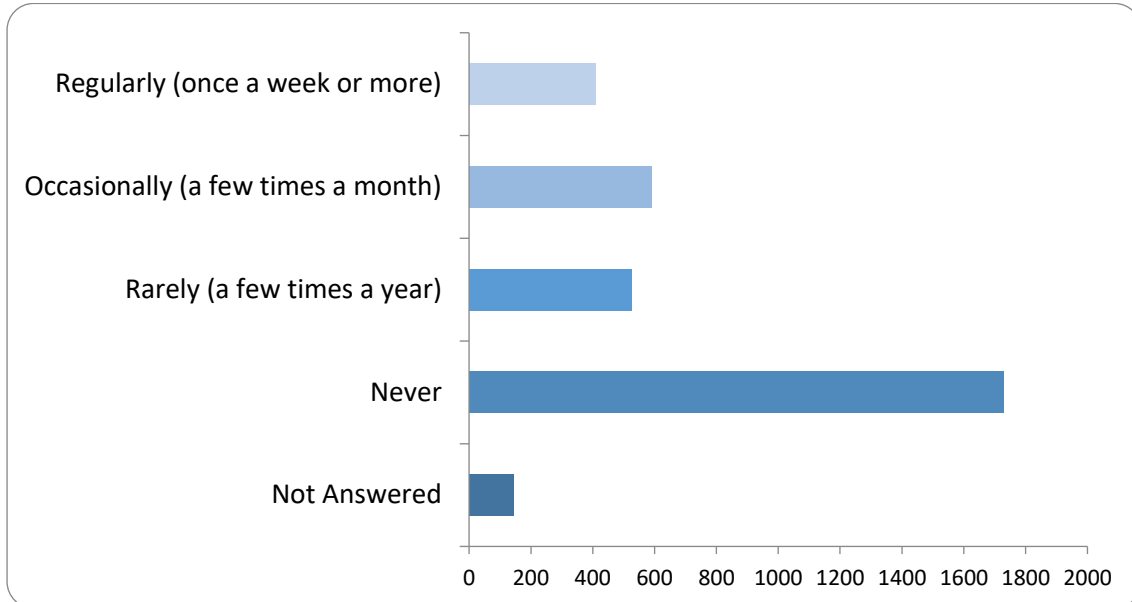
There were 3251 responses to this part of the question.



Option	Total	Percent
Baby Bounce	576	16.95%
Wiggle and Giggle	429	12.62%
Stay and Play	473	13.92%
Summer Reading Challenge	1131	33.27%
Knit and Natter	361	10.62%
None of the above	1553	45.69%
Other (please tell us the name)	228	6.71%
Not Answered	148	4.35%

How often do you participate in library activities such as Baby Bounce, Wiggle and Giggle, Stay and Play, or Knit and Natter?

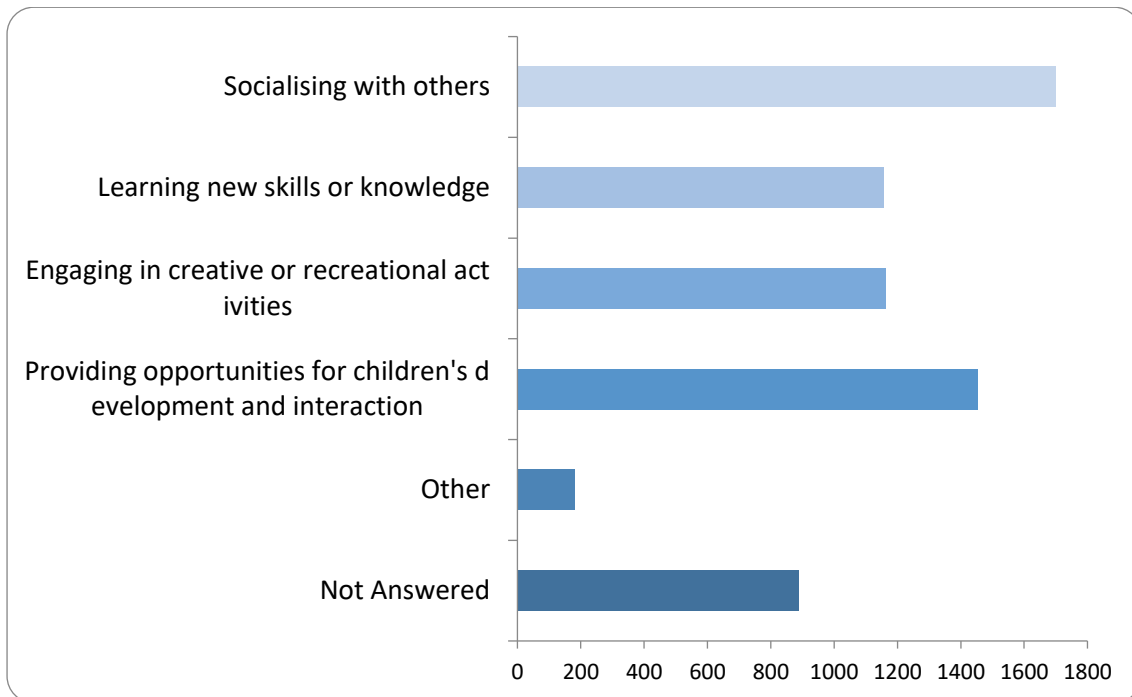
There were 3254 responses to this part of the question.



Option	Total	Percent
Regularly (once a week or more)	410	12.06%
Occasionally (a few times a month)	589	17.33%
Rarely (a few times a year)	525	15.45%
Never	1730	50.90%
Not Answered	145	4.27%

What do you enjoy most about the library activities you have participated in?

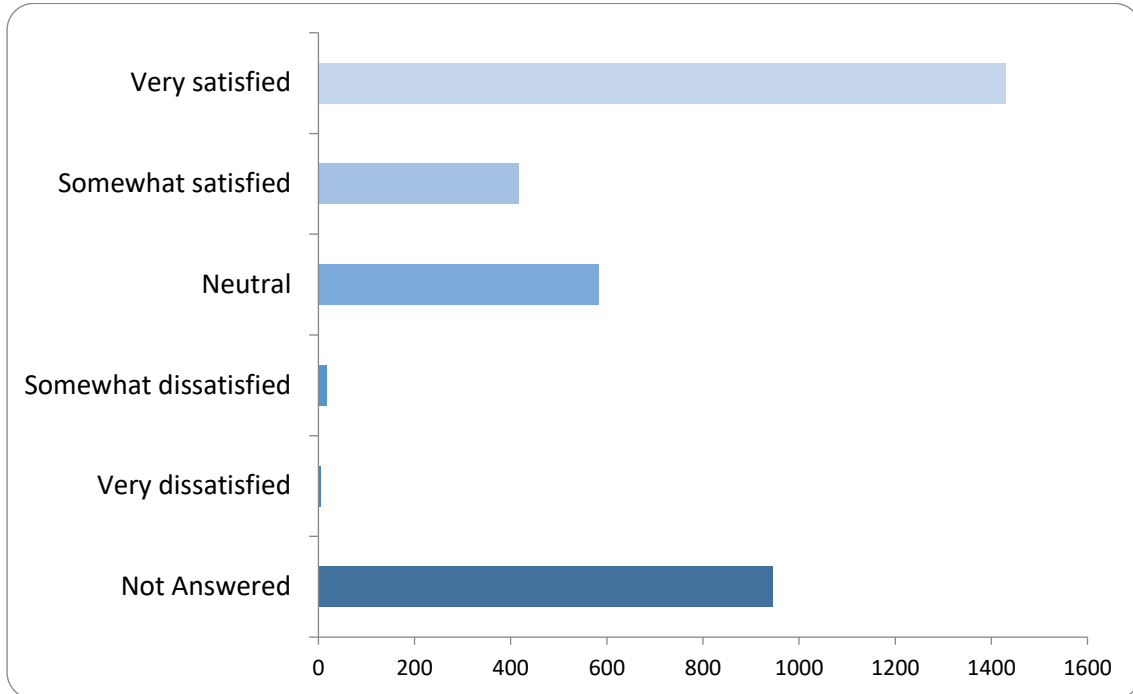
There were 2510 responses to this part of the question.



Option	Total	Percent
Socialising with others	1701	50.04%
Learning new skills or knowledge	1158	34.07%
Engaging in creative or recreational activities	1165	34.27%
Providing opportunities for children's development and interaction	1455	42.81%
Other	181	5.33%
Not Answered	889	26.15%

How would you rate your overall satisfaction with the library activities you have participated in (e.g., Baby Bounce, Wiggle and Giggle, Stay and Play, Knit and Natter)?

There were 2454 responses to this part of the question.

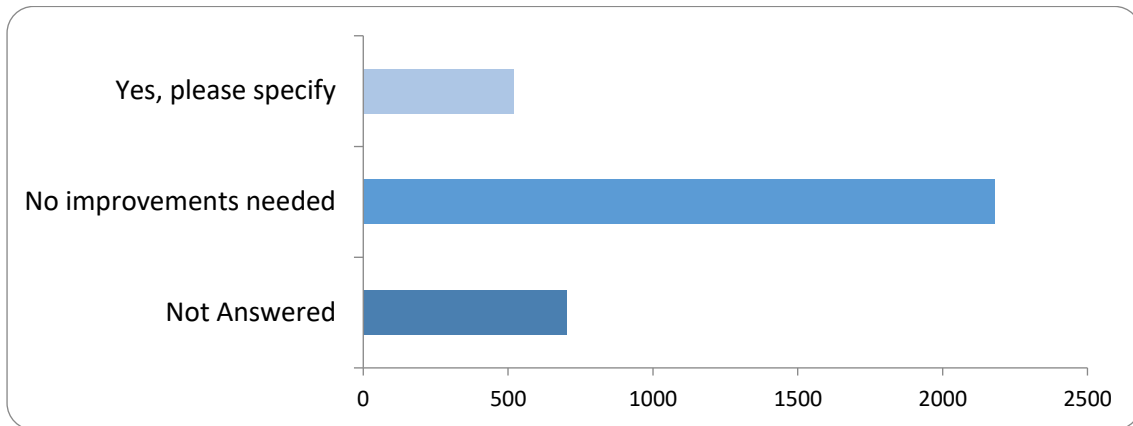


Option	Total	Percent
Very satisfied	1431	42.10%
Somewhat satisfied	417	12.27%
Neutral	583	17.15%
Somewhat dissatisfied	18	0.53%
Very dissatisfied	5	0.15%
Not Answered	945	27.80%



Are there any improvements or changes you would like to see in the library activities to enhance your experience?

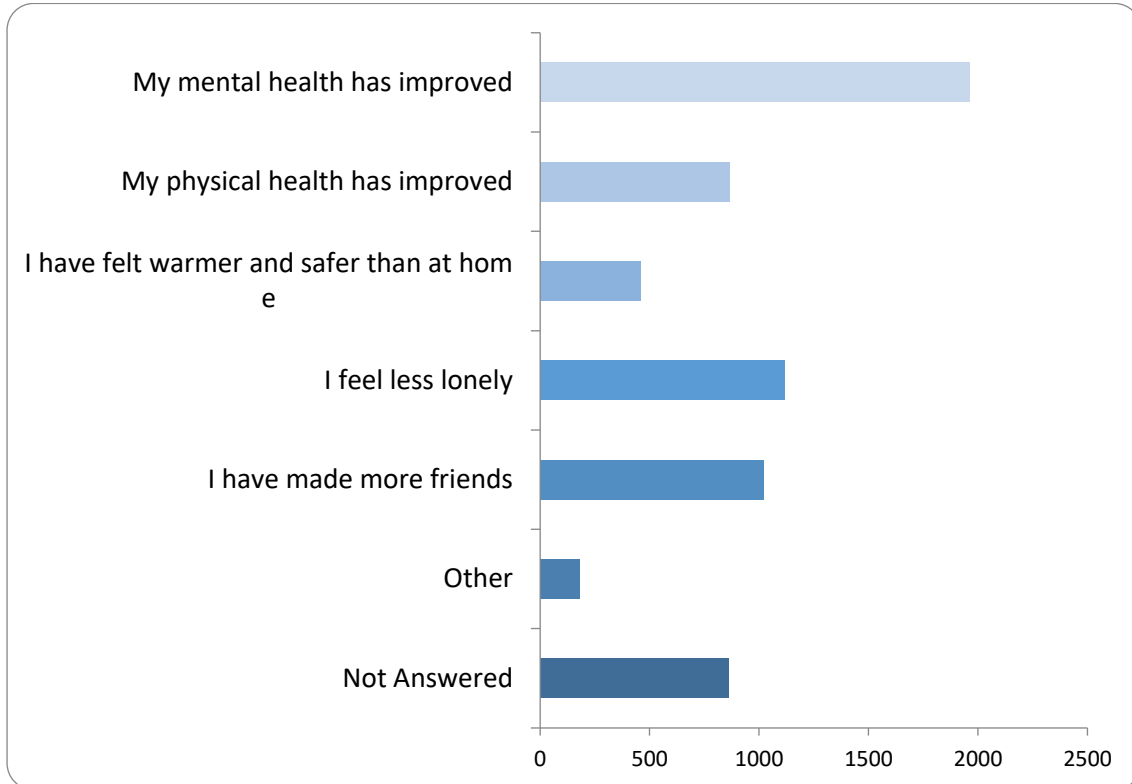
There were 2697 responses to this part of the question.



Option	Total	Percent
Yes, please specify	518	15.24%
No improvements needed	2179	64.11%
Not Answered	702	20.65%

Are there specific benefits to your health and wellbeing that you have identified as a direct result of regular attendance at your local library or activities within libraries?

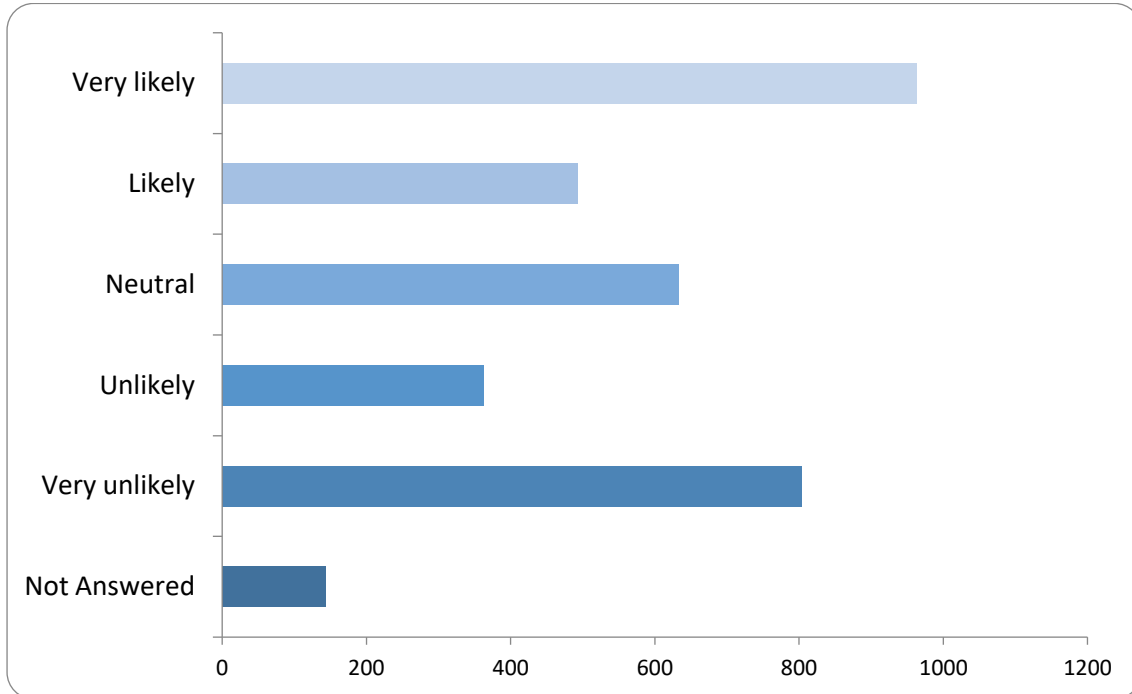
There were 2538 responses to this part of the question.



Option	Total	Percent
My mental health has improved	1963	57.75%
My physical health has improved	866	25.48%
I have felt warmer and safer than at home	461	13.56%
I feel less lonely	1119	32.92%
I have made more friends	1022	30.07%
Other	182	5.35%
Not Answered	861	25.33%

We think there may be a case to develop proposals for a new Havering Children’s Library. How likely would you or your family be to use a dedicated children's library in Havering?

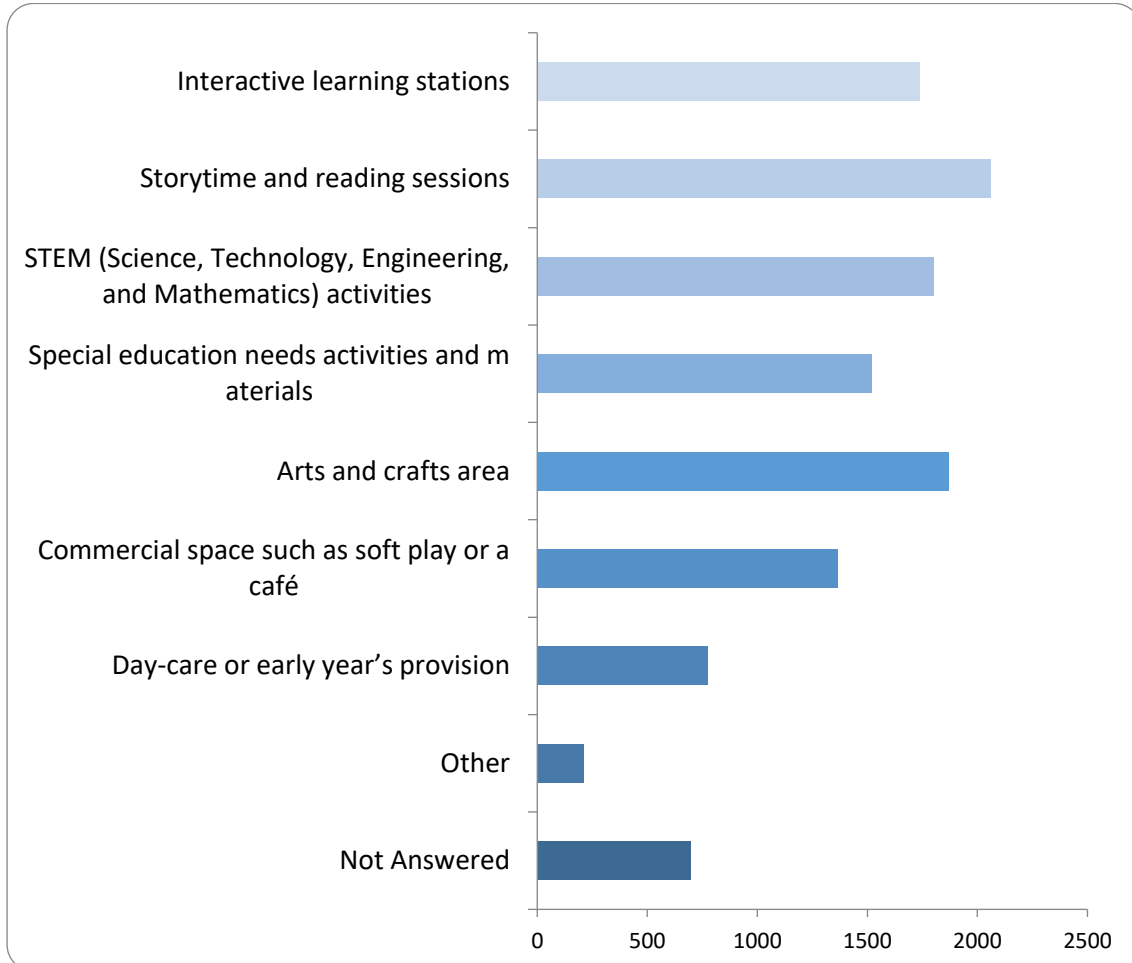
There were 3255 responses to this part of the question.



Option	Total	Percent
Very likely	963	28.33%
Likely	493	14.50%
Neutral	633	18.62%
Unlikely	363	10.68%
Very unlikely	803	23.62%
Not Answered	144	4.24%

What specific features or resources would you like to see included in the new Children's library to best serve the needs of Havering's young readers?

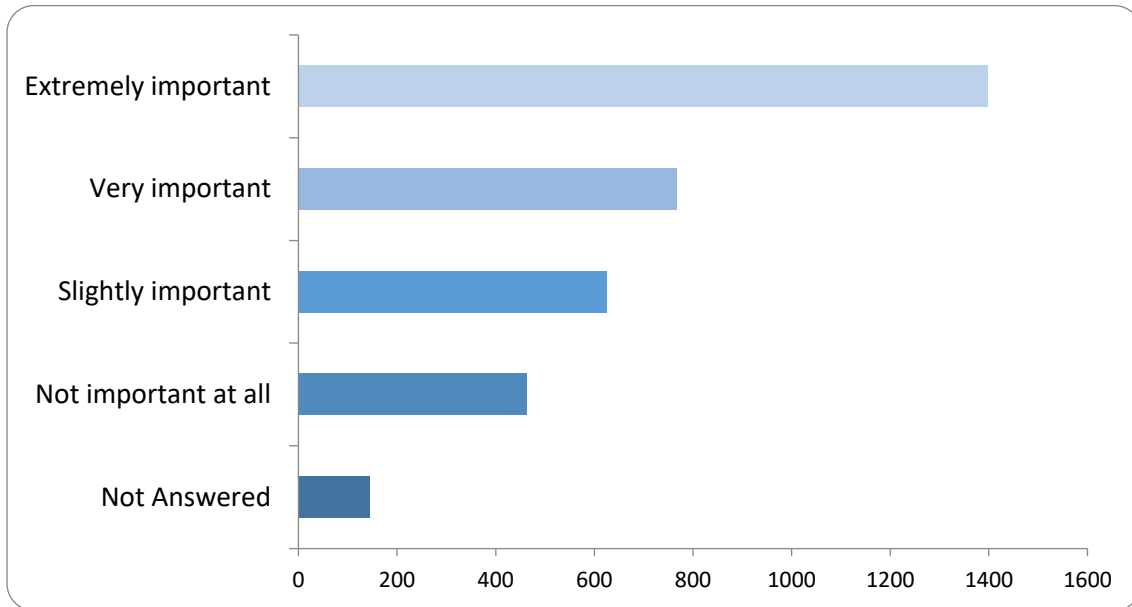
There were 2701 responses to this part of the question.



Option	Total	Percent
Interactive learning stations	1736	51.07%
Storytime and reading sessions	2060	60.61%
STEM (Science, Technology, Engineering, and Mathematics) activities	1800	52.96%
Special education needs activities and materials	1521	44.75%
Arts and crafts area	1869	54.99%
Commercial space such as soft play or a café	1366	40.19%
Day-care or early year's provision	776	22.83%
Other	213	6.27%
Not Answered	698	20.54%

How important do you think it is to have a specialised library space dedicated to children in Havering?

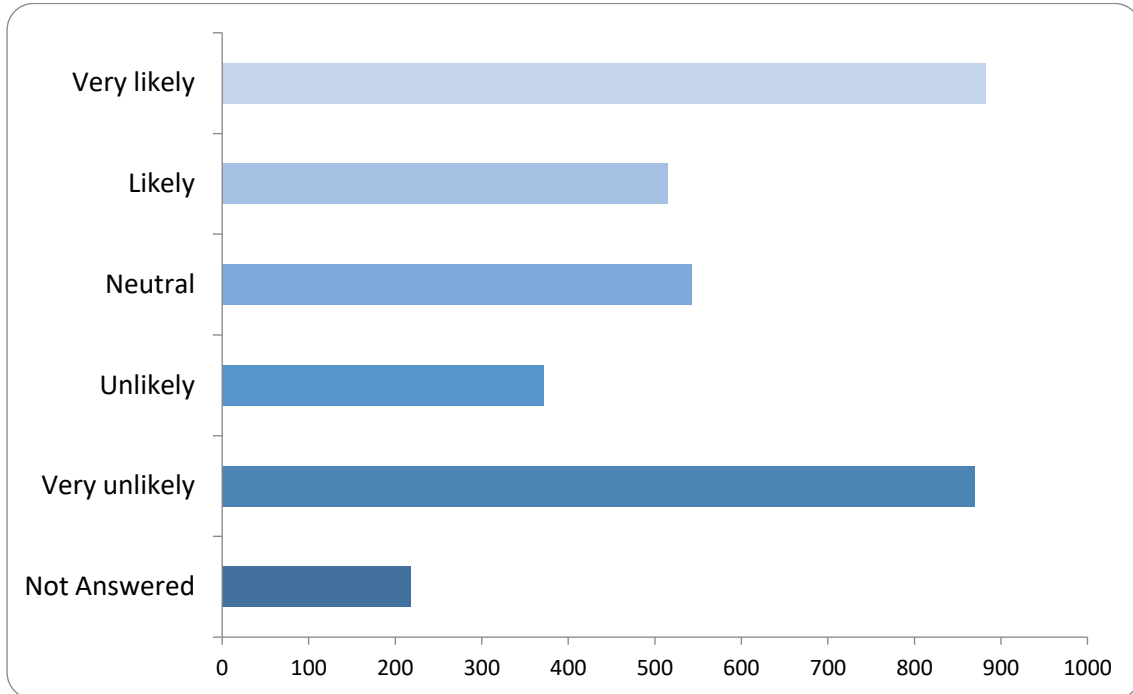
There were 3255 responses to this part of the question.



Option	Total	Percent
Extremely important	1398	41.13%
Very important	768	22.59%
Slightly important	626	18.42%
Not important at all	463	13.62%
Not Answered	144	4.24%

How likely would you be to attend or participate in children's literacy and educational programmes and activities offered at a new Children's library?

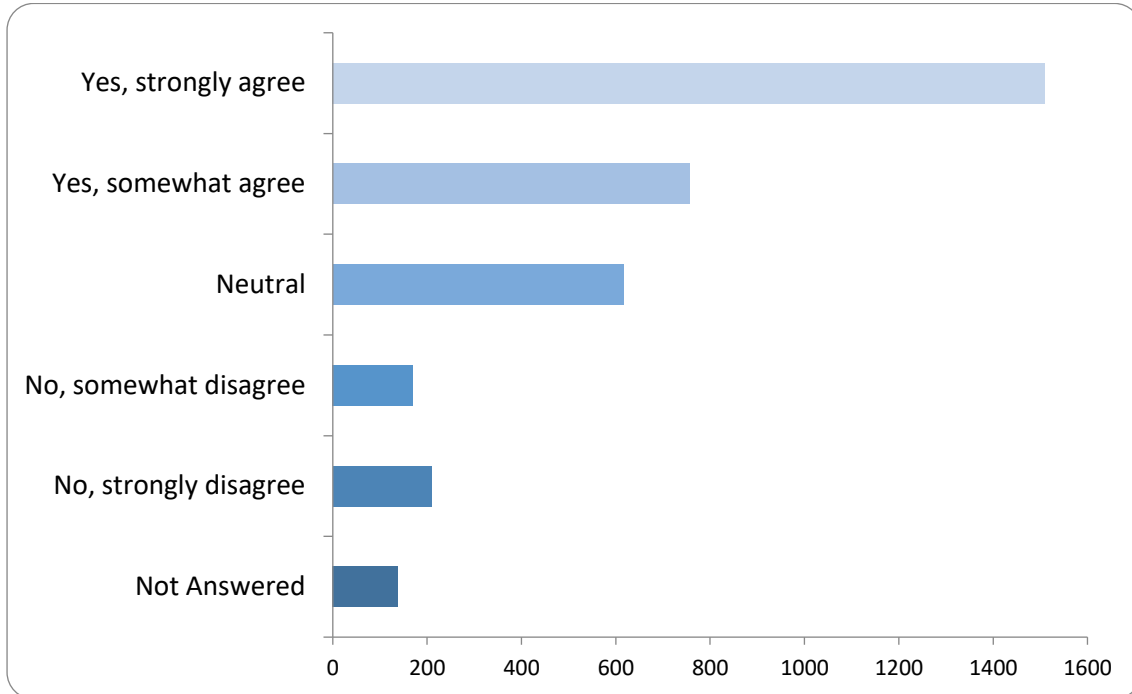
There were 3181 responses to this part of the question.



Option	Total	Percent
Very likely	882	25.95%
Likely	515	15.15%
Neutral	543	15.98%
Unlikely	371	10.91%
Very unlikely	870	25.60%
Not Answered	218	6.41%

Do you believe that the establishment of a Children's library in Havering would positively impact literacy rates and educational outcomes for local children?

There were 3261 responses to this part of the question.



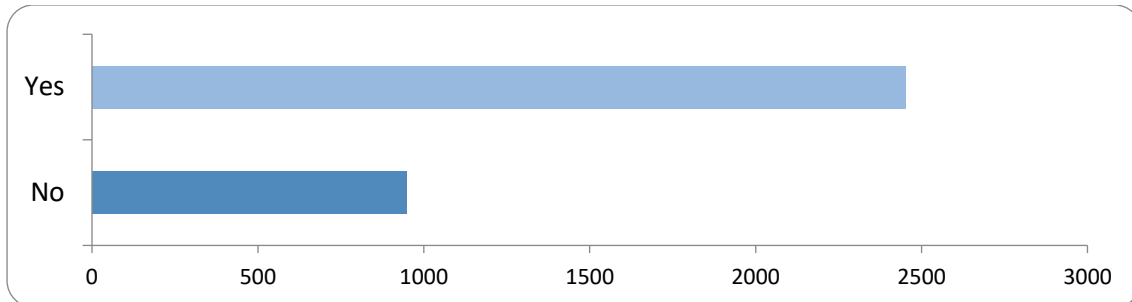
Option	Total	Percent
Yes, strongly agree	1510	44.42%
Yes, somewhat agree	756	22.24%
Neutral	616	18.12%
No, somewhat disagree	170	5.00%
No, strongly disagree	209	6.15%
Not Answered	138	4.06%

## Equalities data captured in the consultation

I am happy to answer equalities questions

### Equalities questions y/n

There were 3399 responses to this part of the question.



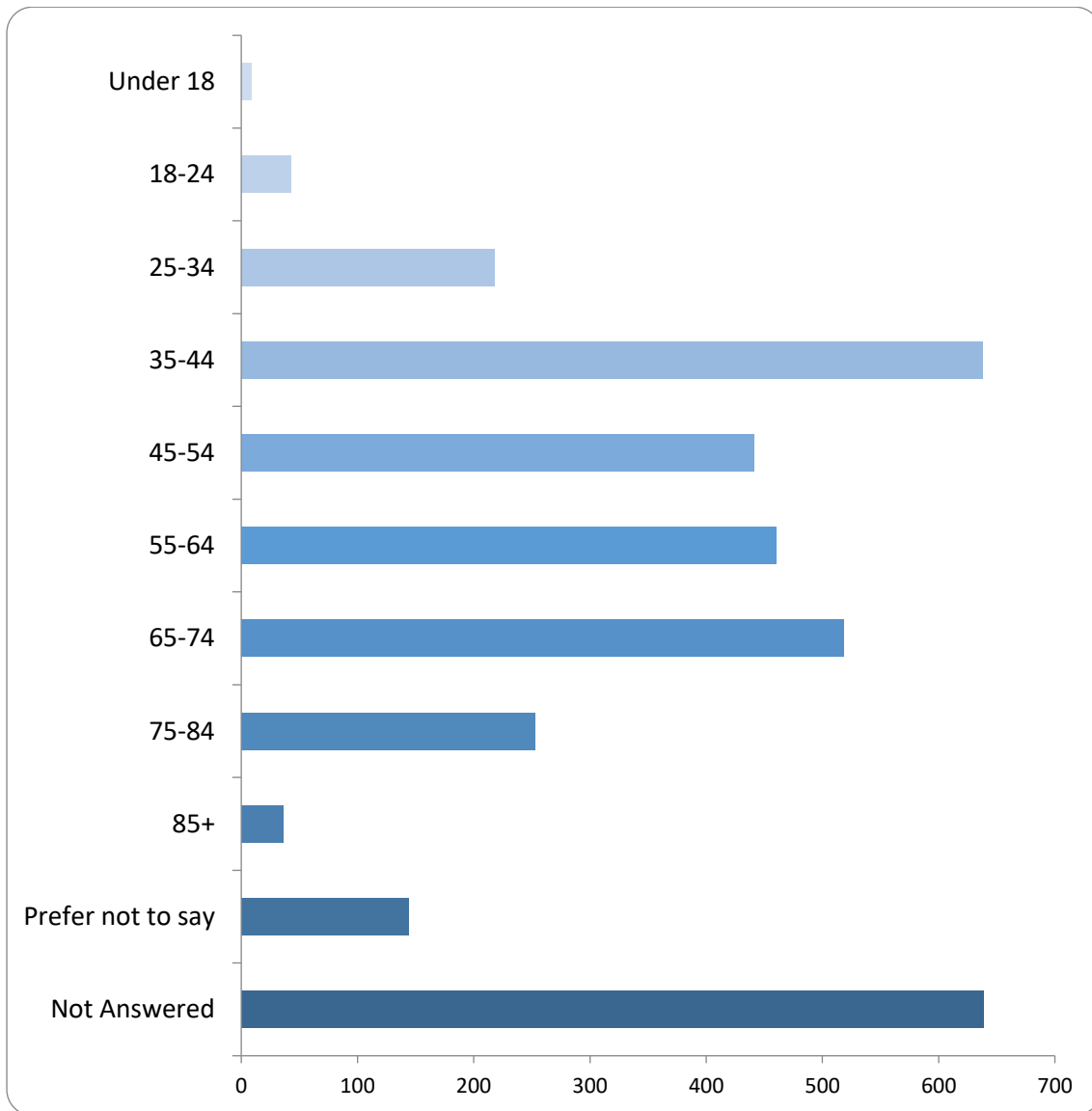
Option	Total	Percent
Yes	2451	72.11%
No	948	27.89%
Not Answered	0	0.00%



How old are you?

**Age**

There were 2760 responses to this part of the question.

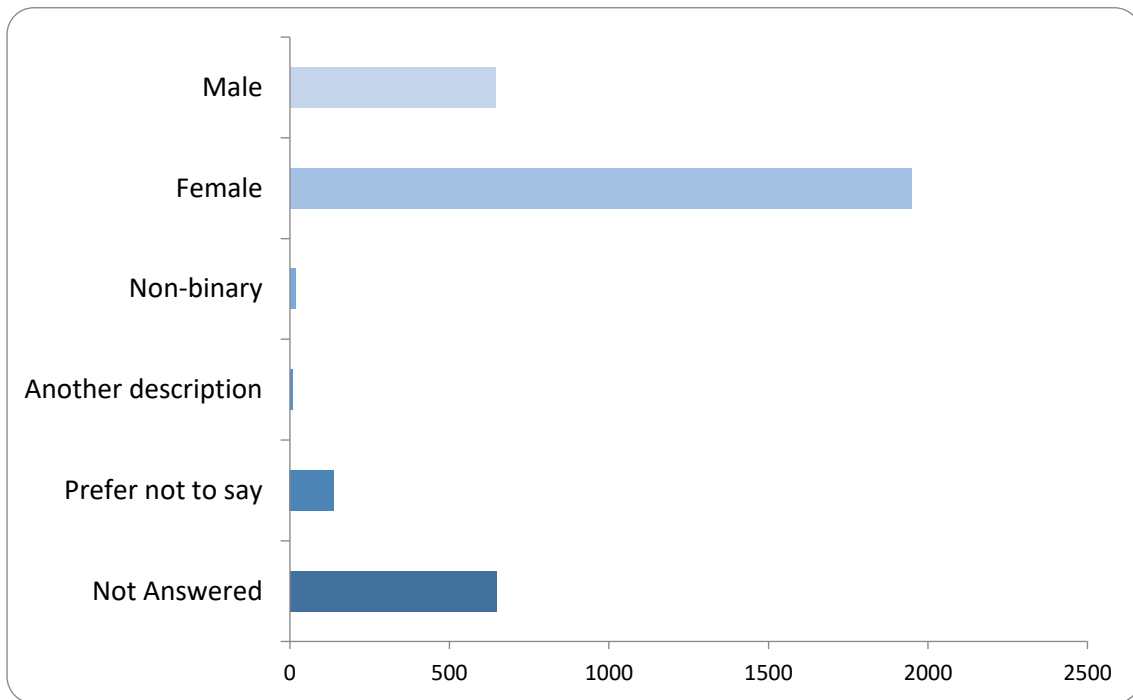


Option	Total	Percent
Under 18	9	0.26%
18-24	43	1.27%
25-34	218	6.41%
35-44	638	18.77%
45-54	441	12.97%
55-64	460	13.53%
65-74	518	15.24%

75-84	253	7.44%
85+	36	1.06%
Prefer not to say	144	4.24%
Not Answered	639	18.80%

How would you describe your gender identity?

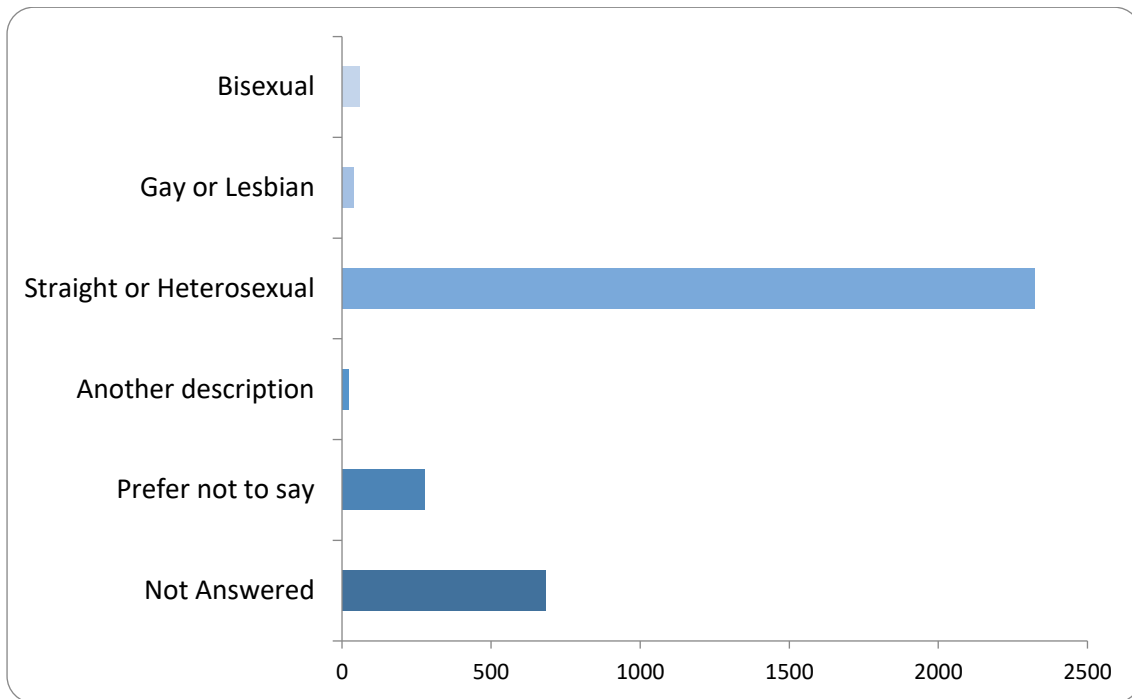
There were 2752 responses to this part of the question.



Option	Total	Percent
Male	643	18.92%
Female	1947	57.28%
Non-binary	17	0.50%
Another description	7	0.21%
Prefer not to say	138	4.06%
Not Answered	647	19.04%

Which of the following best describes your sexual orientation?

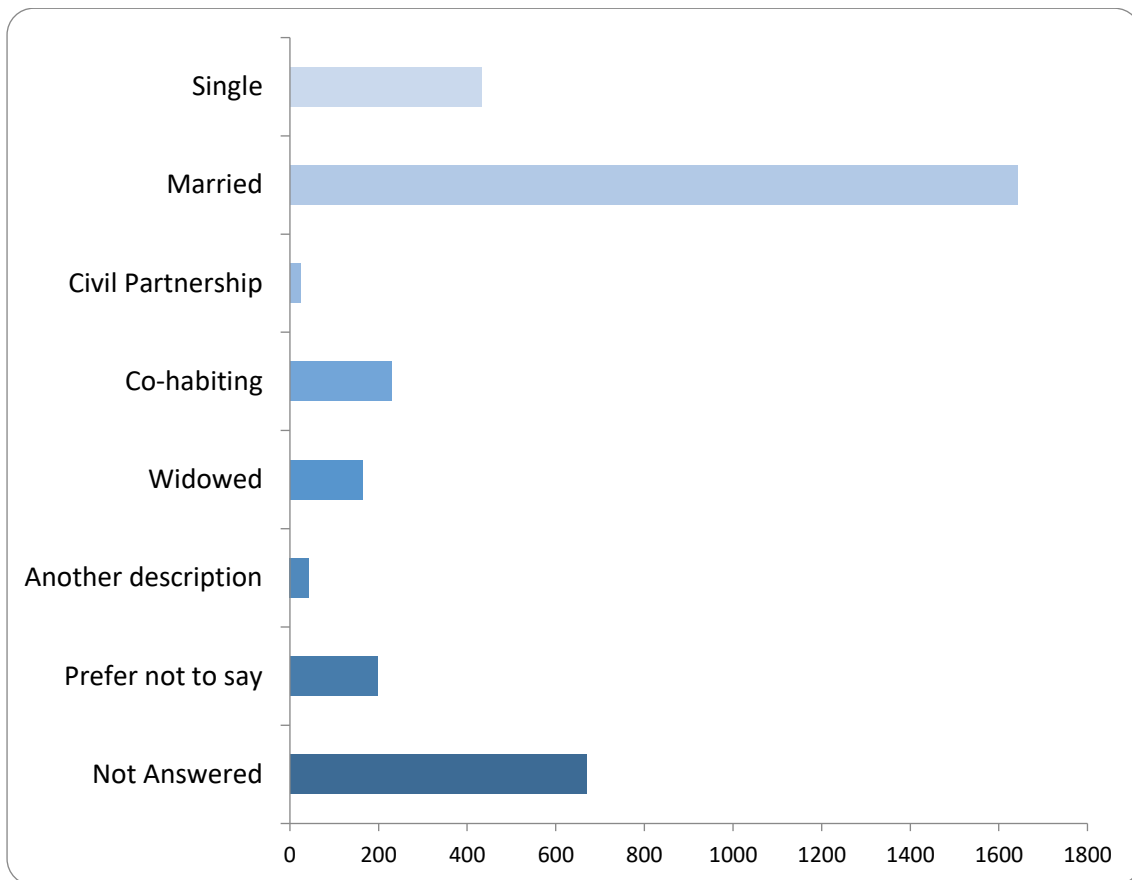
There were 2717 responses to this part of the question.



Option	Total	Percent
Bisexual	58	1.71%
Gay or Lesbian	40	1.18%
Straight or Heterosexual	2323	68.34%
Another description	21	0.62%
Prefer not to say	275	8.09%
Not Answered	682	20.06%

### What is your marital or civil partnership status?

There were 2730 responses to this part of the question.

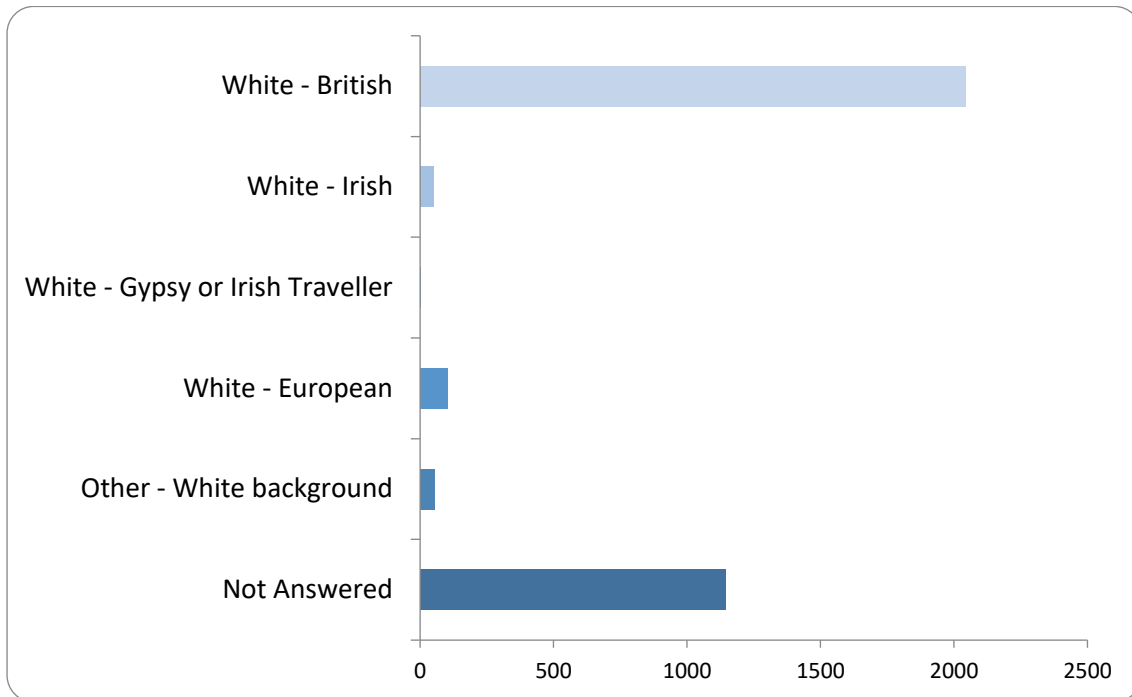


Option	Total	Percent
Single	432	12.71%
Married	1642	48.31%
Civil Partnership	23	0.68%
Co-habiting	229	6.74%
Widowed	163	4.80%
Another description	43	1.27%
Prefer not to say	198	5.83%
Not Answered	669	19.68%

Ethnic origin is not about nationality, place of birth or citizenship. It is about the group to which you perceive you belong.

**White**

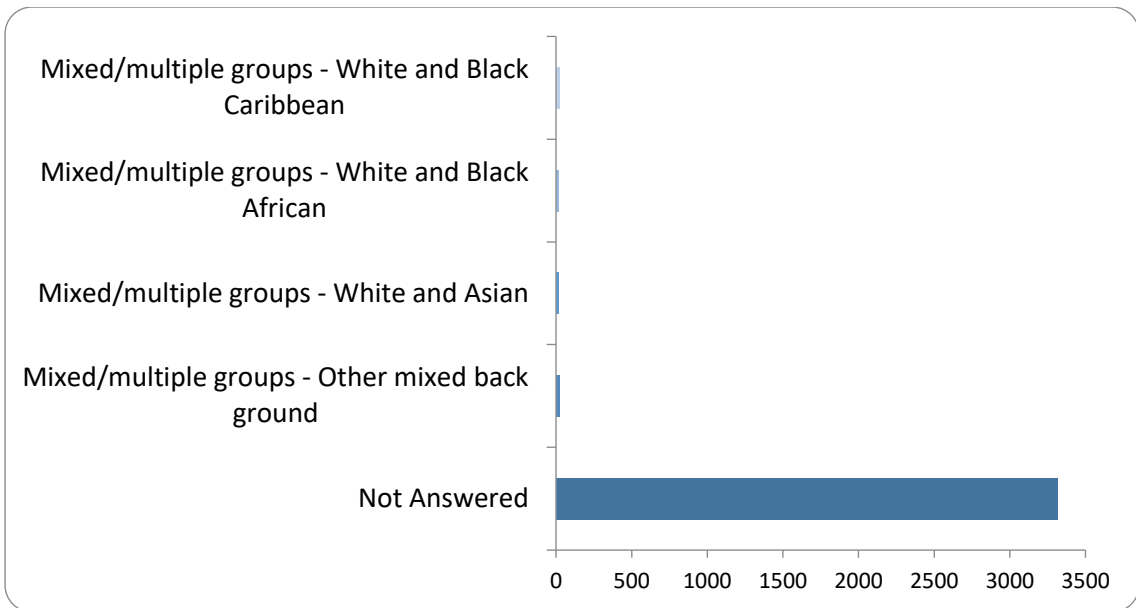
There were 2255 responses to this part of the question.



Option	Total	Percent
White - British	2043	60.11%
White - Irish	52	1.53%
White - Gypsy or Irish Traveller	2	0.06%
White - European	102	3.00%
Other - White background	56	1.65%
Not Answered	1144	33.66%

**Mixed/multiple groups**

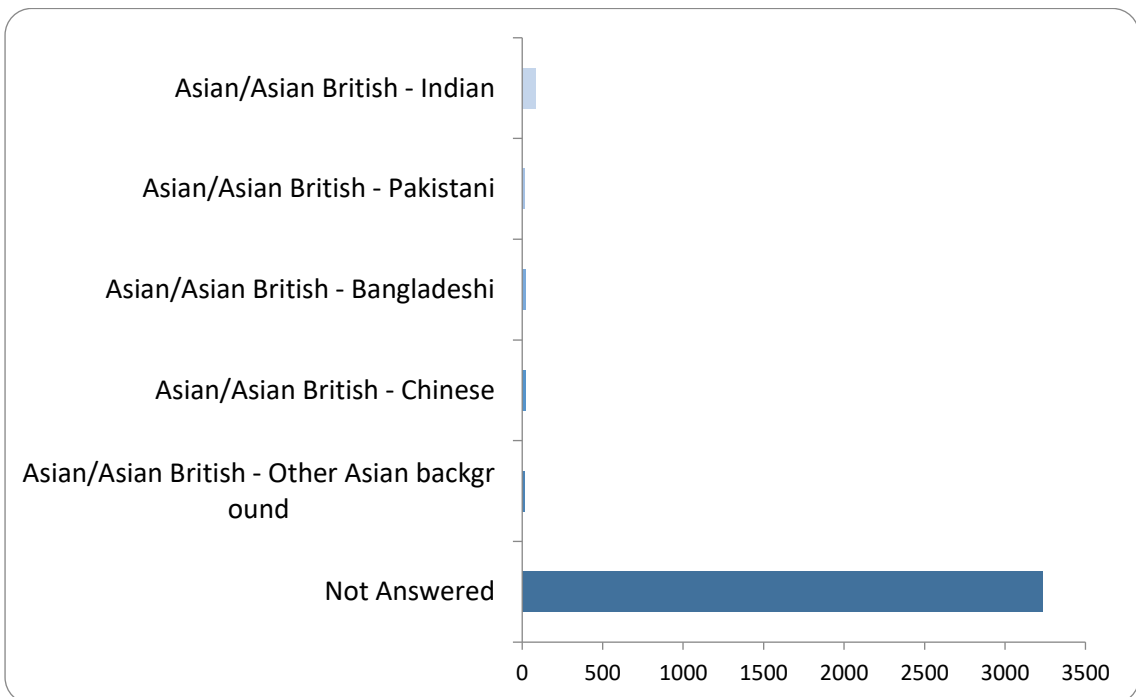
There were 81 responses to this part of the question.



Option	Total	Percent
Mixed/multiple groups - White and Black Caribbean	26	0.76%
Mixed/multiple groups - White and Black African	14	0.41%
Mixed/multiple groups - White and Asian	15	0.44%
Mixed/multiple groups - Other mixed background	26	0.76%
Not Answered	3318	97.62%

### Asian/Asian British

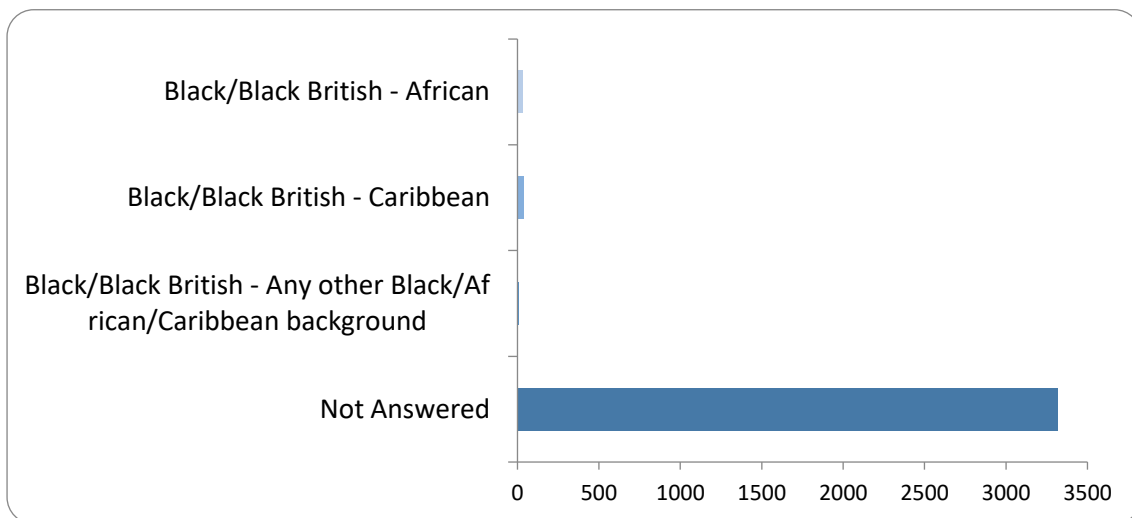
There were 162 responses to this part of the question.



Option	Total	Percent
Asian/Asian British - Indian	86	2.53%
Asian/Asian British - Pakistani	16	0.47%
Asian/Asian British - Bangladeshi	22	0.65%
Asian/Asian British - Chinese	24	0.71%
Asian/Asian British - Other Asian background	14	0.41%
Not Answered	3237	95.23%

### Black/Black British

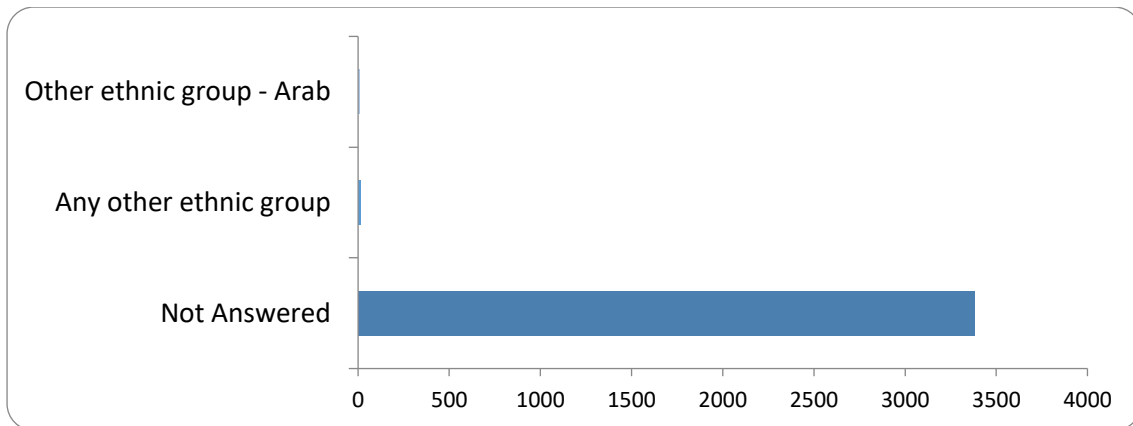
There were 79 responses to this part of the question.



Option	Total	Percent
Black/Black British - African	31	0.91%
Black/Black British - Caribbean	38	1.12%
Black/Black British - Any other Black/African/Caribbean background	10	0.29%
Not Answered	3320	97.68%

### Other ethnic group

There were 17 responses to this part of the question.



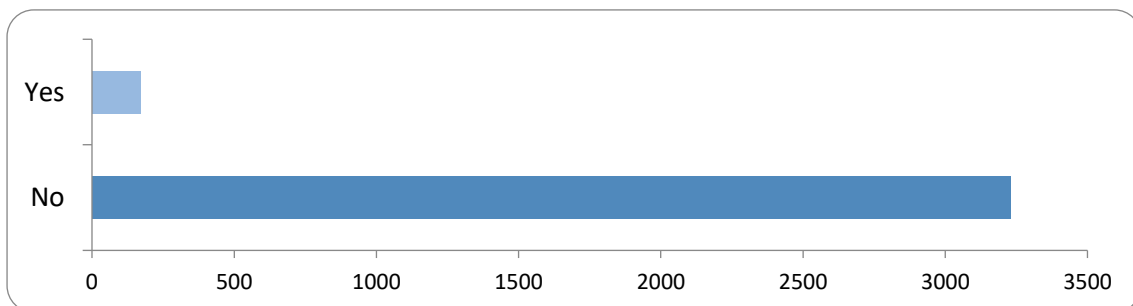
Option	Total	Percent
Other ethnic group - Arab	6	0.18%
Any other ethnic group	11	0.32%
Not Answered	3382	99.50%

**Other - ethnic origin**

There were 28 responses to this part of the question.

**Prefer not to say ethnicity**

There were 171 responses to this part of the question.



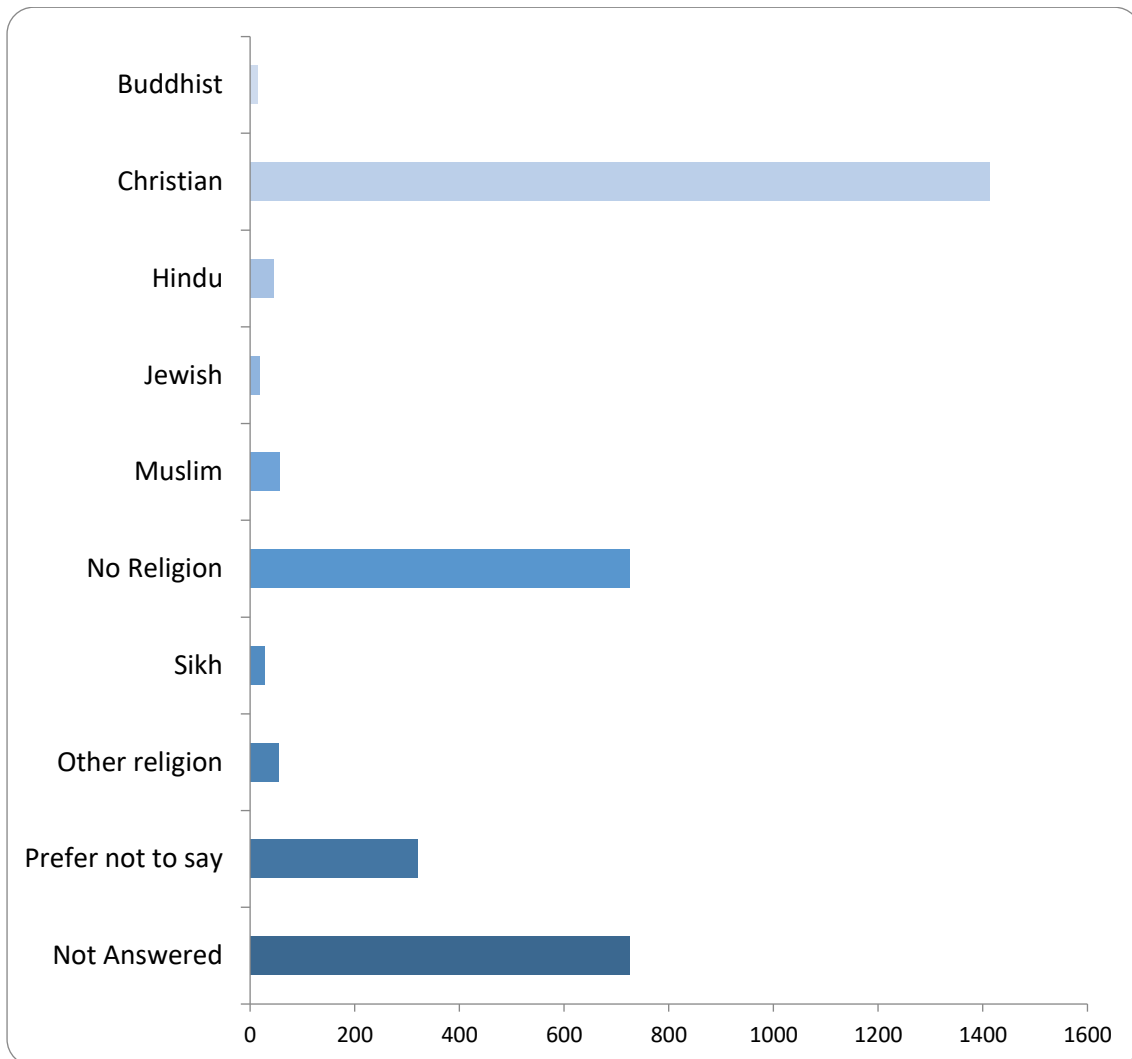
Option	Total	Percent
Yes	171	5.03%
No	3228	94.97%



## Faith, Religion or Belief

### Religion

There were 2674 responses to this part of the question.



Option	Total	Percent
Buddhist	15	0.44%
Christian	1413	41.57%
Hindu	45	1.32%
Jewish	18	0.53%
Muslim	56	1.65%
No Religion	725	21.33%
Sikh	27	0.79%
Other religion	54	1.59%
Prefer not to say	321	9.44%

Not Answered

725

21.33%

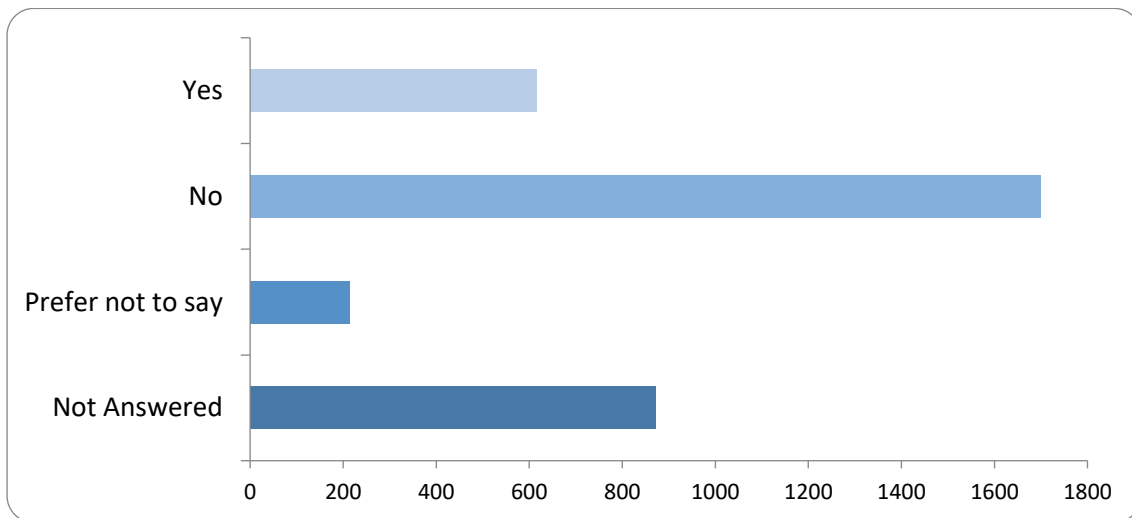
**Other - religion**

There were 63 responses to this part of the question.

Do you consider yourself to have a disability, impairment or health condition?

**Disability**

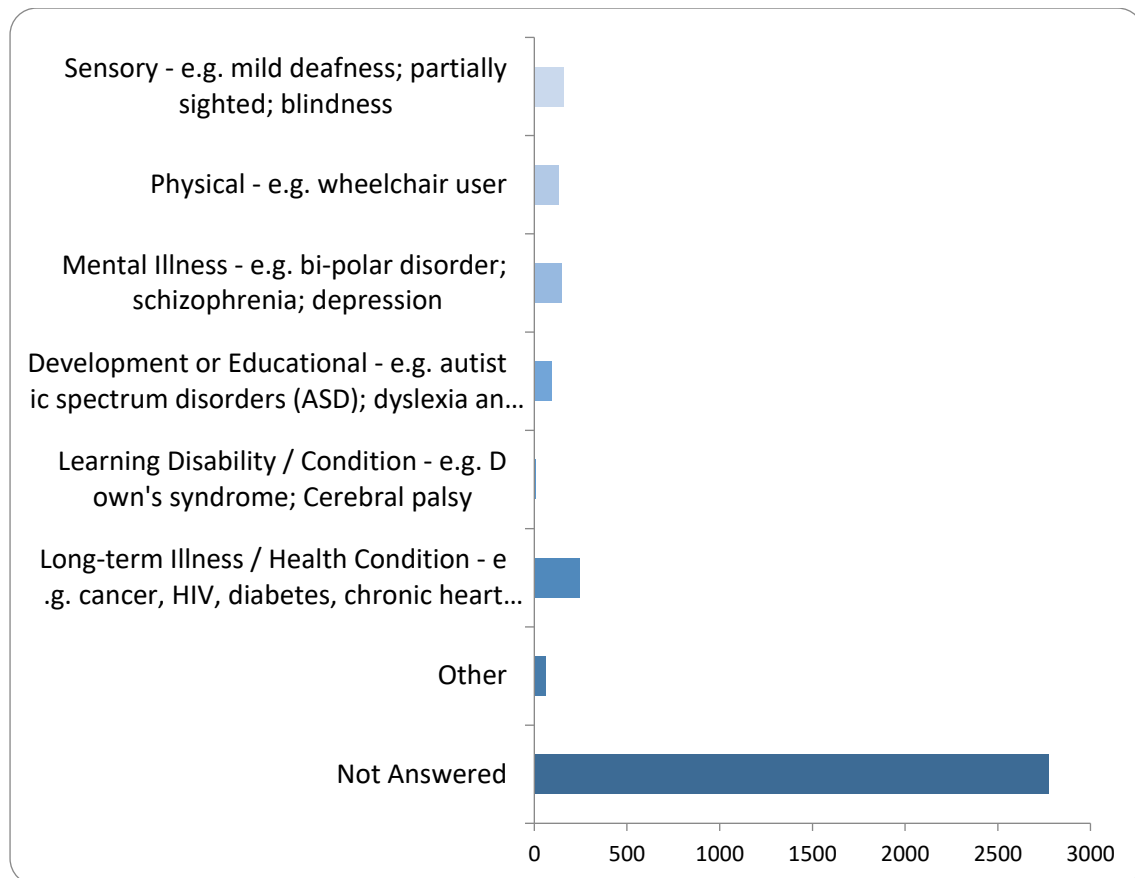
There were 2528 responses to this part of the question.



Option	Total	Percent
Yes	615	18.09%
No	1699	49.99%
Prefer not to say	214	6.30%
Not Answered	871	25.63%

## Impairment

There were 623 responses to this part of the question.

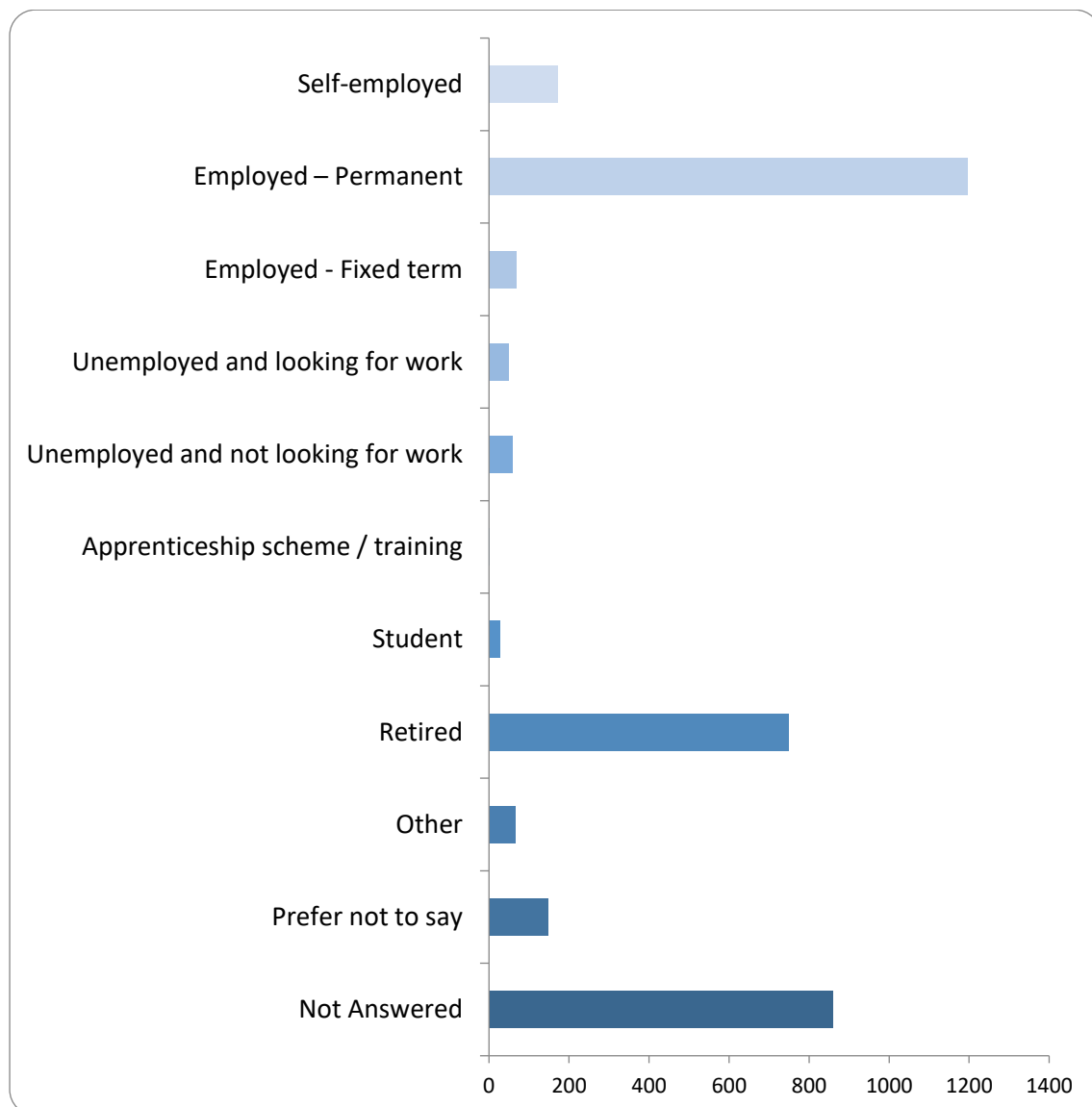


Option	Total	Percent
Sensory - e.g. mild deafness; partially sighted; blindness	160	4.71%
Physical - e.g. wheelchair user	133	3.91%
Mental Illness - e.g. bi-polar disorder; schizophrenia; depression	150	4.41%
Development or Educational - e.g. autistic spectrum disorders (ASD); dyslexia and dyspraxia, neurodiversity	94	2.77%
Learning Disability / Condition - e.g. Down's syndrome; Cerebral palsy	10	0.29%
Long-term Illness / Health Condition - e.g. cancer, HIV, diabetes, chronic heart disease, stroke	243	7.15%
Other	61	1.79%
Not Answered	2776	81.67%

## What is your employment status?

### Employment status

There were 2540 responses to this part of the question.



Option	Total	Percent
Self-employed	173	5.09%
Employed – Permanent	1196	35.19%
Employed - Fixed term	69	2.03%
Unemployed and looking for work	50	1.47%
Unemployed and not looking for work	59	1.74%
Apprenticeship scheme / training	1	0.03%
Student	28	0.82%

Retired	750	22.07%
Other	67	1.97%
Prefer not to say	147	4.32%
Not Answered	859	25.27%

## SHOUT about libraries analysis

- 4.1 The SHOUT about libraries survey was commissioned in May 2024 and taken forward via an existing contractual relationship the Council had with Mind of My Own. The survey was publicised directly with schools and on the council's social media. The consultation was aimed at primary and secondary school children.
- 4.2 The consultation was responded to by 1,214 residents.

What do you think would be important for a library made just for children?

What do you think would be important for a library made just for children?		
Answer	Response Percent	Response Total
<b>Help with reading</b>	77.3%	861
<b>Borrowing books</b>	76.8%	856
<b>Help with school projects</b>	58.2%	648
Arts and Crafts activities	53.8%	599
Playing games	32.6%	363
Soft play area	27.6%	308
Borrowing games/sports equipment	24.4%	272
Can travel to different schools	22.8%	254
Something we missed (see below)	21.7%	242

Would you prefer a new library for young people or to improve your current library?

Would you prefer a new library for young people or to improve your current library?		
Answer Choice	Response Percent	Response Total
<b>I would improve my current library</b>	<b>60.8%</b>	<b>711</b>
I would prefer a children's library	24.7%	289
I don't use libraries	14.5%	170

How often do you go to the library?

How often do you go to the library?		
Answer Choice	Response Percent	Response Total
<b>Less often</b>	<b>38.4%</b>	<b>449</b>
Once a month	28.7%	335
Once a week	21.7%	253
More than once a week	11.2%	131

How would you be impacted if your local library closed?

How would you be impacted if your local library closed?		
Answer Choice	Response Percent	Response Total
<b>It would make things difficult for me</b>	<b>30.9%</b>	<b>363</b>
It would make life worse	30.2%	354
It would be ok	22.3%	261
It wouldn't affect me at all	16.6%	195

What do you do when you visit the library?

<b>What do you do when you visit the library?</b> Please select multiple		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>Borrow books</b>	<b>76.5%</b>	<b>890</b>
<b>Read books</b>	<b>69.5%</b>	<b>808</b>
<b>Summer reading challenge</b>	<b>46.0%</b>	<b>535</b>
Study/do homework	33.7%	392
Go to events or activities	26.5%	308
Use computers	24.0%	279
Use free wifi	19.9%	232
Something we missed:	12.1%	141

What do you like about spending time in a library?

<b>What do you like about spending time in the library?</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>I have a quiet place to read, study or relax</b>	<b>66.8%</b>	<b>761</b>
<b>I learn about new things</b>	<b>56.7%</b>	<b>646</b>
<b>My reading has improved</b>	<b>55.9%</b>	<b>637</b>
I like being creative	31.2%	355
I learn about people from different backgrounds	26.4%	301
Meeting friends at events	25.5%	291
Computers / Internet access is better than at home	18.1%	206
Something we missed:	10.3%	117



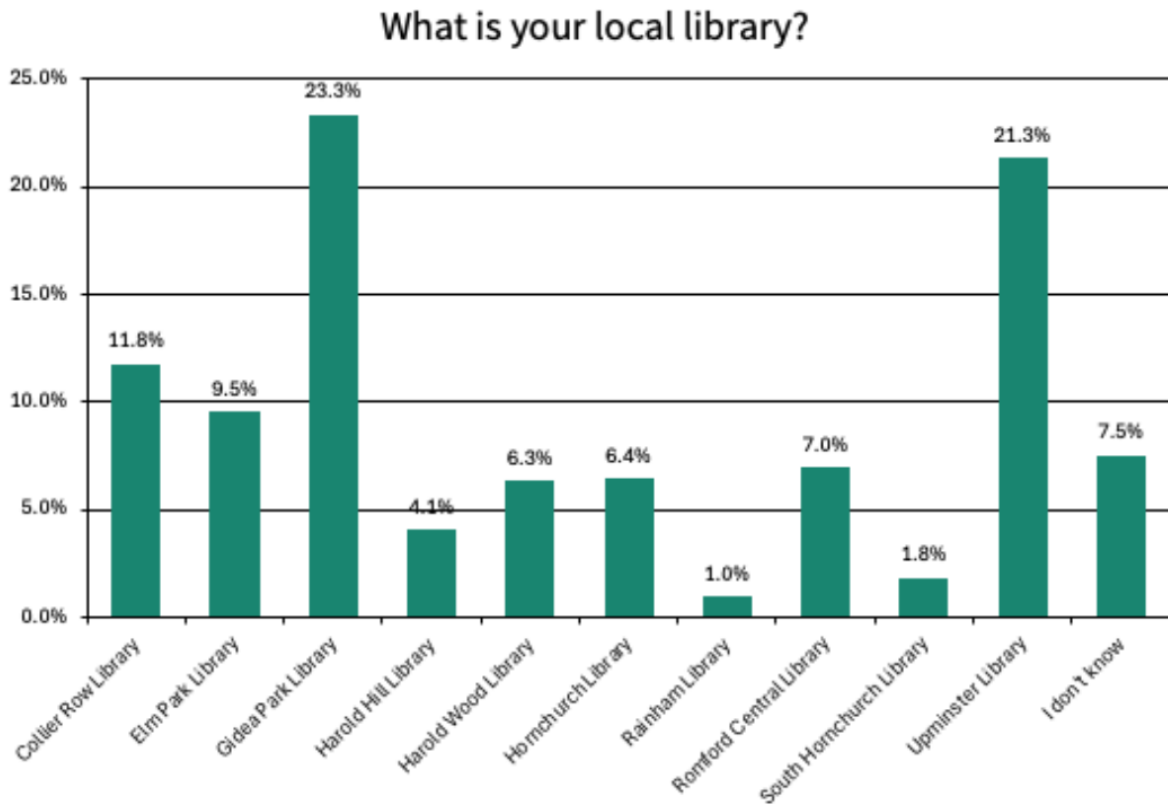
What are some of the things you'd feel or experience if your nearest library closed?

<b>What are some of the things you'd feel or experience if your nearest library closed?</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>I wouldn't be able to borrow books anymore</b>	<b>70.3%</b>	<b>799</b>
<b>I wouldn't have anywhere quiet to go</b>	<b>47.7%</b>	<b>542</b>
<b>I would miss going to library events or activities</b>	<b>39.3%</b>	<b>446</b>
Use school library	31.8%	361
I wouldn't have somewhere to go after school	26.7%	303
I wouldn't have access to computers or technology	14.7%	167
Something we missed:	8.3%	94

If your nearest library closed, would you be able to visit another library?

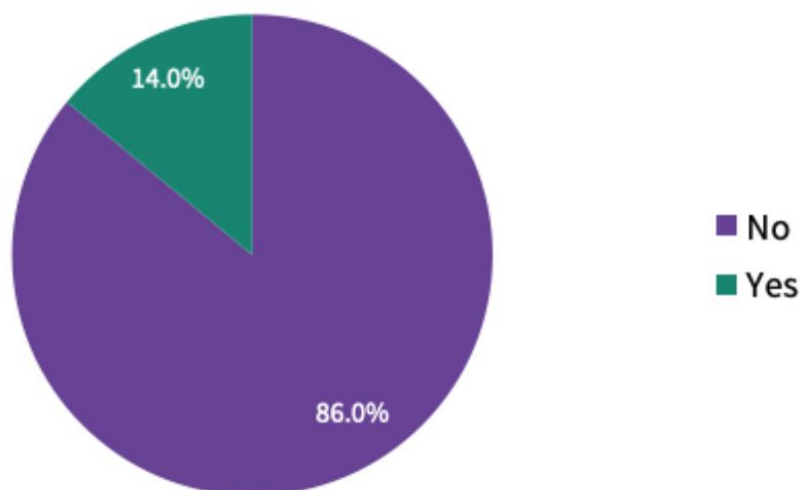
<b>If your nearest library closed, would you be able to visit another library?</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>I couldn't go by myself</b>	<b>41.8%</b>	<b>482</b>
The other library is too far away	40.8%	470
Travelling to another library would be difficult	38.6%	445
I could visit another library	30.7%	354
Something we missed:	7.2%	83

What is your local library?

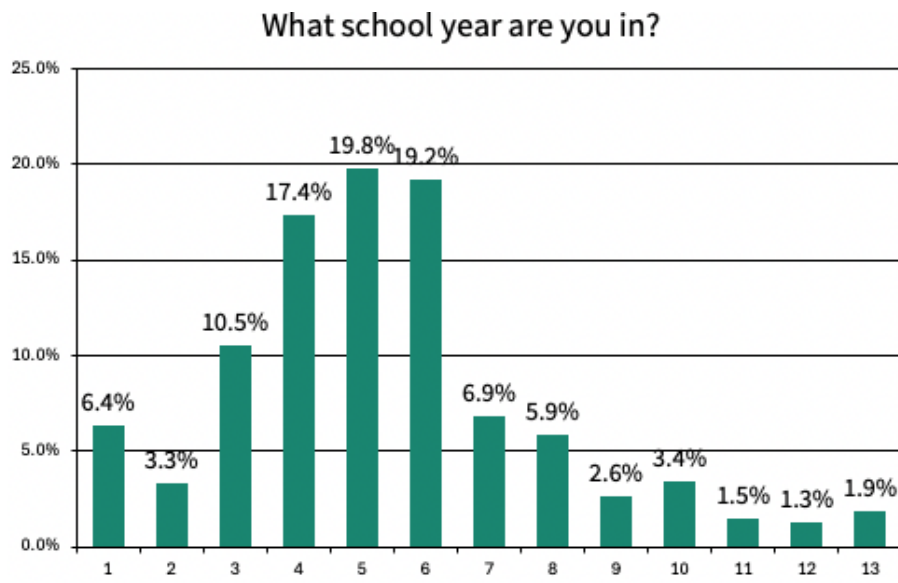


Do you consider yourself to have a disability?

Do you consider yourself to have a disability?



What school year are you in?



## Petitions

5.1 A number of petitions were received during the course of the consultation. While the council constitution makes a formal recognition of a petition that meets criteria and is subsequently presented at a meeting of full council, this report simply sets out all the petitions of which its authors are aware.

### Petitions in respect of Collier Row library

5.2 A petition against the closure of Collier Row library signed by 162 residents was presented to council officers at the conclusion of the consultation.

5.3 Further petitions against the closure of the library comprising 538 signatures from students of Parklands school and 197 signatures from Crownfield school were presented at full council in August 2024.

### Petitions in respect of Elm Park library

5.4 A petition containing 883 signatures advocating against the closure of Elm Park library was presented to full council in July 2024.

### Petitions in respect of Gidea Park library

5.5 A petition containing 570 signatures advocating against the closure of Gidea Park library was presented to full council in September 2024. A further petition against the closure of the library was presented to council officers by the Green Party and was signed by 100 people.

### Petitions in respect of Harold Wood library

5.6 The council was provided with a petition comprised of hard copy and digital signatures comprising 2036 residents advocating against the closure of Harold Wood library.

### Petitions in respect of South Hornchurch library

5.7 A petition comprised of 79 residents advocating against the closure of South Hornchurch library was received by council officers at the close of the consultation.

## Conclusion and Recommendations

- 6.1 The consultation has revealed strong community engagement with and reliance on Havering's libraries. The data underscores the critical role these libraries play in providing educational resources, fostering community ties, and supporting vulnerable populations. The widespread opposition to library closures and budget cuts reflects deep concern about the potential negative impacts on community well-being and access to essential services.
- 6.2 We found a picture of consultation responses that share significant similarities with our data on library usage (demographics, frequency of use), but some significant differences. Resident use of libraries other than a main or "home" library does not come across as extensively in the consultation responses as it does in our data on how library cards are used.
- 6.3 The health, wellbeing and community benefits of library visitorship come across passionately in the consultation, as does a perception that those benefits would be difficult or impossible to find in other settings. This may be a perception and there may be other settings that could deliver benefits, but the pattern we have discerned is one of residents using a library for a small range of direct reasons (books, events and activities, PC use) but also inheriting a number of indirect benefits (reducing loneliness and isolation, intergenerational contact) as a result of library usage.
- 6.4 The evidence developed during the consultation was never intended to answer the question "if libraries should close, which ones should close". Rather the evidence has identified a range of risks and potential disbenefits that will need to be fully understood – and ultimately accepted or mitigated – if libraries are too close to deliver revenue budget savings.
- 6.5 Even though it is a statutory service with obligations set out in legislation, the library service must operate within the broader financial framework of the local authority. As was set out in legal precedent:
- "... the availability of resources is highly material to the question of what constitutes a comprehensive and efficient library service. The section 7 duty cannot be exempt or divorced from resource issues and cannot in law escape the reductions which have been rendered inevitable in the light of the financial crisis engulfing the country."*
- R (Green) v Gloucestershire City Council (2011)*
- 6.6 If the Council seeks to proceed with reducing the revenue budget of the service by £300,000 and that there are no plausible alternatives to fund that reduction other than closing libraries as proposed in the consultation, the evidence on need assessment and library usage should be used to contribute to a decision.
- 6.7 Based on that assessment, and on the outcome of this consultation not contradicting the evidence of needs and usage as published in the draft strategy, were four of the five branch libraries in the borough to close, Collier Row would be the library in most "need" of the five, although this is a very fine decision to make.
- 6.8 This conclusion does not take into account alternate options or models and does not take into account other cross-council initiatives or strategies that might contribute to savings in other ways.

- 6.9 Whatever the future makeup of the service looks like – whether in terms of numbers of libraries or opening hours, the consultation response endorses the new vision and strategic objectives of the service, which provides a stable base to move forward.

### Key Recommendations:

- 7.1 Explore Alternatives to Closures: Given the strong opposition and evidence of significantly positive impact of libraries – particularly in vulnerable groups, the Council could explore alternative cost-saving measures that do not involve closing libraries. This could include partnerships, fundraising, operating or re-evaluating other budget areas. The work the Council began on taking an area-based approach to assets may be a significant factor in this work.
- 7.2 Reviewing Operating Hours: Whatever decisions are taken about the future resourcing of the service and the number of libraries provided within that resource envelope, the service should review its opening hours to ensure that they maximise opportunity for residents to visit the library. While a 24-hour per week library is never going to be able to adequately meet the demands of every prospective library user, feedback from this survey combined with hourly visitor count numbers can be used to build a model of opening hours more in tune with local need. This may mean 24 hour per week libraries having different opening hour patterns, which will be difficult to build a staff timetable for.
- 7.3 Implement the new strategic vision and objectives as published in the strategy and identify any resourcing implications.
- 7.4 If members decide to go ahead in closing libraries, comprehensive equality impact assessments will need to be compiled for each library proposed for closure. This may warrant further public consultation.

This comprehensive analysis should inform future decisions regarding the provision and funding of library services in Havering, ensuring that these valued community resources continue to serve residents effectively.

## Appendix A – Q&A compilation from consultation public meetings

### Libraries Consultation FAQ's

#### The Consultation Process:

**Q: How will you assess each library?**

A: We will look at each library holistically. Many factors will be considered, including: footfall, population size, deprivation, the quality of the building, local transportation options and personal impacts.

**Q: How were digitally-excluded residents contacted?**

A: We provided 100 hard copies to each library and library staff were encouraged to talk to visitors about the consultation. Posters have been put up across the borough and in each library. We have also written to every head teachers in the borough to encourage young people to complete the consultation.

**Q: Has the decision already been made?**

A: No. We take consultation seriously and have not made any decisions. Following the budget consultation, the administration did wind back on the original proposals in light of what residents suggested.

**Q: How are visits counted?**

A: There are counters within each library that use a beam to count people as they enter. We have been recording these numbers since the libraries opened. Our library management system also records whether a book has been issues or IT has been accessed by users, so we know that most library-users visit more than one library. We have calculated the average number of visitors per hour to allow fair comparison for this consultation.

**Q: I have a petition, how can I submit it?**

A: There is a formal process to submit petitions to the council. Please contact committee services.

#### Library Buildings:

**Q: Why have some of the libraries been allowed to deteriorate?**

A: For many years, the budget has been reduced and stretched. We have been able to keep the libraries in the current condition, but not to make improvements.

**Q: Could you put a coffee shop in our libraries or rent out rooms to businesses?**

A: These options are being looked at. The buildings are not in good condition and we do not have access to funding to put new facilities in place, but we maximise income wherever we can. Opportunities for investment will continue to be assessed, especially if we are able to redevelop any libraries in the future.

**Q: Could the libraries be moved into community centres of children's centres?**

A: Yes, we have considered sharing assets so that we can retain the service. However, there would still be a closure at some point. The best performing libraries are on high streets so we need to consider whether the library will still reach the same amount of people. We have also looked into combining the libraries with children's centres, however, a good library looks very different to a good children's centre. Perfect will not be the enemy of good so we will consider all options.

**Q: Do all libraries have public toilets and parking?**

A: No, the toilets are not safe enough to be used by the public in many of our libraries. We also do not have parking at all libraries.

**Q: If you close the libraries, what will happen to the buildings?**

A: We did not include the value of the land our libraries sit on as part of this consultation as it did not feel fair to bias decisions in this way. If a library closes, it will be transferred to our asset management team. They may decide to use it for a different service or sell it on. However, unfortunately, we are not be able to sell the land to run the library service because of local government accounting rules.

**Local Government Funding:**

**Q: Why does Havering receive less funding than other councils?**

A: The funding formula is based on the 2011 census and Havering's demographic has changed massively over the past decade. We have a fast growing population of young people and older people but our funding does not reflect this. This means our social care costs are now taking up 79% of our overall budget. We have been lobbying for fair funding and will continue to put pressure on central government to address the issues but a review of the funding formula has not been scheduled at this stage.

**Q: What if the new government injects more money into library services, or local government as a whole?**

A: Unfortunately, local government funding has not featured in any of the new government's commitments, so we are unsure if more money will be reaching us soon. We are aware that it seems like very little money for such an impactful loss, however, we have to demonstrate to the government that we are making cuts and considering all options. We are talking to the civil service and MPs about the real effect our budget is having on our community, but we are not finding much support back.

**Q: What are you doing to address the funding challenge?**

A: We are lobbying for fairer funding. We have reached out to the other 18 boroughs in the same position and are hoping to join together as a united voice. We have spoken to CIPFA, the Public Finance Accountancy body, who may be able to speak out nationally and also the LGA, another national voice. We have also written to Angela Rayner and all of our MP's in Havering to arrange meetings to discuss our position.

**Q: Do libraries have to pay business rates? Does this money go back to the council?**

A: We have to pay business rates on our libraries but the money does not go directly back to the council. It is a national system where money is distributed across the borough and the country, towards TFL and the LGA, for example.

**Q: Why are you making long term decisions on short term funding issues?**

A: We are no longer able to base our decisions on whether they are short-sighted or not, these closures would mean that we no longer incur **350k a year**. Unfortunately, central government need proof that we are cutting costs. The alternative would be issuing a section 114 notice, which would lead to commissioners taking over the council. Commissioners must find savings regardless of the cost to the community, so we could have lost many more libraries if this happened.



**Q: Can we use the Community Infrastructure Levy to save the library?**

A: There are rules around what CIL can be used for and the amount changes year on year so we would not be able to rely on it as a stable income. However, it could be used towards some aspects of the library.

**Q: Will you be saving unspent budget or actual expenditure?**

A: Actual expenditure. We were able to spend less last year by adding a vacancy factor to staffing and cutting our stock budget. We also got some money from public health. However, we are still not meeting our income target.

**The Library Service:**

**Q: If you had more time, could you make libraries self-sustaining?**

A: We did do a feasibility study in 2019 to assess the viability of putting housing above some libraries. This was taken to our asset management board and it was deemed minimally viable, and in 2019 finances were slightly better. Any self-sustaining option would need to be more than marginally viable as we do not have the risk appetite or financial ability to take those chances right now.

**Q: We know that young people and older people rely more on local libraries, will they lose out?**

A: We are uncomfortable with the impact closures will have, especially our most vulnerable residents. Closing the library will have a significant impact on loneliness and sense of community. This is why we would not have made these proposals if they were not absolutely essential.

**Q: Could we start charging a membership fee for people to use the library?**

A: As libraries are a statutory service, we cannot offer a paid membership. We also would not want to exclude residents.

**Q: Have you looked into volunteer or community managed libraries?**

A: Yes. There was no appetite for a community run service when we consulted in 2019, and we would lose the statutory-nature of the service if it is just a room with books. A statutory-service community library would see us providing the space, internet, and librarian support for the volunteers. This would equate to £70-80k a year - which is not worth the trade-off. However, we would welcome proposals from the community to set up volunteer-run 'friends of libraries' groups that could access more funding.

**Q: Could we ask people to donate or sponsor libraries?**

A: There are risks and legal barriers to sponsoring libraries. We have approached other local services to use our building in times that we are closed e.g. doctors, dentists, NHS etc. but there was no appetite. We will continue to look into whether private companies can donate to our libraries.

**Q: If Library Services and Social Care are both statutory services, why can't we use the money set aside for Social Care?**

A: At the moment, about £40 million is spent on Adult Social Care, and £53 million on Children's. This is because the statutes for children and adult services are extremely detailed. We cannot change this and have to provide the service. In comparison, the libraries statutes are very broad and there is no clear definition of what constitutes a viable service.

**Q: Will you lose money in the long-term by reducing early-help measures?**

A: A recent study by the University of East Anglia found that a library service similar to ours delivers 6x its running cost in social value. We know that. However, we need money now.

**Q: If a children's library is created, would this be in one location?**

A: We are still in the process of discussing ideas for a potential children's library. The vision could be for a library that is mobile. Or, with funding, in five to ten years there could be a facility that provides a state of the art SEN-friendly children's library. We know that the population of children and young people is growing and that other authorities have begun providing such services.



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# Havering

LONDON BOROUGH



**SHOUT about Libraries**  
September 2024  
Total responses 1,214

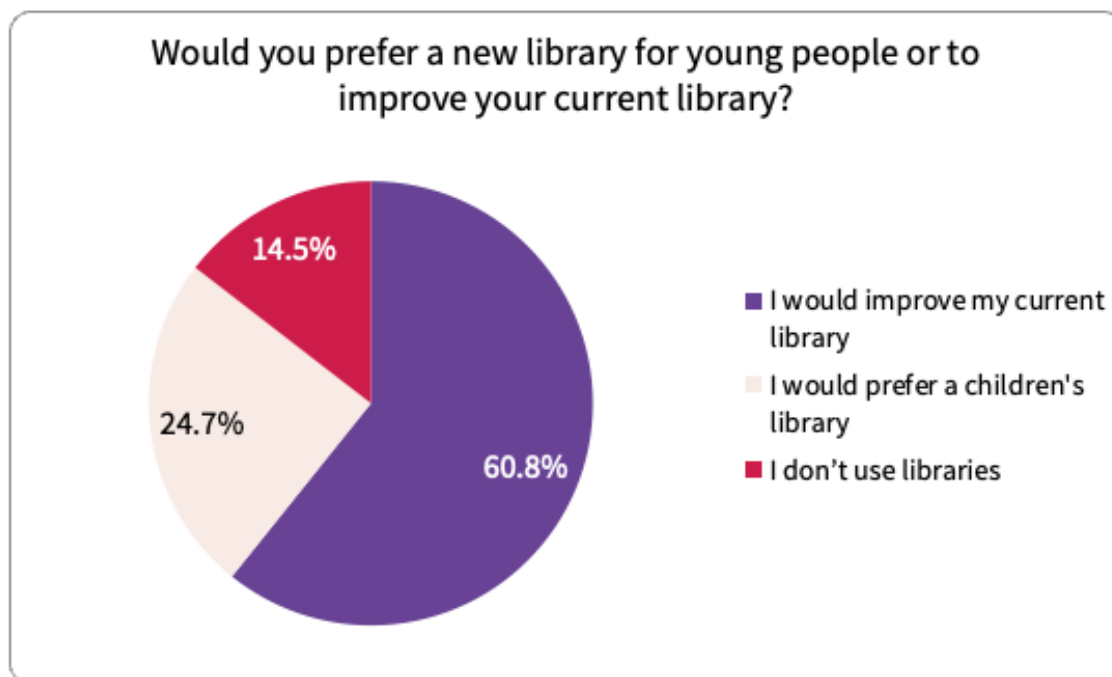


**1.**

<b>What do you think would be important for a library made just for children?</b>		
<b>Answer</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>Help with reading</b>	77.3%	861
<b>Borrowing books</b>	76.8%	856
<b>Help with school projects</b>	58.2%	648
Arts and Crafts activities	53.8%	599
Playing games	32.6%	363
Soft play area	27.6%	308
Borrowing games/sports equipment	24.4%	272
Can travel to different schools	22.8%	254
Something we missed (see below)	21.7%	242

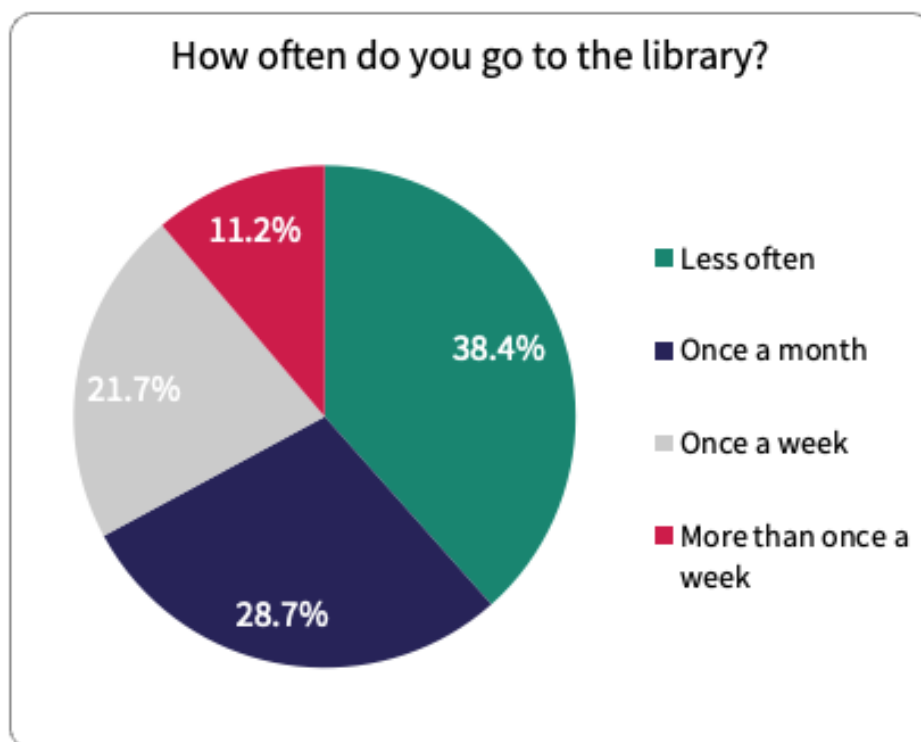
2.

Would you prefer a new library for young people or to improve your current library?		
Answer Choice	Response Percent	Response Total
<b>I would improve my current library</b>	<b>60.8%</b>	<b>711</b>
I would prefer a children's library	24.7%	289
I don't use libraries	14.5%	170
	<i>answered</i>	<i>1170</i>
	<i>skipped</i>	<i>44</i>



3.

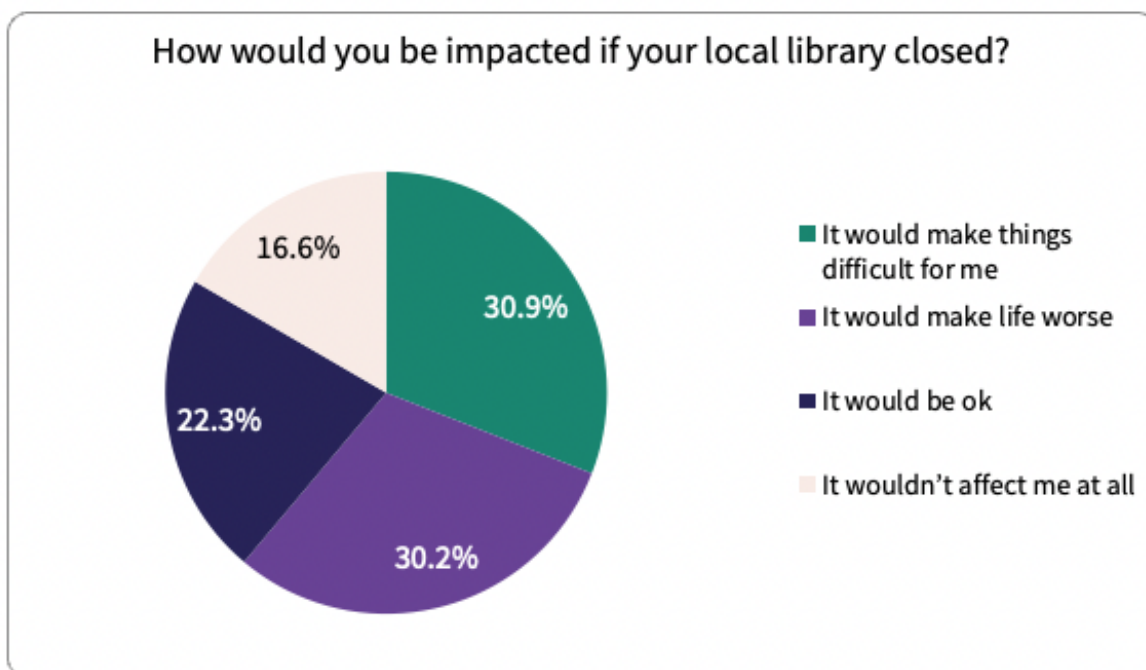
How often do you go to the library?		
Answer Choice	Response Percent	Response Total
<b>Less often</b>	<b>38.4%</b>	<b>449</b>
Once a month	28.7%	335
Once a week	21.7%	253
More than once a week	11.2%	131
	<b><i>answered</i></b>	<b>1168</b>
	<b><i>skipped</i></b>	<b>46</b>





4.

How would you be impacted if your local library closed?		
Answer Choice	Response Percent	Response Total
<b>It would make things difficult for me</b>	<b>30.9%</b>	<b>363</b>
It would make life worse	30.2%	354
It would be ok	22.3%	261
It wouldn't affect me at all	16.6%	195
	<b><i>answered</i></b>	<b>1173</b>
	<b><i>skipped</i></b>	<b>41</b>



5.

<b>What do you do when you visit the library?</b> <b>Please select multiple</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>Borrow books</b>	<b>76.5%</b>	<b>890</b>
<b>Read books</b>	<b>69.5%</b>	<b>808</b>
<b>Summer reading challenge</b>	<b>46.0%</b>	<b>535</b>
Study/do homework	33.7%	392
Go to events or activities	26.5%	308
Use computers	24.0%	279
Use free wifi	19.9%	232
Something we missed:	12.1%	141
	<b><i>answered</i></b>	<b>1163</b>
	<b><i>skipped</i></b>	<b>51</b>

6.

<b>What do you like about spending time in the library?</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>I have a quiet place to read, study or relax</b>	<b>66.8%</b>	<b>761</b>
<b>I learn about new things</b>	<b>56.7%</b>	<b>646</b>
<b>My reading has improved</b>	<b>55.9%</b>	<b>637</b>
I like being creative	31.2%	355
I learn about people from different backgrounds	26.4%	301
Meeting friends at events	25.5%	291
Computers / Internet access is better than at home	18.1%	206
Something we missed:	10.3%	117
	<b><i>answered</i></b>	<b>1139</b>
	<b><i>skipped</i></b>	<b>75</b>

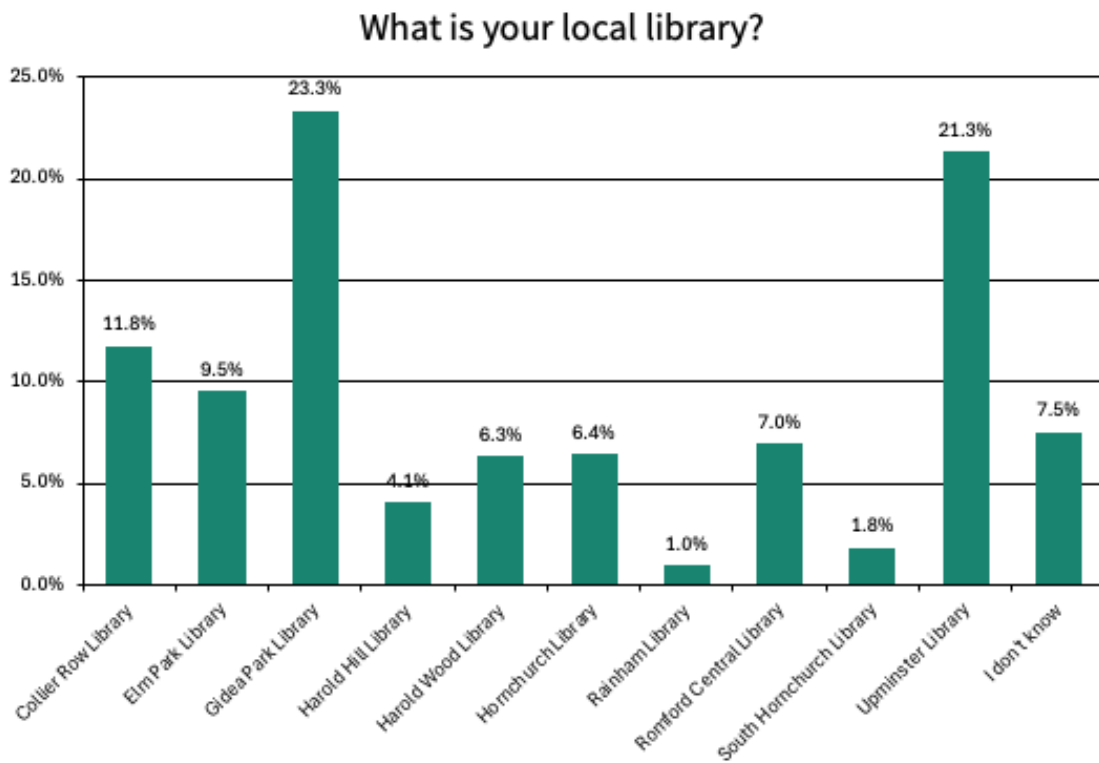
7.

<b>What are some of the things you'd feel or experience if your nearest library closed?</b>		
<b>Answer Choice</b>	<b>Response Percent</b>	<b>Response Total</b>
<b>I wouldn't be able to borrow books anymore</b>	<b>70.3%</b>	<b>799</b>
<b>I wouldn't have anywhere quiet to go</b>	<b>47.7%</b>	<b>542</b>
<b>I would miss going to library events or activities</b>	<b>39.3%</b>	<b>446</b>
Use school library	31.8%	361
I wouldn't have somewhere to go after school	26.7%	303
I wouldn't have access to computers or technology	14.7%	167
Something we missed:	8.3%	94
	<b>answered</b>	<b>1136</b>
	<b>skipped</b>	<b>78</b>

8.

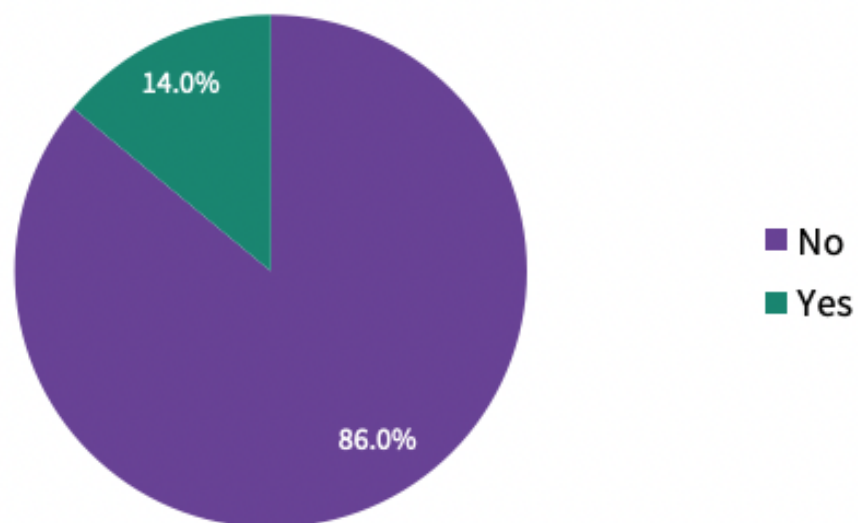
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Answer Choice	Response Percent	Response Total
<b>I couldn't go by myself</b>	<b>41.8%</b>	<b>482</b>
The other library is too far away	40.8%	470
Travelling to another library would be difficult	38.6%	445
I could visit another library	30.7%	354
Something we missed:	7.2%	83
	<b>answered</b>	<b>1152</b>
	<b>skipped</b>	<b>62</b>

9.



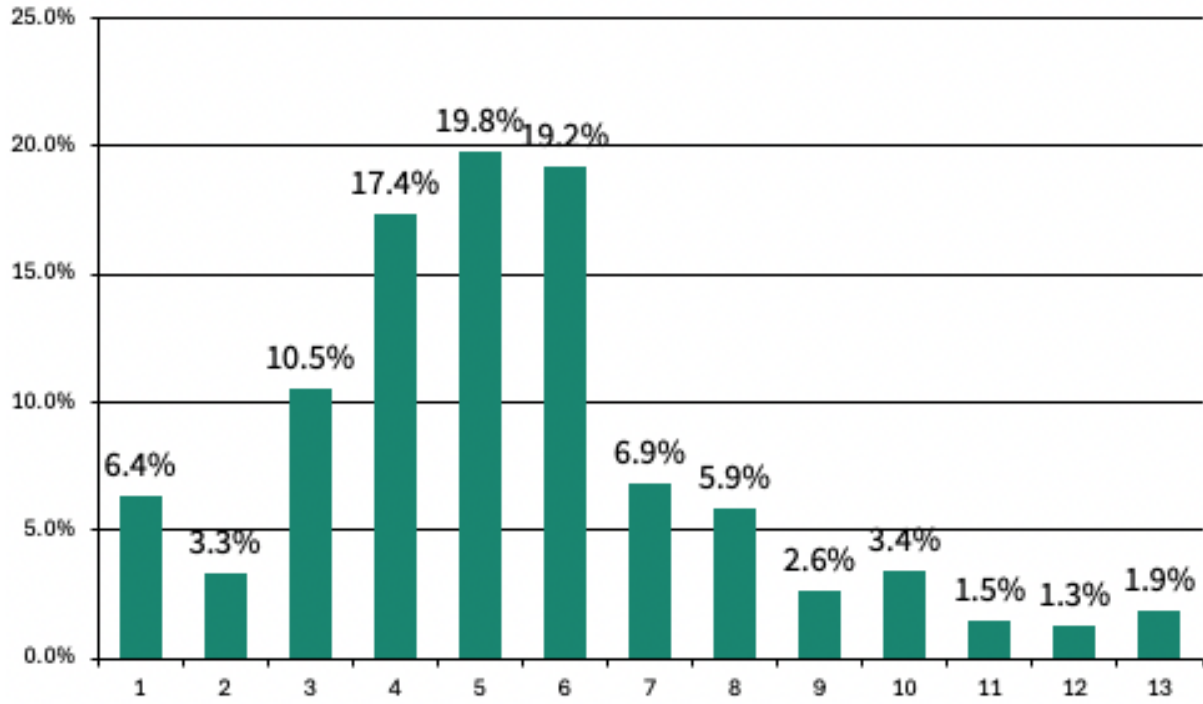
10.

Do you consider yourself to have a disability?



# 11.

### What school year are you in?



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**Havering**  
LONDON BOROUGH



**SHOUT about Libraries**

September 2024

Total responses 1,214



## **Appendix.**

The following details the free text responses obtained for each question.

### **What do you think would be important for a library made just for children?**

Trampoline

Food banks and soup kitchens

Accelerated reader (renaissance) book levels

Having a fun time reading

Nothing

Helping children's education

Let's people read together

story time

GIVING AWAY BOOKS

colouring pages

Colouring pages and pens

kids book library

maybe they can make a soft play area and also a boom area so if the children want to play they can and if they wa area

toy librairy,sport

If they don't know how to read it could have a speaker

Kids play area for 7 year olds and older

Books in age like from age 9- 18

A science lab

A quiet corner for the people who are really good.

Audiobooks

Seats that are comfy

A LOT OF BOOKS

Borrowing books

Play area

INTERESTING THICK books

Borrowing books and spending time with friends and read in peace

Lots of games like sports.

Borrowing books and reading them.

Mo boox

learning

Maybe helping with fantasy

tutors

Making friends

Soccer mini field

Computers

help navigating legitimate news/information sites on the internet.

To help learning

Trips so children can learn the actual history around books

Running away from the fart boys

Beanbag area

Play

Group social activities such as book clubs, reading challenges etc.

Sensory room

Speak new language like french,spanish....

Interact with other people

Learning an instrument/language

Overall social communication with other children and adults

introducing musical instruments to kids from a young age

Research for events, projects or other things

Free Tutor area

Computers

video games

None

an own area for babies

To help them have a place for them to be calm.

Bring more interesting books to school

Maybe selling books for kids?

Encouraging children to read

revision

Encouraging children to read

make sure they are comfortable

reading buddy

for redl

help interact with people

Relaxing

It's needed for there education.

Help with reading in class.

feelings

Nothing good ideas but more activtes etc

nothing

summer reading challege.

kids book area

let kids bring there own books from home

help learn about stuff

Origami, witting books and drwings.

learn new things

Different aged books from 0-17.

Have different kinds of books and all kinds of books

safe environment  
the different seats

Quiet area

A booth just for quiet reading and no disturbance and sealed off from the rest of the library . Some gaming computers

Do an award system to get children to read more.

Allowing schools to visit near them.

sensory room and equipment because my sister is autistic and loves a quiet space.

A book review or quiz about the book we have read

nothing

helping with tests

maybe books that people like

it helps children improve their reading and spelling it also helps children's parents that don't have enough money

going through challenging vocabulary.

Help to learn the language

Don't need a children's library keep the one we've got

To help socialize with people who have similar hobbies

play house

ONLINE GAMES

tennis

more books

make books for different ages and picture books for kids

help picking a book.

learn to read

getting books for free

good books

authors coming in

more soft things

there is not a lot our library is missing i like it a lot

the school library missed nothing

helping children find their preferred books to borrow

nothing

reading with friends

bean bags , pillows, teddys.

nothing

help with spelling

bean bags , pillows, teddys.

bean bags , pillows, teddys.

The summer reading challenges are amazing

helps children to read

rr

a area for students to study.

nothing

buying things  
teach grammar  
Somewhere to read with my mumma.  
Kids book clubs type clubs  
School holiday programmes, after school clubs  
Maybe some clubs for children; theatrics, projects around books, games  
short courses to help their future  
Explore different books  
football bookes  
reading areas  
help reading  
nothing  
NO  
soft play area  
vending machine  
todler area  
todler area  
having fun.  
food  
a climbing frame outside to bring some life to the libre  
food and drinks  
a quiet place to sit  
more sigma alfa males (aka ur mum)  
Food are if they get hungry but they want to stay  
reading buddies people with higher reading levels can help people with lower reading levels  
Sections for different book series  
Outdoor area where kids can read  
Arts and crafts  
learning braille or sign language classes. A place to educate after school, interactive, community.  
Football match 11 aside  
Maybe you could have storytelling! 📖📖  
To Learn new words.  
Helping with education  
A little game area  
Ok  
Challenges  
Summer Reading Challenge  
Challenges

reading on their own  
more play time  
Maybe we can get some books and read them and search for ideas  
Lots of people to help children do stuff

quiet time  
Quiet studying/revising

easier to find the books you want

tv

chatting with friends in a quiet place                      A belief room

no

fun activities

NOTHING

playing games related to reading, such as: reading bingo etc.

learn

a quiet and relaxing space

reading

Sofas

it can help with school work

Affecting minds

no

Close proximity to my home

A library for all not a bus

Study areas with laptop charging facilities

Nothing

Quiet space

Football

Probably a lack of proper books

Story time sessions with acting

Petting area if you fell stressed 😞

Relaxing areas to sit and read, access to author talks, creative writing workshops.

Every go to a different and get the person who read the most books and give them a prize

The ability to ask for community borrowing (so you can ask across a community group chat to see if a book is available)

person

Online reading games

Using computers

Linking with early years settings to build up a early love of reading

Books for my A levels

Baby/toddler rhyme time

seating area for parents or a cafe/refreshments corner

Singing sessions for pre schoolers eg wiggle and giggle

Creche facilities

A place to relax and read in peace and quiet

Place to hold clubs like Lego and chess

Clubs/ social groups to help children communicate/social skills

Summer reading challenge

Storytime and rhyme time sessions. Meeting other children

Children's Group activities eg story time and singing songs

Keeping quiet area

Quiet area, computers, consistency

Meeting groups within the community

Visits from petting zoos, dressing up section.

Story telling

## Havering, SHOUT about Libraries – September 2024

Quiet study area  
Encouraging Reading  
Children group meetings/events  
Parent toddler bounce and rhyme and story times  
Must be in our local town  
Learning new things from each book.  
I like meeting other children and I like it's nice and calm and quiet  
Be close enough to our home that we can walk to the library  
Walking distance from my house  
Research area  
Board Games and chess tournaments  
Close to home  
Coffee morning .bags and school uniforms  
Reading club  
Story tellers  
Activities/sessions especially for sen  
Volunteering programme  
Study areas  
Help with homework or personal tasks when using printers/ computers etc  
I would like to learn chess  
A section for tutoring  
A place to study

## What do you do when you visit the library?

Sit and have some chill time  
Meet new people  
Explore different kinds of books  
Nothing  
Buy books  
Talk to the people  
Book buddies  
TOYS  
Read with children  
Look at books  
Books  
Having a quiet place  
Comfy chairs  
I don't go to a library  
Good books which are interesting like the worlds worst children 2  
Spending some alone time  
Go to events or activities or use free Wi-Fi.  
Reading  
Pley  
reading and relaxing  
Learn new things  
Run from the fart boys  
Give back books  
Make new friends  
Meet others  
Have a quiet place to go to so you can relax and read  
Get local information  
Research  
None  
nothing.  
meet friends  
and sometimes i go with my friends and read together.  
read with my dad  
have play dates  
read with my parents  
Meet with friends  
having peace and quiet  
charneg  
meet up with friends  
i dont go to the libraries  
how many books have you read  
nothing  
sitng on beanbags





Don't close the library  
Calming down  
Chill  
read on beenbags  
Use your library card  
school trips  
free wifi  
NOTHING  
no  
nothing  
buy a book  
hang out with friends  
Nothing has been missed  
Nothing  
fun with friends  
Having fun  
pick up books i have reserved  
Just to enjoy a library/time together  
Sad if closed  
Colour in  
Parents join on trips and helps them get involved with teaching how to read  
Study with friendsc  
Show my children the library  
Used to go to singing group with my toddlers  
Meet friends  
Meet friends  
Play board games  
Children's activities  
Order books to be brought in from other library  
Photocopy  
I have 4 children aged 7-20years we have used the gidea park library for over 20 years it has been so helpful for their development  
Get orange bags for mum  
Nothing  
Meet new friends and talk to people, I love feeling independent  
Play with other children and spend time with my mum  
Meet new like minded friends  
Collect orange bags  
Pick up recycling bags, and vote with mum & dad

## Havering, SHOUT about Libraries – September 2024

A lot more

Socialising with with other children and making friends

Share quality time with children and grandchildren

Take the nursery children

My brother does baby bounce then wiggle and giggle. I like the craft activities and storytime. We like when authors visit

Use Printers

My tutor sometimes meets me there to do some studying together

## What do you like about spending time in the library?

Play area

I like to zone out on the real world, and for it to be just me and my book

Having a lot of different books

Learn stuff from ages ago

Book buddies

Use school library

need computers

LERNIG

Sweets

I don't go to a library

Comfy chairs to relax and a play area with some board games or soft play

Reading challenges and not just the summer reading challenge

Sports

Relaxing

Crust ut

I like hiding from the fart boys

Have fun

nothing

Meeting others

I can try lots of different types of books and authors

None

nothing.

explore

explore

raidl

nothing

nothing cause i dont go

reading

we can buy a book from the library and then we can read it there

meeting new people

Studying.

entertain myself

The different types of books there.

Looking at big picture books

I lay down and study while reading a book

Reading in a quiet place.

I do not use library 's

I spend less time on the internet.

Nothing

nothing

Allows me to use internet when my PC at home is not working.

drawing

It's free

nothing  
I like doing sports and learn togetherness  
nothing  
the computers  
finding books  
learning about the past  
more beanbags  
nothing  
get inspired by craft books  
beanbags  
nothing  
reading calmly with your friends

nothing  
Get books  
enjoying sequels in series of books  
It's a space to be with my mumma. She says it's a free activity for us.  
Access to printer/photocopier  
It's a nice relaxing space, can take time to choose books that interest me  
borrowing books  
look at books  
NOPE  
still dont go:/  
i like to read on my own. i do not study there  
I like reading with my friends  
fortnite  
I like the range of books that children can borrow  
reading books I don't have at home  
It helps with prizes for reading competitions  
Computer or technology  
Nothing  
I learned new stuff and I feel safe  
Wide range of books  
I like it because children can read book  
Nothing  
when you are angry you can calm down  
Reading your favourite books  
i just borrow books so i dont spent time there  
Speaking to friends privately  
NOTHING  
i dont go to the libray so i dont know  
i don't go to the library  
to make my mom happy  
i dont go to the library  
Nothing missed  
I'm disabled and love borrowing books it's somewhere I can go myself on my scooter

Nothing  
Nothing  
drawings  
Making new friends  
It encourages a love of books  
I suggest new books to others  
My daughter likes to colour in everytime we go  
It's a lovely bonding experience for myself and my 19 month year old.  
Have some quiet times  
Local toilet access for children  
Reading to my children  
There is always someone who can help you in the library  
Children borrow books for school projects  
Finding out things that I might have not been interested before  
GET TO EXPLORE GENRE'S, I HAVENT READ BEFORE  
I am safe and warm  
Toddler groups when young  
The nice atmosphere and people who work there  
I feel happy, I like that it is a small library  
Chatting to the staff  
It helps me feel independent  
Looking at books I don't have at home  
Safe, friendly place. Can pick any book I want. It's local.  
Meeting my friends and sharing books  
Great for nursery children  
I do homework with my freinds there and it has a calming atmosphere that helps us to concentrate.  
Browsing books  
Lots of books to choose from so I can read lots of different books that I don't have at home or try a new author

## What are some of the things you'd feel or experience if your nearest library closed?

A community hub

I would be reading a lot less, and i would have to spend a lot of money on books

Nothing

I Wouldn't have anywhere to make new friends

Being alone

There is no stuff to pick up

Bean bag chairs

Spending time together

Football

Meeting friendshj

Ciser

idk

Would be unhappy that some people dont have somewhere to go even if i do

So I can't read and have fun

It don't really matter to me

I would be safe from the fart boys

nothing

not be able to interact with others

My reading skills will get worse

i don't go to librarys

None

i wouldn't borrow books that often because other libraries are far away

I wouldn't be bothered

sad because i dont have any were to go to read

a tirln

nothing

the same as i always do

i will read less.

You couldn't get lots of books for free.

I would have to go to a even further library

Read different books that you can't afford or find.

I wouldn't care because, there is a library right near my house I just don't use it

I wouldn't be able to meet up with my friends and read a book together

the other library are to far away.

I dont go to librarys

nothing

I wouldn't be affected

I wouldn't be able to relax and be myself

I would not care

I would not care

the computers

nothing realy

nothing  
i would not learn :(  
nothing  
reading my most favorite books in the world :upside down magic series  
nothing  
wont be able to walk  
nothing  
I wouldn't read with my friends quietly  
you wouldn,t have a quite place to study  
nothing  
will not spend read books i can not find at home or school  
Miss the history of it  
Loss of community facility  
YESNT  
nothing  
i wouldnt go in the 1st place  
I wouldn't be able to get some of my favourite books.  
Do home work  
Nothing  
Nothing  
Zaza  
Nothing  
go home and read  
And I wont be able to do the summer reading challenge  
NOTHING  
no  
i dont go to library  
you wont be able to borrow books as it may be the most local library  
i wouldnt be able to spend more timwe with my family  
i wouldn't be able to learn knowledge from amazing books  
Nothing missed  
lw old be angry as the council have removed a statutory service which will hinder my growth  
and development  
Nothing  
Would find life hard trying to study somewhere else  
Having Depression  
Would not be able to get books I want  
Early years settings do not have the space for large opportunities to create reading. Parents  
can't afford new books constantly.  
It is very important to our community.  
Art is exhibited/ sold by local artists.  
I use school library as well. But it's different, this is the outside of school I don't go to any clubs  
or anything outside of school so there is less to do.  
Activity missed/ reading challenged missed  
I would not want to go far to another library  
The fun of choosing new books makes me love to read, its free fun educational



## Havering, SHOUT about Libraries – September 2024

I will read a lot less. It will stop me exploring new subjects and interests. Keep it open please.

I never get to use my school library

It would not be so easy to borrow books

Wouldn't have a place to study near me

I'm home educated and the library is an important place for me to go to , quite often during school hours

## If your nearest library closed, would you be able to visit another library?

Nothing

My parents won't be able to take me

I don't go to the library

Crafts

A happy day

If your library is closed and you couldn't go to another library and you had no books what would you read

Noruto books

Nir

funny books and sumer reading challenge.

I don't want to go.

Petrol money will rise so we have to walk

I dont use libraries

No because the fart boys would be on me

I can't go it is to depressing 😞

nothing

I am w/chair user so distance could be a problem.

i don't go at all

nothing.

a chlinge

i don't go to any library's

nothing

no

Your parents dont have enough time to bring you there after school.

if I could Id go online to visit a library

I could buy the books from the shops

The parking in the other library is very tight.

It wouldn't be the same

i dont use them

I don't know where other libraries are

I could but it probably would not be the same as the one that I am used to.

nothing

To wait to open

I could but i will not

near library

nothing

nothing

I would make a new library card

i could ride my bike to another library

nothing

there could be no library's around where i live

nothing

I wouldn't got to another library  
i wouldent want to go to another library  
NA UA  
i would go home and get on with my day  
its a bit far but i could still go  
My School Library  
Play area  
Libraries make the community smarter, brings us closer, they are a safe calm place for kids to go.  
I don't go anywhere else  
I don't want to  
No because I love the books at the library  
Zaza  
Nothing  
Yes But it wouldn't be as easy  
ask your mum or dad to take you to one  
NOTHING  
I could visit a school one  
no  
i don't go to libarys  
i dont go to library  
Nothing missed  
Harold Hill is dangerous, too much violence and crime in the immediately vicinity .  
Nothing  
I don't want to go to the library  
Physically Impossible  
School library  
I walk past this library.  
Less children books  
The Upminster library is perfectly place for schools, public, community and early years settings to access.  
It is important to staff too.  
The library is the hub of the high street  
Not aloud to take busses because parents don't think it's safe  
Too far by myself  
The other libraries do not necessarily do the same activities as the one I go to  
It is a longer distance where id have to use more public transport however it is possible.

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## **Appendix D**

### **Current Offer**

#### **Physical Library Services**

Our library service operates a network of ten library buildings, comprising:

- **Five libraries** open **50 hours per week**
- **Five libraries** open **24 hours per week**

Each library houses an extensive collection of physical books catering to diverse interests. Beyond books, our libraries serve as vibrant community hubs offering:

- Free PC access and Wi-Fi
- Community-focused events and activities tailored to local needs
- Free advice, guidance, and support services, including free phone access to various council services

#### **Virtual Library Services**

Our Virtual Library operates 24/7, providing residents with seamless access to an extensive range of online resources, including:

- Encyclopaedias, dictionaries, art, and music resources
- Driving and citizenship test preparation
- Study aids, family and local history resources
- Legal and business information
- E-books, audiobooks, newspapers, and magazines
- Online courses, including foreign language learning

These resources ensure that residents have access to knowledge and entertainment anytime, anywhere, from the comfort of their own homes.

#### **Reader Development and Literacy Initiatives**

Our library service actively supports reader development through:

- Engaging children, young people, and adults in tailored library services
- Collaborations with schools to promote literacy, including:
  - The Summer Reading Challenge
  - The Every Child a Member initiative
  - Class visits to libraries
  - Borough-wide poetry competitions and author events

- News and updates on nationwide events via bodies such as like Association of Children's and Education Librarians (ASCEL)

### **Community and Council Engagement**

We partner with local and national projects to address key issues such as climate change and public health. Examples include:

- **Green Libraries**, supporting climate emergency awareness and action
- **Health Champions Initiative**, where library staff are trained to guide customers on local health initiatives

### **Specialised Services**

- **Housebound Service**: Delivering books to residents unable to visit libraries due to temporary or ongoing conditions. Opportunities exist for volunteers to assist with book selection and delivery.
- **Local Studies and Family History**: Offering access to historical collections, research support, exhibitions, and community talks related to the history of the London Borough of Havering.

### **Partnerships**

We collaborate with organisations such as Citizen Advice Havering, the DWP, Age UK, Tapestry and Havering Dementia Action Alliance to provide additional services, advice, and guidance to our residents.

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### **Proposed New Offer**

#### **Revised Library Network**

The network will consist of **seven libraries**:

- **Five libraries** open **50 hours per week**
- **Two libraries** open **24 hours per week**

While there will be fewer physical locations, the full range of services will still be accessible at the remaining libraries and online.

#### **Support for Schools in Affected Areas**

- Schools impacted by closures will be prioritised for outreach initiatives, such as the Summer Reading Challenge and school assemblies promoting literacy programs.
- Collaboration with schools to establish structured class visit plans to the nearest local libraries.

#### **Community Collections in Impacted Areas**

We will collaborate with local volunteers to establish and maintain small, self-managed book collections in community buildings within the affected areas. These collections will evolve into book swap programs, fostering continued access to physical reading materials and promoting community engagement among residents

### **Enhanced Digital Access**

- Increase awareness for residents on the Virtual Library.
- Expand the promotion of online services through local campaigns and partnerships to ensure equitable access for all.

### **Enhanced Engagement with Local Partners**

- Strengthen collaborations with local organisations to ensure the libraries continue to meet evolving community needs in both the physical and virtual realms.

This revised offer ensures that, despite a reduction in physical buildings, residents will still benefit from high-quality library services while promoting innovation and community involvement.

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## Equality & Health Impact Assessment (EHIA)

<b>Title of activity:</b>	Library Consultation
<b>Lead officer:</b>	Guy Selfe, Head of Culture, Leisure, Heritage and Libraries, living Well, People
<b>Approved by:</b>	Patrick Odling-Smee, Director of Living Well, People
<b>Version Number</b>	<b>V0.1</b>
<b>Date and Key Changes Made</b>	13 December 2024
<b>Scheduled date for next review:</b>	30 April 2025

<b>Did you seek advice from the Corporate Policy &amp; Legal?</b>	Yes
<b>Did you seek advice from the Public Health team?</b>	Yes
<b>Does the EHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website? See Publishing Checklist.</b>	No

**Please submit the completed form via e-mail to [READI@haverling.gov.uk](mailto:READI@haverling.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	Library Consultation – Proposed closure of three branch libraries		
2	Type of activity	Change in service provision		
3	Scope of activity	The recent Library consultation held over a period of 12 weeks from 10 May 2024 to 2 August 2024 included proposals to close up to four branch libraries in order to make a financial saving of £300,000.		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	If the answer to <u>either</u> of these questions is 'YES' Continue to question 5.	
4b	Does this activity have the potential to impact (either positively or negatively) upon people from different backgrounds?	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 / No	Use the <a href="#">Screening tool</a> before you answer this question.	If you answer 'YES' Continue to question 5.
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:	Guy Selfe, Head of Culture. Leisure, Heritage and Libraries, Living Well, People
Date:	13/12/2024

## 2. The EHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

### Background/context:

1. The Council has a statutory responsibility (a duty set out by law) to provide a local library service in accordance with the Public Libraries and Museums Act 1964. The Act requires each local authority to provide a library service that is “comprehensive and efficient for those that live, work or study in the area”. It is for local decision how the library service best meets this requirement practically, including how many libraries there are, where they are, when they are open and what each one offers.

2. The Libraries Taskforce definition is ‘A comprehensive service cannot mean that every resident lives close to a library. This has never been the case. Comprehensive has therefore been taken to mean delivering a service that is accessible to all residents using reasonable means, including digital technologies. An efficient service must make the best use of the assets available in order to meet its core objectives and vision, recognising the constraints on council resources. Decisions about the Service must be embedded within a clear strategic framework which draws upon evidence about needs and aspirations across the diverse communities of the borough.’

3. The Council’s current statutory library provision consists of ten library sites, together with the Home Library service, the local studies library and the online library.

4. Against a backdrop of continuing significant financial pressures for the Council, which included the need to request exceptional financial support from the Ministry of Housing, Communities and Local Government in order to set a balanced budget for the financial year 2024/25. The budget included proposals to reduce the revenue budget of the Council’s library service by £300,000 over two years. The library service accordingly developed a draft library strategy which included a set of proposals to close a number of libraries in order to deliver that saving.

5. The draft strategy comprised:

- The proposals to reduce the revenue budget of the service by means to closing four of the five “branch” libraries (Collier Row, Elm Park, Gidea Park, Harold Wood, South Hornchurch);
- Proposals to reduce the service’s book stock budget by 61% (£161,000) in 2024/25 only and £30,000 (from the 2023/24 base) in both 2025/26 and 2026/27.
- A detailed needs and usage assessment which was used to develop the proposals;
- A refreshed vision and strategic priorities to underpin the statutory service in coming years;
- Proposals to develop an investment business case seeking capital funding to improve the quality of the library estate;
- Proposals seeking views on whether a purpose-designed children’s library – either at a fixed site or as a mobile provision – could better meet library need in the future.

6. An extensive consultation on the draft library strategy began on 10 May 2024 and ended on 2 August 2024. Details of which are set out in section 2 below.

7. As part of any consultation on library closures, the Council is obliged to consider any implications arising from the Equality Act 2010. The Council has an equality duty set out in section 149 of the Equality Act 2010 and in carrying out their functions, to have due regard to the need to achieve objectives set in the Act to:

- a. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

### **Havering Library Strategy 2024-2029 Consultation**

8. The consultation included:

- Online consultation on the draft strategy via the Council's *CitizenSpace* portal;
- Hard copy paper version of the above, copies of which were made available at all libraries in the borough (hard copy consultations were subsequently manually entered on to the electronic portal);
- A series of 15 public meetings that were well attended were held across the entire library estate;
- "SHOUT about Libraries", a version of the consultation designed for children and young people. The SHOUT consultation commenced in mid-July 2024 and closed in September 2024.

9. A few petitions pertaining to individual libraries were received during and after the consultation. Petitions were received on behalf of each of the five branch libraries proposed for closure.

10. The Havering Council Libraries Consultation gathered insights from 3,399 respondents, and the SHOUT survey aimed at primary and secondary pupils gathered insights from 1,214 residents regarding the usage, importance, and impact of potential closure of libraries within the borough.

11. There were fifteen public consultation events with at least one being held at each library in Havering.

### **Recommendations**

12. Following careful consideration of the consultation it is recommended that instead of four branch libraries being closed, this is reduced to three. The three branches recommended to close are:

- Gidea Park

- Harold Wood
- South Hornchurch

13. Whilst this will not achieve the full saving required, it is recommended to not close a fourth branch that would over achieve the identified saving required.

14. Factors considered when recommending the branches to close has included:

- Visitor numbers
- Proximity to a remaining branch library
- Distance travelled to existing branches for some residents
- Building condition of branches

**Who will be affected by the activity?**

Residents, library users, library colleagues, schools, community groups

*\*Expand box as required*

**Protected Characteristic - Age: Consider the full range of age groups**

If there is an impact on under 18s, how have you / will you ensure their views are gained to inform decision making?

Please tick (✓) the relevant box:

<b>Positive</b>	
<b>Neutral</b>	
<b>Negative</b>	X

**Overall impact:**

Older people and young people might be negatively impacted due to the proposed closure of three branch libraries. Older people might be less inclined to travel to an alternative branch library even though there are options available within a reasonable distance.  
Young people might be reliant on an adult to take them to an alternative branch library.

*\*Expand box as required*

**Evidence:****Gidea Park Library:**

- This branch has a higher than England average population catchment of residents aged over 65. The England average is 18.4% - Marshalls and Rise Park areas are 23%, whilst Emerson Park is 24.9%.
- There are over 500 library members aged over 60 at Gidea Park library
- Children (% of population made up of children aged 0-15) – England average 18.6% - St Edwards 19.4%, Squirrels Heath 19.1%, St Albans 21.3%,
- The second highest membership age group is 5-15 years with just on 1000 library members at Gidea Park library.

**Harold Wood Library:**

- This branch has a higher than England average population catchment of residents aged over 65. The England average is 18.4% - Cranham is 22.9%
- There are just under 500 library members aged over 60 at Harold Wood library
- The second highest membership age group is 5-15 years with approximately 800 library members.

**South Hornchurch Library**

- Children (% of population made up of children aged 0-15) – England average 18.6% - South Hornchurch 20.7%, Beam Park 24.1%, Rainham and Wennington 20.2%
- There are approximately 700 library members aged 5-15 at South Hornchurch Library.

*\*Expand box as required***Sources used:**

Library membership data

Consultation responses including the SHOUT survey of children and young people of primary or secondary school age.

*\*Expand box as required*

**Protected Characteristic - Disability:** Consider the full range of disabilities; including physical, mental, sensory, progressive conditions and learning difficulties. Also consider neurodivergent conditions e.g. dyslexia and autism.

Please tick (✓) the relevant box:

Positive

Neutral

Negative X

**Overall impact:**

People with a disability might be negatively impacted due to having to travel further to an alternative branch from the branches proposed to be closed. This might be more likely if a disabled person relies on public transport.

*\*Expand box as required*

**Evidence:****.Harold Wood Library:**

- Disability (disabled under Equality Act) – England Average 17.3% - Gooshays 17%, Heaton 17.8%

**South Hornchurch Library:**

- Disability (disabled under Equality Act) – England Average 17.3% - Beam Park 15.6%

*\*Expand box as required***Sources used:**

Consultation responses including the SHOUT survey of children and young people of primary or secondary school age

*\*Expand box as required***Protected Characteristic – Sex / gender: Consider both men and women**

Please tick (✓)  
the relevant box:

**Positive****Overall impact:**

Women and girls are likely to be negatively impacted more than men and boys as the majority of library members at each of the branch libraries proposed for closure are female.

**Neutral****Negative****X***\*Expand box as required***Evidence:**

Women and girls account for just over 60% of library members at each of the branches – Gidea Park, Harold Wood and South Hornchurch.

*\*Expand box as required***Sources used:**

Library membership data.

*\*Expand box as required*

**Protected Characteristic – Ethnicity / race / nationalities:** Consider the impact on different minority ethnic groups and nationalities

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  Households where no English as main language is above the England average. This could have a negative impact as libraries provide a point of contact for information and advice.
<b>Positive</b>		
<b>Neutral</b>		
<b>Negative</b>	<b>X</b>	

*\*Expand box as required*

**Evidence:**  
 Gidea Park Library
 

- Households where no member has English as main language – England average is 5% - St Edwards 8.3%, St Albans 11.1%

 Harold Wood Library
 

- Households where no member has English as main language – England average is 5% - Gooshays 5.1%, Heaton 6.3%

 South Hornchurch Library
 

- Households where no member has English as main language – England average is 5% - Beam Park 5.8%, Rainham and Wennington 5.5%

*\*Expand box as required*

**Sources used:**  
  
 Census data

*\*Expand box as required*

**Protected Characteristic – Religion / faith:** Consider people from different religions or beliefs, including those with no religion or belief

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  If the decision is taken to close the three branch libraries – Gidea Park, Harold Wood and South Hornchurch, it would affect all users in the same way irrespective of religion/faith.
<b>Positive</b>		
<b>Neutral</b>	<b>X</b>	
<b>Negative</b>		

*\*Expand box as required*



**Evidence:**

*\*Expand box as required*

**Sources used:**

*\*Expand box as required*

**Protected Characteristic - Sexual orientation:** Consider people who are heterosexual, lesbian, gay or bisexual

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  If the decision is taken to close the three branch libraries – Gidea Park, Harold Wood and South Hornchurch, it would affect all users in the same way irrespective of sexual orientation.
<b>Positive</b>	<input type="checkbox"/>	
<b>Neutral</b>	<input checked="" type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	

*\*Expand box as required*

**Evidence:**

*\*Expand box as required*

**Sources used:**

*\*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

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  If the decision is taken to close the three branch libraries – Gidea Park, Harold Wood and South Hornchurch, it would affect all users in the same way irrespective of gender reassignment..
<b>Positive</b>	<input type="checkbox"/>	
<b>Neutral</b>	<input checked="" type="checkbox"/>	

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

<b>Protected Characteristic – Marriage / civil partnership:</b> Consider people in a marriage or civil partnership			
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>	
<b>Positive</b>		If the decision is taken to close the three branch libraries – Gidea Park, Harold Wood and South Hornchurch, it would affect all users in the same way irrespective of marriage/civil partnership status.	
<b>Neutral</b>	X		
<b>Negative</b>			
		<i>*Expand box as required</i>	
<b>Evidence:</b>			
<i>*Expand box as required</i>			
<b>Sources used:</b>			
<i>*Expand box as required</i>			

**Protected Characteristic - Pregnancy, maternity and paternity:** Consider those who are pregnant and those who are taking maternity or paternity leave

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  If the decision is taken to close the three branch libraries – Gidea Park, Harold Wood and South Hornchurch, it would affect all users in the same way irrespective of pregnancy, maternity or paternity leave.
<b>Positive</b>		
<b>Neutral</b>	X	
<b>Negative</b>		
<i>*Expand box as required</i>		
<b>Evidence:</b>		
<i>*Expand box as required</i>		
<b>Sources used:</b>		
<i>*Expand box as required</i>		

<b>Socio-economic status:</b> Consider those who are from low income or financially excluded backgrounds		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  People from low income or financially excluded backgrounds could be negatively impacted due to the proposed closure of three branch libraries. Additional travel costs could prevent accessing an alternative branch library. Using one of the three branch libraries as a warm space during their opening hours could also be impacted.
<b>Positive</b>		
<b>Neutral</b>		
<b>Negative</b>	X	
<i>*Expand box as required</i>		
<b>Evidence:</b>		
<p>Gidea Park Library:</p> <ul style="list-style-type: none"> <li>• Unemployment (% of residents claiming JSA/UC) – England average 3.8% - St Edwards 4.8%,</li> <li>• Access to car (% of residents who do not own a car or van) – England average 23.5% - St Edwards 35.9%, St Albans 31.9%</li> <li>• Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – St Albans 15.2%</li> </ul>		

**Harold Wood Library:**

- Unemployment (% of residents claiming JSA/UC) – England average 3.8% - Gooshays 6.1%, Heaton 6.3%
- Access to car (% of residents who do not own a car or van) – England average 23.5% - Gooshays 26.9%, Heaton 29.6%
- Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – Gooshays 20.1%, Heaton 20.3%
- Children – number of households with children living in relative poverty – England average 19.5% - Gooshays 20.5%, Heaton 21.4%

**South Hornchurch Library:**

- Unemployment (% of residents claiming JSA/UC) – England average 3.8% - South Hornchurch 5.2%, Beam Park 7.5%, Rainham and Wennington 4.7%
- Access to car (% of residents who do not own a car or van) – England average 23.5% - Beam Park 27.3%
- Deprivation (% of households with 2 indices of deprivation) – England average 14.2% – South Hornchurch 15.4%, Beam Park 18.1%, Rainham and Wennington 16.4%
- Children – number of households with children living in relative poverty – England average 19.5% - Beam Park 22.5%

*\*Expand box as required*

**Sources used:**

Census data

*\*Expand box as required*

**Health & Wellbeing Impact:** Please use the Health and Wellbeing Impact Tool on the next page to help you answer this question.

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 tick (✓) all the relevant boxes that apply:*

**Overall impact:**

<b>Positive</b>	
<b>Neutral</b>	X
<b>Negative</b>	

**Do you consider that a more in-depth HIA is required as a result of this brief assessment?** Please tick (✓) the relevant box

*\*Expand box as required*

Yes  No

**Evidence:**

*\*Expand box as required*

**Sources used:**

*\*Expand box as required*

### 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 type="checkbox"/> NO <input checked="" type="checkbox"/>	Personal circumstances YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	Access to services/facilities/amenities YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Diet <input 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 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 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 type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Social contact <input type="checkbox"/> Social support <input type="checkbox"/> Neighbourliness <input type="checkbox"/> Participation in the community <input type="checkbox"/> Membership of community groups <input 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 type="checkbox"/> Public safety measures <input type="checkbox"/> Road safety measures	<input 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 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 type="checkbox"/> Noise levels <input type="checkbox"/> Vibration <input type="checkbox"/> Hazards <input type="checkbox"/> Land use <input type="checkbox"/> Natural habitats <input type="checkbox"/> Biodiversity <input type="checkbox"/> Landscape, including green and open spaces <input 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 type="checkbox"/> Public transport infrastructure

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## 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 <b><u>no significant concerns</u></b> OR the identified <b><u>negative concerns</u></b> have already been <b><u>addressed</u></b></p>		<p><b>Proceed with implementation of your activity</b></p>
X	<p>3. The EHIA identified some <b><u>negative impact</u></b> which still needs <b><u>to be addressed</u></b></p>		<p><b>COMPLETE SECTION 5:</b> <b>Complete action plan</b> with measures to mitigate the and finalise the EHIA</p>
	<p>4. The EHIA identified some <b><u>major concerns</u></b> and showed that it is <b><u>impossible to diminish negative impacts</u></b> 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 EHIA on the revised proposal.</b></p>

## 5. Action Plan

The real value of completing an EHIA 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
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	The library website will be updated with bus and train information, as well as information for nearby car parks and disabled car parking spaces. Available car parking at libraries will be assessed to ensure that parking is available for those that need it most.	Library website updated.	By 28 February 2025	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic	Negative	We will work with partners to support provision of information on active and alternative travel.	Alternative and active travel information provided both on the library website and in the	By 28 February 2025	Alexis Wainwright



status			branches proposed to close.		
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Digital support: this will be targeted at those who most need it, including older people, users with a disability	Digital support offered both online and in branch libraries proposed for closure.	Ongoing	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Better marketing and promotion of the e-library service offer is needed	Marketing and promotion of the e-library service offer is part of an initial campaign, and then promoted at regular intervals of at least every 6 months.	Ongoing	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Familiarisation visits to other libraries will be offered to older people and families with young children	Familiarisation visits to nearest branch/es arranged and offered to branch members visitors whose branch is proposed for closure	By 31 May 2025	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Further work will be carried out to expand the number of library volunteers able to meet increased housebound delivery demand	Proactive recruitment of volunteers	Ongoing	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Provide an outreach offer targeting schools and community settings which serve communities affected by library closures	Outreach offer made to schools and community settings	Ongoing	Alexis Wainwright

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Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Seek locations for a book swap service for communities where branch libraries have closed	Potential partners and venues contacted to establish if there is an appetite for hosting a book swap service close to the branches proposed for closure.	By 31 May 2025	Alexis Wainwright
Age, disability, sex/gender, ethnicity/race, socio-economic status	Negative	Consider ways of providing more flexible space in libraries, such as using unbooked meeting room space as study space in busy periods such as examination season	Review of available space in conjunction with a timetabling review	Ongoing	Alexis Wainwright

**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 EHIA will be reviewed; the date for next review; and who will be reviewing it.

**Review:**

Initially, and up until 31 May 2025, review the EHIA monthly. After 31 May review the EHIA six monthly.

**Scheduled date of review:** 31 January 2025

**Lead Officer conducting the review:** Alexis Wainwright

*\*Expand box as required*

**Please submit the completed form via e-mail to [READI@haverling.gov.uk](mailto:READI@haverling.gov.uk)  
Thank you.**

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<b>CABINET</b>	<b>05 February 2025</b>
<b>Subject Heading:</b>	<b>Schools and Education Funding</b>
<b>Cabinet Member:</b>	Councillor Oscar Ford
<b>SLT Lead:</b>	Barbara Nicholls, Strategic Director of People Kathy Freeman, Strategic Director of Resources
<b>Report Author and contact details:</b>	<i>Katherine Heffernan, Head of Finance Business Partnering</i> <i>Katherine.heffernan@havering.gov.uk</i>
<b>Policy context:</b>	<i>The SEND-AP strategy sets out a vision that has a wide range of SEND and AP settings and services providing the support needed and where every school and setting is confident, skilled and enabled to effectively support children with SEND.</i>
<b>Financial summary:</b>	<i>The Dedicated Schools Grant is a specific ringfenced grant for Education. It is currently in a deficit position which due to a “statutory override” does not contribute to the Council’s overall financial position. This is due to end in March 2026 by which time the deficit is forecast to be at least £65m. This report describes the long term strategy to mitigate this pressure. However, in the short term some additional expenditure is proposed that will cost £2.610m thus adding to the pressure in the short term. However, this will also support the financial sustainability of Havering schools and may avoid further costs in the medium term.</i>
<b>Is this a Key Decision?</b>	Yes <i>(a) Expenditure or saving (including anticipated income) of £500,000 or more</i> <i>(c) Significant effect on two or more Wards</i>

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

**Reviewing OSC:**                                     *People*

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

People - Things that matter for residents

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

**SUMMARY**

This report provides an overview of the current status of the Dedicated Schools Grant (DSG) Budget and Havering maintained schools. It sets out some of the current issues in Education funding - in particular the High Needs Block which is under severe financial pressure and also the number of schools that are in deficit and the ways the Council is seeking to mitigate and reduce these problems including participation in the Delivering Better Value (DBV) programme run by the Department for Education (DfE).

It also proposes a review of current funding mechanisms and the rates paid for certain kinds of support. This is in response to calls from schools and other stakeholders that the funding mechanism provide greater flexibility and transparency for schools in meeting pupil needs, and may likewise have the potential to more accurately matching resources to pupil needs.

**RECOMMENDATIONS**

Cabinet is asked to

- 1) note the update on the Dedicated Schools Grant Funding for 2025-26 in section 1
- 2) approve the topslicing of £0.430m from the Schools Block for Growth and Falling Rolls as set out in paragraph 2.4
- 3) approve the transfer of £1.290m from the Schools Block to the High Needs Block as set out in paragraph 2.5

- 4) approve the use of the national funding factors, a Minimum Funding Guarantee of 0% and capping of 0.85% in the Havering Local Schools Funding Formula
- 5) note the increase in the Early Years Block as a result of the expansion of funded childcare for younger children as set out in section 3
- 6) delegate authority to the Assistant Director of Education to approve the rate(s) per hour of childcare in line with approach outlined in section 3 after consultation with providers and schools forum
- 7) note that there are a number of Havering Maintained Schools that are in overall deficit position and that these schools are required to draw up and implement plans to recover this position as set out in section 5
- 8) Note the update on the projected deficit on the High Needs Block and the Delivering Better Value Programme as set out in sections 6 and 7
- 9) Approve an increase in the funding of Special Units in mainstream schools to £30,000 per place from September 2024 as set out in section 8
- 10) Approve an increase in the base hourly rate of top up payments for additional support in mainstream schools to £19 an hour from September 2024 as set out in section 9

**REPORT DETAIL**

**1. Dedicated Schools Grant and Schools Funding 2025/26**

1.1 The Dedicated Schools Grant (DSG) is a ring-fenced grant that is allocated to local authorities to meet their responsibilities for Early Years' education (now 9 months to 5 years), the funding of Schools 5-16 and support for pupils requiring alternative provision or those with special educational needs and disabilities (0 to 25 years). The grant is allocated in four "blocks" and the table below shows the allocation for 25-26. The Early Years block has increased by over £13m to reflect the increased entitlements for working parents of younger children (2 and under.)

<b>Financial year</b>	<b>Schools Block £m</b>	<b>High Needs Block £m</b>	<b>Central Services To Schools £m</b>	<b>Early Years Block £m</b>	<b>TOTAL £m</b>
2025-26	258.180	47.602	1.912	47.819	355.513
2024-25	237.616	43.391	1.774	34.569	317.350
Difference 2024-25 to 2025-26	20.564	4.211	0.138	13.250	38.163

(Note that for comparison purposes these figures are shown pre-recoupment, i.e. they include funding for Academies and Free Schools which will be adjusted for as this is allocated directly by the ESFA.)

**2. Schools Block**

2.1 As the table in the previous section shows there has been an overall increase in all blocks – however in the Schools Block, much of this comes from the rolling in of 24-25 financial year additional grants. The actual funding received through the mainstream schools National Funding Formula (NFF) for schools is increasing by 2.3% per pupil for pupil led expenditure in 2024-25, or 2.18% if premises costs and growth fund are included.

Financial year	Pupil Numbers	Schools Block allocation exc Growth Fund & premises factors £m	Additional Grants rolled in £m	Pupil Led Funding including additional grants £m	Allocation per pupil £	Total allocation (including Premises and Growth Fund) £m	Allocation per pupil £
2025-26	39,883.00	254.2		254.2	6373	258.179738	6,473
2024-25	39,655.00	233.4	13.6	247.0	6230	251.216	6,335
Difference 2024-25 to 2025-26	228	20.7	13.6	7.1	143	6.964	138
	0.57%				2.30%	3.10%	2.18%

2.2 This provides an overall average funding rate of £5,580 for each primary pupil and £7,564 for each secondary pupil. This is below the average for both London (£6,258, £8408) and Outer London (£5,790, £7,845).

2.3 In addition to the pupil led and premises funding for schools the block also contains an allocation for Growth/Falling Rolls. These are allocated at a Local Authority level based on detailed population data and allow LA and Schools to manage demographic fluctuations. The 25-26 allocation for Havering is £1.294m for both Growth and Falling Rolls which are both occurring in this authority although in different age groups and areas of the borough. The policy for allocating this money to schools has been reviewed and approved by Schools Forum.

- Where primary schools are asked to open a new bulge class they are allocated funding equivalent to the basic entitlement per pupil funding for 28 pupils in the first year. In subsequent years if the numbers on roll are below the additional 28 then they receive a funding top up to 28 pupils.
- For secondary schools there is an assumption that growth in pupil numbers can be partly absorbed by a slightly larger class, so funding is allocated for 24 pupils.
- Havering also operates a Falling Rolls scheme, which provides additional funding where schools have classes of below 28 in primary and 24 in



secondary. The scheme has been reviewed this year and the funding rate has been agreed to be the same as for the growth scheme, i.e. basic entitlement/AWPU.

- 2.4 The operation of the Growth and Falling rolls schemes is expected to require an additional £0.429m local contribution which will be funded by top-slicing from the Schools Block before application of the formula, in line with DfE regulations and with Schools Forum and schools agreement.
- 2.5 Due to pressures on the High Needs Block Havering Schools Forum have agreed to transfer 0.5% or £1.290m of the Schools Block Funding to the High Needs Block. This leaves £255.165m to be distributed to schools through the formula.
- 2.6. The Department of Education has been requiring local authorities to bring their local funding formulas into close alignment with the national formula. Havering has followed the national funding formula in full and provided a minimum funding guarantee (MFG) of 0.0% per pupil increase for all mainstream schools and academies. In order to remain within the funding available, an affordability cap of 0.85% for schools has been used.
- 2.7 Schools were consulted on both the transfers from the Schools Block and the proposed formula as required by the regulations. 17 responses were received, all of which were in favour of the proposals. The formula is in line with both the approach followed in previous years and has been agreed by Schools Forum.
- 2.8 Cabinet are therefore asked to approve the approach outlined in this report.

### **3. Early Years**

- 3.1 This section outlines the funding allocations and plans for Early Years provision for the financial year 2025-26. The indicative funding from the Dedicated Schools Grant (DSG) reflects updated rates and expanded entitlements, aiming to address rising costs and increasing participation in early education.
- 3.2 Total indicative Early Years Block funding for Havering is £47.819m, a 43.3% increase from the previous year. This includes funding for the expansion of childcare entitlements for under-twos and two-year-olds of working parents from the current 15 hours entitlement to 30 hours from September 2025.
- 3.3 The DfE settlement's hourly funding rates for Havering to fund the support for the Early Years entitlement is as follows:
  - Under-2s: Increased from £12.11 to £12.45 per hour (+2.81%)
  - Two-year-olds (working parents / for eligible families receiving additional support (formerly known as disadvantaged): Increased from £8.90 to £9.17 per hour (+3.03%)
  - Three- and four-year-olds: Increased from £6.16 to £6.40 per hour (+3.90%)

- 3.4 Within the three-and four-year-olds funding, the teachers' pay awards and pension costs legacy grants are integrated into the hourly rate.
- 3.5 As part of the DfE regulations, 96% of the overall rate (an increase from the present year threshold of 95%) has to be passed on to providers, with 4% (reduced from 5% presently) being retained for the LA to undertake its statutory obligations for the delivery of the Early Years entitlement. This is to ensure that the majority of funding reaches providers directly.
- 3.6 As part of the annual budget cycle timetable, the LA will consult the Early Years Provider Reference Group (EYPRG), which is a sub-group of the Schools Funding Forum, to discuss 2025-26 funding rates and agree on proposals for the Schools Funding Forum's approval in February 2025.
- 3.7 The funding formula will continue to address disparities and prioritise quality enhancements for providers. The LA's funding approach ensures an equitable distribution of resources, enabling Havering to support its Early Years providers in delivering high-quality education and care.
- 3.8 It is noted that no provider across the borough has encountered any financial difficulties in delivering the Early Years entitlement and there has been growth in the sector with new provisions and expanding provisions coming into the local area to help support Havering residents with a diverse range of delivery models, from childminders to mainstream schools with nurseries.
- 3.9 Havering is committed in expanding access to affordable childcare and addressing cost pressures faced by schools and nurseries, and strives to provide an annual increase in the base rate funding to support the early years sector with the increase they face, i.e. NI thresholds change, which on average costs £1k per employee.
- 3.10 The present funding rate to providers for the delivery of Early Years entitlement is as follows:
- Under-2s: £11.05 per hour
  - Two-year-olds (working parents): £8.05 per hour
  - Two-year-olds (for eligible families receiving additional support): £8.59 per hour
  - Three- and four-year-olds: £5.56 per hour
- 3.11 From preliminary modelling, subject to engagement with stakeholders and consultation, there will be an increase in the present year rates by at least 2%. Following the review on the targeted support required for the upcoming years, the rates will be confirmed prior to the start of the new financial year.
- 3.12 Cabinet are therefore asked to approve the approach outlined in this section of this report.

#### **4. Central Services Block**

- 4.1 This block is made up of two elements. £1.837m funds the statutory education functions of local authorities such as school admissions, the funding of national copyright licences, servicing the Schools Forum and other statutory duties previously funded from an Education Services Grant. In addition, there is £0.075m funding for historic commitments previously funded within the Schools Block. This second element is being phased out over time.

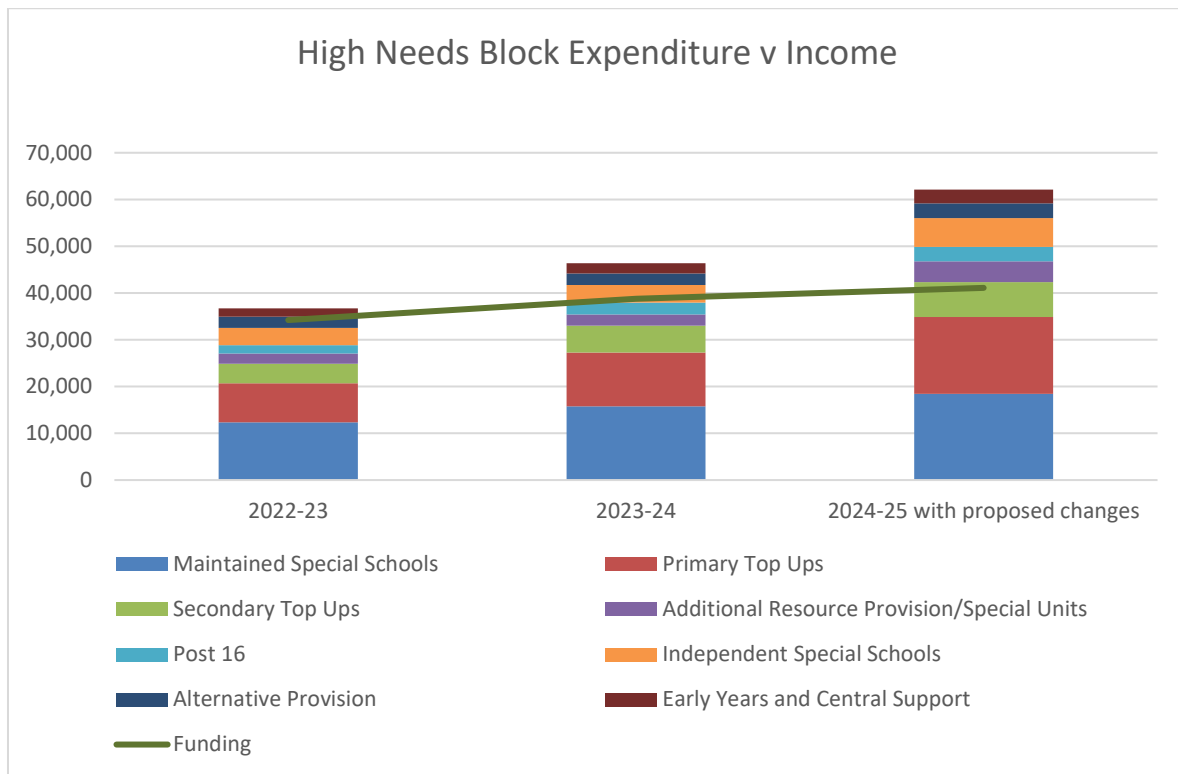
#### **5. Maintained Schools Financial Position**

- 5.1 Over the past few years schools in Havering have been receiving small increases in their budget through the National Funding Formula which have generally been below the level of inflation. The DfE have made additional funding available as in year grants for example to mitigate the impact of teachers pay rises but in general these have not fully compensated for the full range of pressures including local government pay awards for support staff or high energy costs. This has led to a high level of pressure on Havering schools financial management.
- 5.2 Havering has 40 maintained or voluntary aided primary schools and one special school. Their budgets are wholly delegated to the Governing Bodies and their end of year balances are ringfenced and carried forward to the next financial year – however those balances do form part of the Council's overall financial position. This means that if there is an overall deficit across all schools, then this would count against the Council's reserves.
- 5.3 There are currently 13 Havering schools that are projecting to end the year in an overall deficit position, all of which were also in deficit at the end of last year. The DfE's statutory guidance is clear that it is not acceptable for Financing Schools for Schools to remain permanently in deficit and they are expected to take action to return to a balanced position. The Council will therefore be requiring all schools in deficit to develop a budget recovery plan.
- 5.4 It should also be noted that with very few exceptions, nearly all maintained schools are projecting an in year deficit that will reduce the level of their brought forward balances. There is a real risk that the total level of balances could be negative which would need to be underwritten by the Council's General Fund reserves.
- 5.5 In December, the first drafts of the recovery plans were received from those affected schools. From these submissions, some common themes were identified. All schools identified the cost of SEN support as the most important and difficult issue in balancing their budget.
- 5.6 The cost of all staffing was an issue for smaller schools and those with very stable workforce, as more experienced staff are paid more. Some schools cited low pupil numbers/falling rolls and then there were specific issues in premises or supplies in certain schools.

- 5.7 The proposed change to the Falling Rolls fund for 25-26 will help support those schools for whom pupil numbers were a challenge as it should mean that the fixed cost of each class are covered. In the High Needs section of the report there is a proposed change to address the cost of SEN support.
- 5.9 The Education Finance team, part of Resources, will be working with each school to help them finalise the recovery plan for their particular situation, that seeks to address the remaining issues. However it must be recognised that some schools have been in deficit for a considerable time and have substantial negative balances. For these schools even halting the growth of the deficit may be difficult and require significant change in spending patterns and tough choices.
- 5.10 Additional monitoring is being put in place for schools in deficit along with support from the Council's Finance team. Processes will also be put in place to ensure that when schools are beginning to get into financial difficulties, that this is recognised early and action is taken before the deficit becomes entrenched.

## **6.High Needs Block**

- 6.1 The High Needs Block provides funding for students in alternative (non school based) provision and for support to children and young people up to age 25 with special educational needs and disabilities. Since 2018, the central government (DfE) funding allocation has been moving towards being formula based, but there is still a significant element (25%) that is simply based on historical spending patterns, and there are transitional restrictions on the rate of change. Havering is one of the authorities that was historically underfunded and still receives the lowest rate of funding per head in London.
- 6.2 In addition the system is also widely believed to be underfunded at the national level –this view is supported by the large number of authorities that now report deficits on the High Needs Block, with nationally a cumulative deficit balance of £1.76bn as at the end of financial year 2023-24.
- 6.3 Expenditure on High Needs rises with several factors – the overall population for that age group, the rate of children needing additional support within that population and the complexity/severity of their needs and the cost of providing that support. Over the last four years, all of these factors have been rising very strongly in Havering and are only partly compensated for by the increase in grant funding. The table below shows expenditure over the last two years and the latest forecast for this year (incorporating the proposed funding changes.) As can be seen although the grant has been rising the increase does not even cover the existing level of expenditure in the previous year let alone provide funding for additional costs or pupil numbers.



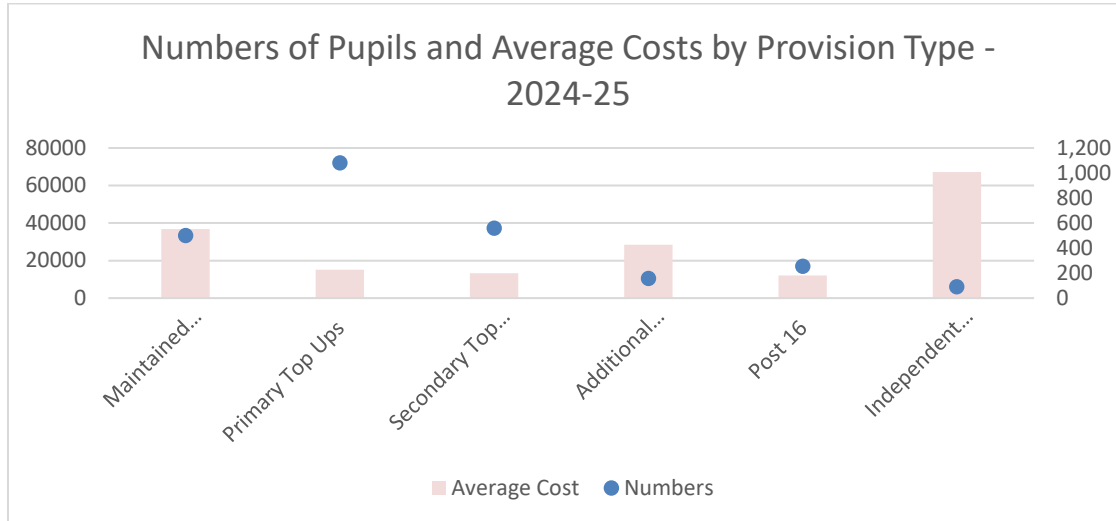
6.4 If this trend continues then the deficit will continue to grow year on year. Currently there is a special arrangement whereby deficits on the DSG do not form part of a Council’s overall financial position. This is due to end next financial year (March 2026) – however this would very likely create a number of situations where Councils could not balance their overall budget, so it remains to be seen if this ringfence will be removed.

## 7 Delivering Better Value Programme

7.1 Havering is a member of the Delivering Better Value (DBV) programme which is a DfE sponsored initiative to help authorities to manage down their DSG deficits. This began with analysis of our spending to identify the main causes of the overspends and so what can be done to tackle the root causes. As described above the main drivers of the overspend are the numbers of children requiring an EHCP and the cost of that provision which can vary from around £10k to £15k per child in a mainstream school to £30k to £40k in a Maintained Special School to over £60k in an Independent Special School.

7.2 In general, the DBV and similar programmes have found that authorities that are more inclusive and/or have more good quality local state maintained provision are more effective at managing their costs because this reduces the need to use Independent and Non Maintained (i.e. private and voluntary sector) schools which are much more expensive on average. In addition, these schools are also likely to be located further away and take only a few Havering pupils, so involve greater transport costs.

7.3 The chart below shows the current range of provision being used by Havering. The majority of children are in the lowest cost and most inclusive kinds of provision.



7.4 An in depth analysis of our High Needs Block expenditure was carried out by independent consultants (Newtons) in 2024. This analysis carried out as the first stage of the DBV found that Havering was already very inclusive and effective at holding children in more local and lower cost provision and our unit costs are comparatively low. The main issues driving the increases in expenditure were the increasing numbers of EHCPs and the level of price inflation experienced nationwide for all kinds of support – which in turn was mostly driven by increases in pay for education support staff. This means that the authority is already following many elements of good practice and was keeping costs down. However it also means that there are few easy wins as most cost reduction strategies are already in place.

7.5 The Delivering Better Value Plan for Havering therefore builds on the current good practice and seeks to extend these principles. These are the main themes identified:

- Working with Schools and Parents to build confidence and ensure that the goals and aspirations of the child can be met in mainstream schools without an EHCP where possible
- Ensuring that we have the right provision so that children’s goals and aspirations can be met in mainstream schools, Special Units or Additional Resource Provisions (ARPs) rather than in special schools
- Creating the right capacity so that children’s goals and aspirations can be met in Special Units or maintained special schools rather than in the Independent and Voluntary sector.

7.6 The Council already has a programme to develop a new Special School at Balgores which will come into use in 2027. We applied to the DfE for another project which was not approved. We will continue to look for potential sites and

schemes but in the interim the plan is to expand the number of Special Units and ARPs, as set out in a report to the January Cabinet.

- 7.7 The actions are expected to have a small dampening effect on the rate of growth of the deficit – however without fundamental reform of the national SEND system or an increase in funding, even with these actions the deficit is still projected to grow year on year. The analysis provided as part of the programme gives a potential deficit range of £34.6m (best case) to £41.6m (worst case) at the end of 24-25 rising to £94.7m by 26-27. The actions set out in the DBV will produce a mitigation effect of only £2.5m to £3.5m per year – reducing the deficit in the best case to £86.8m.
- 7.8 As part of the DBV, the Council has received a grant of £1m in order to make the necessary cultural and systemic changes to deliver on the identified themes. This is monitored quarterly by the programme

## **8. Funding Arrangements for Special Units**

- 8.1 In order to continue with the Council's inclusive approach it is necessary to ensure that schools are fully funded to deliver this approach. As outlined above, all schools are telling us that they are struggling to meet the needs of children within the funding being provided.
- 8.2 Special Units are small scale provisions attached to maintained schools that serve a group of children who struggle to learn in a mainstream classroom even with additional support. A Unit will be led by an experienced teacher who can tailor the curriculum to meet the needs of students and be staffed with Teaching and Learning Assistants at around a 1:2 ratio. Admission to the unit is managed the LBH's SEND team in partnership with the school, and there is an SLA between the school and the Council that sets out the quality and type of provision.
- 8.3 Funding for these units is split with part coming from the school's main budget, via the basic entitlement factor (headcount) and the rest being funded from the High Needs block.
- 8.4 Previously these units had been funded at a rate of £22k per pupil (primary) and £25k per pupil (secondary.) However due to the three years of pay increases for teachers and Teaching Assistants and the increasing complexity, of children's needs the funding is no longer sufficient to provide a safe staffing model. This means that schools must either staff the unit to a lower level or absorb the loss in the mainstream school budget or seek additional funding on a case by case basis.
- 8.5 Under the first option the unit cannot fully meet the needs of more complex children, which runs the risk of the placement being unsafe or breaking down meaning that they must be placed elsewhere – usually in more expensive special school. Alternatively, cross subsidy from the mainstream budget is against the spirit of the DSG funding regime and could have a detrimental effect

on the educational offer to all the other children in the school or result in the schools falling into deficit. It could also lead to governing bodies being no longer willing to support Special Units at their school which would lead to reduced capacity and result in higher costs to the DSG. In practice several schools have already, over time sought additional funding from the Local Authority which has been agreed on a case by case basis by the LBH's SEND team. Now that this year's pay rise has been awarded, other schools will do so. This leads to a more complex and less consistent system while still allowing costs to increase.

- 8.6 The SEND team and Finance have therefore carried out a consultation with relevant schools to agree what constitutes a minimum safe and good practice staffing model. This has been costed out at £30k per pupil, with a proportion of the funding from the Schools Block allocation formula, via the basic entitlement factor, and the balance funded from the High Needs Block. For 2024-25, from the Schools Block, for primary (Key Stage 1 and 2), it is £3,849.50 per pupil, for Key Stage 3, it is £5,441.44 and for Key Stage 4, it is £6,133.81. The remaining balance to give rise to £30k will be funded from the DSG High Needs Block allocation. This model does not apply to Hearing/Sensory Impaired Provisions which have different staffing requirements including BSL interpreters and technicians and so will be negotiated separately.
- 8.7 It is proposed that this funding be offered to all Special Units both primary and secondary within the borough except for Hearing/Sensory Impaired Resource Provisions (ARPs) for the whole of the academic year 2024-25 which commenced in September 2024. The additional in-year cost of this compared to existing funding arrangements will be £0.430m in this financial year (2024-25) and £0.740m in the next year 2025-26).

## **9.Funding Arrangements for Top\_ups.**

- 9.1 "Top Ups" describes funding provided to support individual children on top of the cost of their place in the school. It is awarded after a child has been fully assessed and their support needs identified and is confirmed by panel, following which the LA has a statutory obligation to provide support that meets the child's needs as set out in an Education, Health and Care Plan (EHCP). As EHCPs are based on the needs of the child, the actual funding awarded can vary considerably – for children receiving top up in mainstream schools, then the total cost can range from about £10k to £45k for a very exceptional child with high needs who is struggling to access the curriculum or remain safe.
- 9.2 In Havering the current underlying approach used is to estimate the number of hours of additional staff input a child will need on average per week and to multiply that by an assumed cost per hour. However due to the high level of increases in both Local Government pay and the National and London Living Wage in the past few years the assumed rate used in the calculation now only covers around 76% of the costs of a Teaching and Learning Assistant. Since the funding given is usually expressed as a number of hours of support, this causes issues for the schools. While it is sometimes reasonable to find other ways to meet the child's needs than



by having a dedicated one-to-one worker, this is not always possible and can be challenged by parents if they believe they have been told a child is entitled to a certain number of hours of support.

- 9.3 Schools are therefore often in the position of having to contribute a higher amount to an individual child's support which in turn reduces the funding available to meet the needs of other children in the school. This may adversely lead to a reduction in non EHCP SEN support in schools – i.e. additional help to children with milder needs, temporary conditions or specific learning difficulties, the consequence being that as these children's needs are not met early, needs escalate and require more intensive, more costly intervention than they might otherwise have needed. It is also a major contributor to the financial difficulties being experienced by schools in Havering and there is a correlation between levels of SEN children and school financial deficits.
- 9.4 It is therefore proposed to raise the hourly rate used in the calculation from £17 per hour to £19 per hour from September 2024. This still does not fully fund the cost but provides a fairer balance of risks between schools and the High Needs Block. It is estimated to cost £2.320m in this financial year. However it should be noted that around £1.120m of this will be paid to Havering Maintained schools and so will help reduce deficit budgets, which are also part of the Council's overall financial position so could be considered to be cost neutral.
- 9.5 As a longer term measure it is proposed to change our approach to funding top ups and specifically, to consider funding mechanisms that may allow for greater flexibility for schools and settings in terms of delivering what children need, that focus on children's progress towards identified aspirations and outcomes, rather than changes in support needs measured in the currency of 'hours', and which better links resources to children's needs and the type of adaptation and additional support children with SEND require.
- 9.6 One option proposed for consideration by the Schools Funding Forum is the use of 'banding', an approach used by most other London Boroughs whereby children with similar levels of need are allocated a fixed sum of money that schools can use to deliver support.
- 9.7 An analysis has been carried out and it appears that most children can be mapped onto a new framework of banding, as in practice the panel tends to award set levels of funding. It is important to note that no children would have their support reduced as a result (except where the annual review of their EHCP confirmed that this was appropriate because of a change in need).
- 9.8 These proposed changes are in-keeping with the commitment in the Local Area's SEND and Alternative Provision Strategy to review current funding arrangements, and so will need to be developed in collaboration with stakeholders. To ensure time for this collaboration, a tentative timeline would see the transition to any potential new funding model by September 2025 (i.e. the start of the new academic year.)

9.9 The final position at the end of 23-24 across all the blocks was an in year overspend of £6.8m which added to the brought forward amount took the balance on the DSG reserve to £15.32m deficit. A significant level of pressure was brought forward into 24-25 so that by the end of the summer term (the first monitoring period) there was a projected in year deficit of £21.175m which would take the balance to £36.500m.

9.10 As the table shows within year there has actually been a decrease in the cost of top ups during the year. There has also been an increase in use of ARPs and Special Units which are a cost effective alternative to either very high top-ups or special school placement. However there has also been an increase in the use of Independent Special Schools with 15 more placements in Autumn term. As these cost on average £67k a year this has had an adverse impact on the budget. There is a high risk that failing to invest properly in the more cost effective forms of provision could lead to further placements being required which would actually increase the overall spend on the High Needs Block.

	24-25 Forecast in June £000	24-25 Forecast without proposed changes £000	2024-25 with proposed changes £000
Maintained Special Schools	18,126	18,427	18,427
Primary Top Ups	18,353	14,951	16,453
Secondary Top Ups	8,178	6,785	7,462
Additional Resource Provision/Special Units	3,553	4,022	4,453
Post 16	3,008	3,073	3,073
Independent Special Schools	4,839	6,181	6,181
Alternative Provision	3,150	3,150	3,150
Early Years and Central Support	2,629	2,915	2,915
Other In Year			
<b>TOTAL EXPENDITURE</b>	<b>61,836</b>	<b>59,504</b>	<b>62,114</b>
Funding	41,102	41,102	41,102
<b>In Year Deficit</b>	<b>20,734</b>	<b>18,402</b>	<b>21,012</b>
<b>Cumulative Deficit</b>	<b>36,055</b>	<b>33,723</b>	<b>36,333</b>

9.11 If the proposed changes to the rates paid to schools are taken into account then the forecast deficit on the High Needs Block rises again to an in year deficit of £21.010m and the cumulative deficit will be £36.330m. It should be noted that this is in line with our summer term forecast and is still a lower figure than the Upper Bound estimate in the DBV submission so well within the expected range of risk.

**REASONS AND OPTIONS**

**Reasons for the decision:**

Although it is difficult increasing expenditure on an overspending budget the current level of underfunding is not sustainable. It increases the pressure on Havering schools and makes it more difficult to maintain children in local provision whilst keeping them safe and meeting their needs.

**Other options considered:**

Continuing at the current funding rates puts additional strain on Havering schools increasing deficits and making it harder to challenge schools about their financial management. The proposed increase creates a fairer balance of risks between the authority and the schools.

**IMPLICATIONS AND RISKS**

**Financial implications and risks**

The report sets out a range of risks for the Council arising from the financial pressures facing Havering Schools and increasing expenditure within the High Needs Block. It sets out some proposals which will add £2.60m of pressure to the High Needs Block but could alleviate around £1.30m of the pressure on maintained schools. Moreover it presents an argument that this will in the longer term prevent further costs from the breakdown of school based support.

**Legal implications and risks:**

**Human Resources implications and risks:**

Where schools are facing high levels of financial pressures then there is a risk that staffing reductions may be required. The Council will use its deficit recovery planning process to ensure that the risks to staff are minimised as far as possible and that correct processes are followed including full consultation if action is undertaken.

Increasing the rate paid for support for children with additional needs will allow schools to recruit and pay for the additional staff required to carry out this important role.

**Equalities implications and risks:**

The provision of support to children with disabilities or other additional needs works to reduce barriers to participation and achievement in Education.

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

Ensuring children have appropriate support in school will enable them to remain safe and to achieve their full potential.

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

There are no environment implications arising from this report.

### **BACKGROUND PAPERS**

#### ***1 Havering Schools Forum Papers***