



Overview & Scrutiny Board

5 March 2026

Subject Heading:

Commercial Strategy - Update

SLT Lead:

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Policy context:

The Commercial Strategy supports the delivery of a range of commercial activities in the Council. It is managed within Havering's Governance framework to enhance financial sustainability and service efficiency, optimising resource allocation to improve services.

Financial summary:

There are no immediate direct financial implications for the Council. The Strategy will be delivered using existing resources, with costs absorbed by relevant teams. If specific commercial initiatives are identified which require investment, then this will be the subject of future reports.

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

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy **X**

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

REPORT

SUMMARY

The Council adopted the Havering Commercial Strategy 2024–2029 in September 2024 to provide a clear corporate framework for embedding a commercial mindset across the organisation, strengthening financial sustainability and improving service delivery.

This report will assure the Overview & Scrutiny Board that appropriate governance, monitoring and reporting arrangements are in place through the Commercial Strategy Action Plan and the Strategic and Operational Commercial Boards, providing assurance that delivery is being managed effectively and that risks are identified and addressed.

RECOMMENDATION

Members are asked to note the content of this report.

REPORT DETAIL

The Havering Commercial Strategy 2024–2029 is being implemented through a structured and monitored Commercial Strategy Action Plan, overseen by newly established Strategic and Operational Commercial Boards.

Delivery activity to date has focused on embedding the conditions required for sustainable commercial activity across the organisation, rather than specific income-generation initiatives.

This reports provides a summary of the key areas of achievement.

Embedding a commercial culture and approach

A core element of delivery has been the development of a shared commercial culture, ensuring that services consider value, demand, cost recovery and customer need as part of routine decision-making. The Action Plan includes specific actions to:

- **Develop a commercial mind-set across the Council**, increasing awareness and adoption of commercial practices within service areas.
- **Identify and promote commercial leads within services**, providing clear points of accountability and supporting collaboration across departments.
- **Embed a commercial approach into service delivery and planning**, including a review of existing strategies to identify where commercial principles can be more explicitly applied.

These actions are intended to move the organisation away from ad-hoc commercial activity and towards a consistent, corporate approach aligned with Council priorities.

Building commercial capability and awareness

The Action Plan places significant emphasis on workforce capability, recognising that successful commercial delivery depends on staff confidence and skills. Key areas of activity include:

- **Development of commercial awareness and capability training**, supported by identified learning sponsors within service areas.
- **Incorporation of commercial skills and knowledge into job profiles**, recruitment processes and workforce development activity, ensuring that commercial thinking becomes part of the Council's long-term capability rather than reliant on individuals.

To support this, the Council has established a Commercial Awareness Resource Bank, providing a central point of reference for guidance, training, tools and information that services can draw upon when developing or reviewing commercial activity. This supports consistency, reduces duplication and reinforces shared understanding across the organisation, rather than prescribing a single delivery model.

Communication, engagement and idea generation

The Strategy recognises that commercial opportunities often emerge from operational insight. The Action Plan therefore includes measures to:

- **Create forums and mechanisms for sharing commercial and money-saving ideas**, enabling staff to propose opportunities for consideration and development.
- **Improve internal communication and signposting**, including the introduction of a commercial presence within internal systems to help services understand available support and expertise.

These actions are designed to increase engagement, encourage innovation and ensure that commercial thinking is not confined to specialist teams.

Governance, monitoring and accountability

Strong governance underpins delivery of the Strategy. The Strategic and Operational Commercial Boards provide:

- **Oversight of progress against the Action Plan**, ensuring that actions are tracked, risks identified and priorities adjusted where necessary.
- **A mechanism for challenge and coordination**, helping to align commercial activity with corporate objectives, financial planning and service priorities.

This approach ensures transparency and allows Members to scrutinise progress against agreed actions rather than individual commercial proposals in isolation.

Next stage of delivery

As the Strategy moves into its next phase, the focus will increasingly be on demonstrating impact, including clearer links between commercial activity, service sustainability and financial resilience. The Action Plan provides the framework for this transition, with continued emphasis on capability, consistency and governance rather than short-term income measures.

Success will be demonstrated by the extent to which commercial thinking is routinely embedded in service decision-making, rather than treated as a separate or specialist activity. This will include services consistently considering demand, cost recovery, customer need and social value when developing strategies, business plans and service changes, supported by clear governance and proportionate challenge.

A successful outcome will also be reflected in a more confident and capable workforce, with commercial awareness embedded into roles, recruitment and development, and supported by accessible guidance through the Commercial Awareness Resource Bank.

Over time, this should result in better-informed decisions, improved service sustainability and a clearer line of sight between commercial activity, financial resilience and outcomes for residents, with progress monitored through the agreed Action Plan and reported transparently through the established Commercial Boards.

IMPLICATIONS AND RISKS

Financial implications and risks:

The Commercial Strategy supports the Council's medium- and long-term financial sustainability by improving commercial performance and income generation. The Council already undertakes a range of trading and commercial activities and raises significant amounts (over £30m) of fees and charges income from the public, schools and other bodies from activities including schools catering, car parks,

bereavement services and others. This income enables the continued provision of good quality services.

The Strategy in itself does not require additional resources but may require some reprioritisation of time and efforts from existing staff and management. However, it is anticipated that benefits will accrue to those services that engage with the strategy.

If, as a result of this work, improvements and new initiatives are identified that require future investment then business cases will need to be developed, and any resources required identified. Commercial activity can involve additional risk as well as opportunity and these risks must be carefully considered, scenario analysis carried out and mitigation plans developed before new commitments are entered into.

The development of strong governance arrangements that can take decisions in a timely fashion so that opportunities are not lost is a priority. In addition there should be regular monitoring of all activities and alignment with the approved Action Plan.

Legal implications and risks:

All commercial activity is required to operate within existing legal and regulatory frameworks. The Council has a range of powers that may be relied upon when delivering projects which form part of the Strategy, including the general power of competence under section 1 of the Localism Act 2011, subject to any other statutory constraints.

There are no direct legal implications arising from this covering report. Ongoing legal oversight through established governance arrangements mitigates the risk of non-compliance.

Human Resources implications and risks:

Successful delivery of the Strategy depends on workforce capability and capacity. There is a risk that insufficient commercial skills or competing pressures may limit progress. This is being addressed through planned training, updated job profiles and the identification of commercial leads across services

Equalities implications and risks:

The Commercial Strategy has been subject to equality and health impact considerations. There are no adverse equalities impacts arising from this covering report, and commercial activity is expected to support positive outcomes through improved service delivery.

Environmental and Climate Change implications and risks:

There are no direct environmental or climate change implications arising from this covering report. The Council has agreed for the organisation and the borough to be carbon neutral by 2040 or sooner. A key strategic action centres around data and technology. Through this, sustainable practices and technologies will be integrated to reduce carbon emission associated with operation and services. Where relevant, individual commercial proposals will continue to be assessed to ensure alignment with wider Council environmental objectives.

BACKGROUND PAPERS

Having Commercial Strategy 2024-2029 [Commercial Strategy | London Borough of Havering](#)