

Agenda

Council

Date Thursday 27th February 2025

Time 7.00 p.m.

Venue Main Hall, Old Town Hall,
Stratford, E15 4BQ

Rokhsana Fiaz OBE
Mayor of Newham

Abi Gbago
Chief Executive

LONDON BOROUGH OF NEWHAM

Members of the Council of the London Borough of Newham are **HEREBY SUMMONED** to attend the Council Meeting on **Thursday 27th February 2025**, at **7.00 p.m.** in the **Main Hall, Old Town Hall, Stratford, E15 4BQ** to transact the following business.

AGENDA

Chair of Council: Councillor Rohima Rahman
Deputy Chair of Council: Councillor Imam Haque

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| <p>1. Apologies for absence</p> <p>To receive any apologies for absence from Members.</p> | |
| <p>2. Declarations of Interest</p> <p>In accordance with the Code of Conduct, Members are invited to declare any disclosable, pecuniary and non-pecuniary interests they may have in relation to any matter being considered at this meeting having regard to the guidance attached to the agenda.</p> | <p>(Pages 5 - 8)</p> |
| <p>3. Minutes of the Last Meeting</p> <p>To approve as a correct record the minutes of the Extraordinary and last ordinary meetings of the Council held on 16 December 2024.</p> | <p>(Pages 9 - 36)</p> |
| <p>4. Any Announcements by the Chair</p> <p>To receive any announcements by the Chair, Councillor Rohima Rahman.</p> | |
| <p>5. Any Announcements by the Mayor</p> <p>To receive any announcements by the Mayor, Rokhsana Fiaz OBE.</p> | |
| <p>6. Any Updates by Cabinet Members</p> <p>To receive any updates by Members of the Cabinet.</p> | |

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| <p>7. Any Announcements by the Chief Executive</p> <p>To receive any announcements by the Chief Executive, Abi Gbago.</p> | |
| <p>8. Members' Allowances Scheme 2025-2026</p> | <p>(Pages 37 - 80)</p> |
| <p>9. Final Budget Proposals for 2025/26: Sustaining a Fairer Newham and Addressing the Financial Challenges Ahead</p> | <p>(Pages 81 - 546)</p> |
| <p>9a) Budget Scrutiny Commission: Budget Scrutiny Report (2025)</p> | <p>(Pages 547 - 624)</p> |
| <p>9b) Executive Response to Budget Scrutiny Commission Budget Scrutiny Report 2025</p> | <p>(Pages 625 - 648)</p> |
| <p>10. Any Urgent Business</p> | |
| <p>11. Conclusion of Business of Council Meeting</p> | |

Abi Gbago
Chief Executive

Director of Legal & Governance
Newham Dockside, 1000 Dockside Road, E16 2QU.

Background papers used in preparing the Agenda
None

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Members' Declarations of Interest

Matters for Consideration Revised Guidance – April 2022

The following is offered as a guide to Members. Further details are set out in the Members' Code of Conduct, attached as Part 5.1 of the Council's Constitution.

1. Disclosable Pecuniary Interests

Disclosable Pecuniary Interests (DPI) are covered in detail in the Localism Act 2011. Breaches of the law relating to these may be a criminal offence.

- 1.1 If you have a DPI in any matter on the agenda you must not participate in any discussion or vote on that matter. If you do so without a prior Dispensation (see below) you may be committing a criminal offence, as well as a Breach of the Code of Conduct. The Council's Constitution requires any Member declaring a DPI to leave the meeting (including any public seating area) during consideration of the matter.
- 1.2 Members will be asked at the start of the meeting if they have any declarations of interest. The Council's Code of Conduct requires you to make a verbal declaration of the fact and nature of any DPI. You are also required to declare any DPIs before the consideration of the matter, or as soon as the interest becomes apparent, if you were not aware of it at the start of the meeting.

2. Non-Disclosable Pecuniary Interest or Non-Pecuniary Interest

- 2.1 The Council's Code of Conduct requires you to make a verbal declaration of the existence and nature of any "Non-Disclosable Pecuniary Interest or Non-Pecuniary Interest". Any Member who does not declare these interests in any matter when they apply may be in breach of the Code of Conduct.
- 2.2 You may have a "Non-Disclosable Pecuniary Interest or Non-Pecuniary Interest" in an item of business where:
 - 2.2.1 A decision in relation to that business might reasonably be regarded as affecting your well-being or financial standing, or a member of your family, or a person with whom you have a close association with to a greater extent than it would affect the majority of the Council taxpayers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
 - 2.2.2 It relates to interests which would be a DPI, but in relation to a member of your family or a person with whom you have a close association and that interest is not a DPI. If the matter concerns your spouse, your civil partner or someone you live with in a similar capacity, it is covered by the provisions relating to DPIs.
 - 2.2.3 It could also cover membership of organisations which you have listed on your Register of Interests (including appointments to outside bodies), where there is no well-being or financial benefit accruing to

you but where your membership might be said to be relevant to your view of the public interest.

- 2.3 A person with whom you have a close association is someone who is more than an acquaintance, and is someone you are in contact with over a period of time, whether regularly or not. It is someone that a reasonable member of the public might think you would be prepared to favour or disadvantage when discussing a matter which affects them and so covers friends, colleagues, business associates, or someone you know through social contact.
- 2.4 Family should be given a wide meaning. In relation to the family of both you and your partner, it would include the parents, parents-in-law, children and step children, brothers and sisters, grandparents, grandchildren, uncles and aunts, nephews or nieces, together with the partners of any of these persons.
- 2.5 You should make a verbal declaration of any such interest in a matter to be considered at the meeting at the start of the meeting, or before the consideration of the item of business, or as soon as the interest becomes apparent if you are not aware at the start of the meeting of the interest.

3. Register of Members interests

Members are required to complete the Register of Interests and to keep this register up to date by informing the Monitoring Officer in writing within 28 days of becoming aware of any change in respect of their DPs.

4. Dispensations

In certain circumstances the Monitoring Officer is able to grant a dispensation to you which will enable you either to participate in the discussion on a matter, to vote on the matter, or both. Dispensations can only be granted in limited circumstances. If you believe that you are able to claim a dispensation you must seek advice as soon as possible from the Monitoring Officer, who will consider your request.

The Monitoring Officer, under Section 33(2) of the Localism Act, has granted the following general dispensations to all Members until the Annual Council meeting in 2026, on the grounds that the dispensation is in the interests of the inhabitants of Newham and/or it is appropriate to grant the dispensation to maintain a similar position as applied under the previous code of conduct. This means Members do not need to leave the meeting if their Disclosable Pecuniary Interest arises and is:

- An interest common to the majority of inhabitants in their ward.
- An interest so remote that it is not likely to prejudice their judgement of the public interest.
- Council housing unless related to their own particular tenancy.
- School meals and/or transport unless relating to their own child's school.
- Statutory sick pay for members.
- Members allowances.
- Setting Council Tax or precept.
- Agreeing any Local Council Tax Benefit Scheme.
- Interests arising from membership of an outside body to which the authority has appointed or proposes to appoint them.
- The Local Government Pension Scheme unless relating specifically to their own circumstances.

5. Bias and Predetermination

If in relation to any decision, your outside connections may make it appear to a reasonable person that there is a real danger of bias, or predetermination you should seek advice as to whether it is appropriate for you to participate in any discussion about the matter and in the decision, regardless of whether or not you consider that you should declare an interest as defined above.

For further advice about these matters please contact Rachel McKoy, Director of Legal & Governance and Monitoring Officer on 0203 373 6584

Members Attendance at Meetings - Statutory Requirements

Section 85 of the Local Government Act 1972 provides that a Member (Councillor) of an authority must attend a meeting of the authority as a whole (i.e. Council) or a Committee, Sub-Committee or a Joint Committee at least once every six months. Attendance at a meeting of a Committee or Sub-Committee of Council listed below would count in lieu of a meeting of Council provided that the Councillor was an appointed member of that Committee or Sub-Committee

Standards Advisory Committee
Local or Strategic Development Committee
Licensing Committee
Overview and Scrutiny Committee or a Scrutiny Commission
Pensions Committee
Chief Officers Appointment Committee
Audit Committee
Health & Wellbeing Board
Corporate Parenting Board
Standing Advisory Council on Religious Education (SACRE)

Members of the Executive (the Mayor and Cabinet Members) also need to attend a meeting of the Executive i.e. Cabinet at least once every six months.

If you have any queries with regard to this guidance you should contact:

Rachel McKoy, Director of Legal & Governance and Monitoring Officer – 0203 373 6584 (E-mail: rachel.mckoy@newham.gov.uk)

EXTRAORDINARY COUNCIL

Meeting held on 16th December 2024
at Main Hall, Old Town Hall, Stratford, E15 4BQ

Present: Councillor Rohima Rahman (Chair)
Rokhsana Fiaz OBE, Mayor of Newham, Councillor Caroline Adaja, Councillor Aktharul Alam, Councillor Zulfiqar Ali, Councillor Jennifer Bailey, Councillor Syed Bashar, Councillor James Beckles, Councillor Nur Begum, Councillor Stephen Brayshaw, Councillor Rita Chadha, Councillor Areeq Chowdhury, Councillor Liz Cronin, Councillor Canon Ann Easter, Councillor Femi Falola, Councillor Shantu Ferdous, Councillor Joshua Garfield, Councillor Stephanie Garfield, Councillor John Gray, Councillor Alan Griffiths, Councillor Belgica Guña, Councillor Zuber Gulamussen, Councillor Nate Higgins, Councillor Dina Hossain, Councillor Anamul Islam, Councillor Sabia Kamali, Councillor Danny Keeling, Councillor Mumtaz Khan, Councillor Joy Laguda MBE, Councillor Carleene Lee-Phakoe, Councillor Jane Barbara Lofthouse, Councillor Pushpa Dipaklal Makwana, Councillor Anthony McAlmont, Councillor Jemima McAlmont, Councillor Charlene McLean, Councillor Mehmood Mirza, Councillor John Morris, Councillor Sophia Naqvi, Councillor Melanie Onovo, Councillor Sarah Jane Ruiz, Councillor Simon Rush, Councillor Madeleine Sarley Pontin, Councillor Lakmini Shah, Councillor Rachel Tripp, Councillor Winston Vaughan, Councillor Amar Virdee, Councillor Harvinder Singh Virdee, Councillor Dr John Whitworth, Councillor Neil Wilson, Councillor Blossom Young and Councillor Larisa Zilickaja

The meeting commenced at 6.30 p.m. and closed at 6.49 p.m.

1. Apologies for absence

Apologies for absence were received on behalf of Councillors Imam Haque, Musawwar Alam, Carolyn Corben, Rohit Dasgupta, Mariam Dawood, Mohammed Gani, Lester Hudson, Susan Masters, Shaban Mohammed, Thelma Odoi, Miraj Patel, Salim Patel, Terry Paul, Mohammed Rahman and Tonii Wilson.

2. Declarations of Interest

There were no declarations of interest received from Members.

3. Honorary Alderperson and Honorary Freedom of the Borough Awards

Council considered a report, presented by the Mayor to endorse the nominations from the Civic Awards Panel, to confer the titles of Honorary Freedom of the London Borough of Newham; the highest honours the London Borough of Newham can bestow. This was an important opportunity for Council to recognise and celebrate the outstanding service and contributions of former Councillors and other persons of distinction.

Council noted that there were no recommendations by the Civic Awards Panel for Honorary Alderperson this year.

The Mayor thanked all members of the Civic Awards Panel, in particularly Councillor Rohit DasGupta as the Chair.

The Mayor also thanked Tim Alcroft and the young people on the Panel, who ensured meaningful engagement in this process.

In commending the nominations, members spoke warmly of the service to the borough made by Lyn Brown; noting her working class background, her contribution as a Newham Councillor, Chair of Governors for Langdon school and a Member of Parliament.

Decision

Council RESOLVED to agree, for the reasons set out in the report to agree:

The Honorary Freedom of the London Borough of Newham be conferred by the Council on:

- **Lyn Brown and**
- **Paulette Watson MBE**

in recognition of their distinguished service to the London Borough of Newham. Xxx2

4. Conclusion of Business of Council Meeting

There being no further business the Chair declared the meeting closed.

COUNCIL

**Meeting held on 16th December 2024
at Main Hall, Old Town Hall, Stratford, E15 4BQ**

Present: Councillor Rohima Rahman (Chair)

Rokhsana Fiaz OBE, Mayor of Newham
Councillors Caroline Adaja, Zulfiqar Ali, Aktharul Alam, Jennifer Bailey, Syed Bashar, James Beckles, Nur Begum, Stephen Brayshaw, Rita Chadha, Areeq Chowdhury, Liz Cronin, Canon Ann Easter, Femi Falola, Shantu Ferdous, Joshua Garfield, Stephanie Garfield, John Gray, Alan Griffiths, Belgica Guaña, Zuber Gulamussen, Nate Higgins, Dina Hossain, Anamul Islam, Sabia Kamali, Danny Keeling, Mumtaz Khan, Joy Laguda MBE, Carleene Lee-Phakoe, Jane Barbara Lofthouse, Pushpa Dipaklal Makwana, Anthony McAlmont, Jemima McAlmont, Charlene McLean, Mehmood Mirza, John Morris, Sophia Naqvi, Melanie Onovo, Sarah Jane Ruiz, Simon Rush, Madeleine Sarley Pontin, Lakmini Shah, Rachel Tripp, Winston Vaughan, Amar Virdee, Harvinder Singh Virdee, Dr John Whitworth, Neil Wilson, Blossom Young and Larisa Zilickaja

The meeting commenced at 7.01 p.m. and closed at 10.00 p.m.

Apologies for Absence

Apologies for absence were received on behalf of Councillors; Imam Haque, Musawwar Alam, Carolyn Corben, Rohit Dasgupta, Mariam Dawood, Mohammed Gani, Lester Hudson, Susan Masters, Shaban Mohammed, Thelma Odoi, Miraj Patel, Salim Patel, Terry Paul, Mohammed Rahman and Tonii Wilson

1. Apologies for absence

Apologies for absence were a received on behalf of Councillors Imam Haque, Musawwar Alam, Carolyn Corben, Rohit Dasgupta, Mariam Dawood, Mohammed Gani, Lester Hudson, Susan Masters, Shaban Mohammed, Thelma Odoi, Miraj Patel, Salim Patel, Terry Paul, Mohammed Rahman and Tonii Wilson.

2. Management of Business

The Chair advised Council that Agenda Item 17 - Temporary Accommodation Task and Finish Group Update, would not be considered at the meeting.

The report was deferred, and would be considered at a future meeting.

3. Declarations of Interest

There were no declarations of interest received from Members.

4. Minutes of the Last Meeting

The minutes of the meeting held on 21 October 2024, were approved as a correct record, subject to correcting the proposer on Item 17; Motion 3, from Councillor John Gray to Councillor John Morris.

5. Deputations

In accordance with Rule 13, the Chief Executive referred to Council, two requests to stage a deputation.

Applecourt Arts

The subject raised was the situation at Applecourt Arts; the Performing Arts venue housed by Newham Council at the Old Registry Office.

The deputation was introduced by Stephanie Soh, representing Equity, the Performing Arts and Entertainment Trade Union, along with and Nicola Barratt.

Stephanie Soh, Newham resident, asked the Council step in to save Applecourt Arts from closure before Christmas by using its reserve funds or funding set aside for its Borough of Culture 2025 bid to issue an emergency £100k grant.

They read from a prepared statement from Peter Morton, Newham resident and Artistic Directors of Applecourt Arts, which is attached at Appendix 1 to these minutes.

The Flourishing Community

E20 Residents were seeking support for their mental health and wellbeing.

The deputation was introduced by Jill Heins, whose presentation is attached as Appendix 2 to these Minutes.

Jill Heins read from a prepared statement, which is attached as Appendix 3 to these Minutes.

Both deputations responded to questions from Members.

The Chair, thanked both groups for their interesting deputation.

6. Petitions

The Council received two petitions as detailed below.

	PRESENTED BY	FROM	PETITION
1.	Councillor Anamul Islam	West Ham Park Residents	Implementation of Low Traffic Neighbourhoods
2.	Councillor Nate Higgins	Online Change.org petition	Save Debden Campsite

Councillor Blossom Young advised Council that the petition for Newham Gymnastic Centre was still live and on-going.

Council noted that the petitions would be referred to the relevant Corporate Director for their attention and response, and responses acknowledging the petition and setting out how the matter will be dealt with, would be sent to the councillor within 10 working days.

7. Questions by the Public

Three questions were submitted by members of the public, in accordance with Council Procedure Rule 15 (Public Questions).

The questions, together with the responses, are detailed in the Appendix 4, attached to these Minutes.

8. Any Announcements by the Chair

The Chair informed Council that she attended around 18 public engagements in her role as First Citizen, inside and outside the borough. These included regular Newham Citizenship Ceremonies; held at Newham Town Hall, where she was delighted to welcome the new citizens to our borough.

Bangladeshi Victory Day

The Chair advised that today was Bangladeshi Victory Day.

As history marks, on this day in 1971, Bangladesh was recognised as an independent country on the world map after freedom fights.

Due to the Full Council commitments, she was aware that many of members would be unable to participate in the community celebrations typically held to commemorate this significant day. However, the Council plans to honour the occasion later in the month, as various events were organised throughout December.

Vote of Thanks to Richard Arnold

On behalf of Council, the Chair thanked Richard Arnold, the outgoing Fire Borough Commander for Newham, for his service to the borough and invited

him to say a few words about his life, serving Newham as Station Commander.

Richard Arnold advised Council that he has been the Borough Commander for Newham for nearly four years, and would be leaving the borough, as he had been successfully appointed to the rank of Deputy Assistant Commissioner, taking up this post in January.

Although pleased with his upcoming appointment, he said that it is with a heavy heart that he would be leaving this great borough.

In the four years as the Borough Commander, they have built great partnerships across the borough, ranging from community awareness days, such as recent fire safety work, joint open days with the Metropolitan Police and the support received from Newham Council, when opening the 'Pop-Up' shop at Westfield.

He was really pleased that they bought Eid to the Fire Station; the only fire station in London that do this, and welcomed all to visit.

He had produced a Borough Commander's newsletter to keep the Council updated on the great work they have been doing in the borough.

Mr Arnold said that the Council will be continued to be supported by the great Station Commanders in Newham, who understand the needs of the borough and have created projects, such as the autism fire and water safety initiatives, which came about following the tragic fire in Napier road.

The London Fire Brigade Risk Management Plan, was also created to support the borough; helping identify risks in the borough. The London Fire Brigade in Newham, have gone one-step further, by dividing the borough wards amongst the three stations and their 12 Watches. This allows each watch to have a more local understanding of the community needs.

The new Borough Commander will be informed of this work and help it grow. These were just small snippets of the work they have achieved in the last four years, and he hoped that the Council would continue to support his replacement, who would be confirmed in the next few days, and he would ensure a robust handover.

Mr Arnold concluded by thanking the Council for making his time as Borough Commander for Newham great; fulfilling, enjoyable as well as very challenging.

The Chair thanked Mr Arnold for his time, and again, thanked him for his service, and on behalf of the Council; wished him well for the future.

9. Any Announcements by the Mayor

The Mayor made the following announcements:

“Firstly, can I thank our borough Commander Richard for his remarks. He has been an absolutely leader since he came to Newham. I recall an early meeting with him and his Deputy, who talked through the fire risk profile of Newham, which was really stark, by way of compassion to other local authorities. Since then, the collaborative effects of raising awareness of how fire starts in homes, has really upped a gear. He was right in mentioning the collaboration that also led to us doing a pop-up fire campaign in Westfield.

Of all the things Richard has done in his stellar leadership of his fire service team, here in Newham, there are the stories of hope as well as the stories of sadness. One cannot begin to imagine some of the stories of desperation and sadness that Richard and his team have had to deal with; most recently, the courage and fearlessness that Richard’s team undertook when they were dealing with in the fire at East Ham, where three young children passed. His colleague that led that fire response is leading way on something quite remarkable, in terms of fire safety advice and guidance for those households where there are children with special educational needs and disabilities, and I am very much looking forward to seeing that work continue in your honour and in your legacy.

So Richard, once again, thank you so much and congratulations on your appointment to your next leadership role, and no doubt you will be doing that with the diligence and purposefulness that you have been doing your leadership here in Newham, for the rest of London.

Bangladeshi Victory Day

Can I also echo the words of the Chair, with regard to today’s significance being Bangladeshi Victory Day, and send my best wishes to all those from our Bangladeshi communities celebrating Independence Day today.

Civic Awards

Can I also congratulate Lyn Brown and Paulette Watson on being conferred Honorary Freedom of the Borough.

I look forward to meeting them and the other Newham Civic Award winners when they receive their awards in February next year.

Budget proposals

Chair, as Members will know, work is underway to finalise our draft Budget proposals that will be published next week, ahead of Cabinet consideration of them on 9th January.

And we look forward to confirmation by government in the next few days of Newham’s provisional funding allocation for the year ahead.

We welcome new funding announcement following the recent Local Government Finance Policy Statement, particularly around social care, SEND and homelessness, and I look forward to seeing what that means for Newham.

And while government has invested an additional £1.3 billion in next year's local government settlement, we know that we are facing huge financial challenges as a country. So we continue to discuss with government our need for Exceptional Financial Support.

The exception scale of our financial challenge and the requirement of Exceptional Financial Support is a consequence of the exceptional crisis in Temporary Accommodation, and the rising need for social care.

Our commitment to sound financial management, means we cannot shy away from difficult decisions, such as consulting on issues such as our future Children's Centre provision, our future commissioned Youth Offer, and our Libraries. And yes, in these difficult financial circumstances, how we best support those who need help most, and whether we can still afford a generous Council Tax Reduction Scheme.

And like all councils, we will have to look very carefully at Council Tax levels, which in Newham are the sixth lowest in London and significantly lower than the average for London boroughs.

But Chair, let me assure Members, that the draft Budget that we bring forward, and publish next week, will have the mission of Building a Fairer Newham at its heart.

We will continue to support the government's mission of delivering 1.5 million new homes. We will continue building the genuinely affordable homes that Newham residents need.

We will continue to ensure Newham becomes the best place for children and young people to thrive. Where we build an inclusive economy for all, and where a Just Transition to the climate emergency is at the heart of everything we do.

And central to our approach will be transforming how the Council works and operates, including putting right the failings identified by the Social Housing Regulator.

LGA Peer Challenge Action Plan

This week we will be updating Members on the good progress we are making in delivering our LGA Peer Challenge Action Plan.

We are not complacent. We know there is more to do, particularly to transform the culture of how the Council works – truly putting people at the heart of everything through excellent resident experience.

But I wanted to share one example of where we are seeing really good progress. Our corporate contact centre recently hit the milestone of answering 97.3 percent of calls in a day.

That is a fantastic achievement through hard work from the team by looking how they deliver the service, to deliver better outcomes for residents. By way of compassion; the 97.3% of calls in a day is in contrast a year ago – it was 40%.; so that is a significant transformation.

Chair, Members will no doubt be looking forward to the Christmas break next week and enjoying some well-deserved rest with family and friends.

My thoughts will also be with all those Council staff and our partners – particularly our amazing voluntary and community and faith groups, who will be working tirelessly over the Christmas period to support the most vulnerable in our community, and those who are isolated.

For example, this morning I visited Bonny Downs Community Association, in East Ham, meeting a local resident group of those residents with dementia and their carers and I have promised that we would be working with them to improve their experience of services.

Our partners – like Richard and his colleagues, from Newham's Fire Brigade, are a key part of how we must work differently in future.

Not the Council taking the lead. Not that the Council pretending to have all the answers, but working together on common issues, challenges and opportunities, so that we can achieve more together for this fantastic borough and its brilliant people.

And this collaboration unlocks new partnerships and innovation, such as the work we are doing with UEL on data and AI; helping us to deal with some of the biggest challenges we face, such as homelessness and Temporary Accommodation, including damp and mould.

I'm looking forward to working with all of our partners next year; 2025, as we develop a new borough partnership.

Cabinet Announcement

Colleagues will know that we place a great value on the health, well-being and happiness of our residents - young and elderly. We have placed our response to the climate emergency at the centre of what this administration does, in response to the existential crises facing humanity. Therefore, I am really pleased to announce this evening that I am going to be appointing Councillor John Whitworth as the Cabinet Member for Air Quality and Climate Emergency, so that he is driving forward in that centrality of decision making at the heart of Cabinet.

Second announcement reflects on the value and importance that I have placed on children and young people in our borough throughout my tenure as Mayor. In May 2018, I made it clear that ensuring youth voice and youth safety are going to be the defining feature of my administration as the Mayor of Newham.

I want to mention/reference the words of the Secretary of State for the Department of Culture, Media and Sport, when in November she announced that National Youth Strategy intention, as we embark on an ambitious plan to evolve to local leaders and communities, we are determined to champion that change; not just at national level, but in every part of government. We will take this conversation to our towns, villages and cities, in every region, on their terms, not on ours, to allow our young people to challenge us every step of the way. They will be in the driving seat, and we will make sure young people are empowered at local regional and national level, so that funding flows to the things that matter to them the most”.

Consequently, I am pleased to announce that I will be appointing Councillor Melanie Onovo as our Cabinet Member for Youth Power, which will cover Youth Participation and Safety.

On that note – I wish everyone a very happy festive period and look forward to meeting with you and working with you in 2025”.

10. Any Updates by Cabinet Members

Councillor Sarah Jane Ruiz - Statutory Deputy Mayor and Cabinet Member for Environment, Sustainable Transport, Children Services and Education - Update on SEND Service

“We were inspected in 2023, and it was no surprise to most of us that we were required to submit a Written Statement of Action. This was co-produced with parents, children and stakeholders. It was submitted to the Department of Education for approval, and monitored on a monthly basis by the Department of Education.

We have worked tirelessly to deliver on our written Statement of Action. The initial improvement as overseen by Councillor Joshua Garfield; and I thank him for his enthusiasm during that period of time.

We have just now been re-inspected, and I am pleased to report that we have moved out of Written Statement of Action; we have now got to the middle step. We still have a huge amount to do, but we know exactly what has to be done. We know that there are two key issues; transition and alternative provision, and I would personally add passenger transport to that; not necessarily a high priority, but actually budget wise, it is a high priority.

We know we have considerable work to do in those two areas, alongside improving the quality of our education health and care plans.

My thanks to all the officers, led by Alex Webley for their determined effects to improve the lives of our children”.

11. Any Announcements by the Chief Executive

Abi Gbago, the Chief Executive gave thanks to all councillors on behalf of herself and all the senior officers of the Council.

She stated that it had been a particularly challenging year, and their support and kind guidance over the last 12 months had been absolutely critical for them as a Council.

She wished them a restful Merry Christmas; or season’s greetings, for those not celebrating, and looked forward to working with them in the new year.

12. Overview and Scrutiny Work Programme and Future Commissions

Councillor Anthony McAlmont congratulated Councillors John Whitworth and Melanie Onovo on their promotion to high office within the Council, and looked forward to seeing them at Scrutiny, where they could work collaboratively for the people of the borough.

Council noted a report in relation to the Overview and Scrutiny Committee Work Programme and future commissions.

Councillor Anthony McAlmont Chair of the Council’s Overview and Scrutiny Committee, in presenting the report, also made the following statement:

“As Chair of Newham Council’s Overview and Scrutiny Committee, I rise to provide a brief update of Scrutiny’s work since October. I can report that the Overview and Scrutiny Committee and the Scrutiny Commissions continue with their busy work programmes.

As should be clear from my report, our focus remains on conducting scrutiny in order to contribute to finding solutions to the very real issues faced by Newham Council and by our residents, and to drive improvements in our services through collaboration and long-term thinking.

Chair, our Scrutiny Committees have scrutinised a variety of important issues, all outlined in my report. However, I should like to highlight a particular strand of our scrutiny work, which is especially close to my heart.

In 2021, a Scrutiny Commission was set up to examine Black boys’ relationship with our Borough. Before I go further, let me say that I am not alone in thinking that, whilst necessary and important, this piece of work has gone on for far too long.

The Commission’s work explores this relationship as it relates to the social, political, criminal justice, economic, health, educational attainment and other relevant social policy dimensions.

The routes to underachievement within the Black community and its boys are a result of structural inequalities, poverty, class and environment. These are all areas where our Council has spheres of control and influence, with our main levers within education, social care and youth justice. Between July and October 2024, we held a series of focus group sessions and meetings, further exploring the relationship in these areas.

I have long been concerned that the narrative on Black boys has not changed since I came to the UK in the 1980s. Yet, the establishment of this Commission met with some resistance and, since then, our work has been stymied at various levels within our Council. It begs the question therefore, that if this is my experience, if this is the Commission's experience, what is the reality for the Black boys who do not have an amplified voice?

Two particular focus groups were agreed for school governors and head teachers; and they were invited. Disappointingly, no governors showed up. Only one assistant head teacher attended, of the sixty schools in this borough.

Chair, this demonstrates some of the systemic challenges and reasons for the persistent problems. The very people who are charged with educating and nurturing our boys, did not show up for a conversation about how we can address the issues faced by these young people. This has gone on for far too long.

Our boys are being excluded; suffering from low education attainment, overrepresented in the criminal justice system – and all that we are asking for, is a conversation on how we can address this.

And with 'no shows'; it is disappointing, disappointing, disappointing.

I hope that in the new year, we can re-dress this problem, and that, when I am retired from this council, the narrative would be different. It wouldn't be that they are underachieving, overrepresented in the criminal justice system, it would be that they are achieving, and in the criminal justice system, not overrepresented"

Councillor Sarah Ruiz apologised for the non-attendance of the school governors and teachers. She stated that it was very bad form and would ensure that those two focus groups take place in the new year, as she also wished to see a conclusion to this scrutiny task and finish. She agreed to work with Councillor Anthony McAlmont and officers in scrutiny to ensure that those two workshops happen.

Councillor James Beckles echoed the concerns raised by Councillor Anthony McAlmont, commenting that the lack of attendance from schools was shameful and disappointing. He said that the work by Councillor Anthony McAlmont, in terms of the Black Boys' Scrutiny Committee had been commendable.

He added that as a councillor; a black man, raising a young black mixed race boy in the borough; felt that these questions are duly noted and need to be answered. As a governor of the Pupil Referral Unit, he sees on a day-to day basis, the overrepresentation of young black children. There were a number of different social factors that impact our young boys.

He asked what were the quick wins the Council and our schools could make, to improve the life chances of young black men and boys growing up in this borough?

In response, Councillor Anthony McAlmont said that one of the things he would recommend, when they come to the next stage of reporting, was to have one or two schools that pilot, and give these boys a nurturing environment. The boys, like every other ethnic boy's, transition from primary into secondary; somewhere between years seven to year nine - they seem to lose their way, and by year nine – it's over for them.

He added that the pathway too often for some of these boys seems to be engagement with the criminal justice system, a lack of engagement in education, hence the low educational attainment. We need to work closely with the schools; school teachers, head teachers and the governors, because they are the ones, who have these boys; apart from their home environment for the longest period.

That was why he was so disappointed, and addressing the working relationship with the schools and the governors. He added that the future of these boys; their prospects in life, their economic wellbeing, their mental health and everything that goes along with it, was more important than safeguarding the relationships with schools and their teachers, that didn't turn up anyway – so there's no relationship.

Responding to Councillor Steve Brayshaw, Councillor Anthony McAlmont confirmed the attendance of CEO and head of the Further Education colleges of Newham and the Sixth Form, along with representatives from Kingsford secondary school and St Bonaventure's, attended the focus group.

Mayor Fiaz echoed some of the sentiments expressed; particularly reinforcing the comments made by Councillor Sarah Ruiz, with regards to the accountability that she would charge through the education service, as it relates to the schools that had been invited and decided not to come.

She said that as an administration, they have highlighted/spotlighted on issues of disproportionality, and cultures within schooling, education environments and institutions that marginalise our young people, particularly those from our communities of colour and black boys, given the disproportionate impact on them and their life chances, including those cited, in regards to outcomes and proximity to the criminal justice system.

She was looking very much forward to ensuring, through the collaborative spirit with Councillors Ruiz, Sarley Pontin and now, the Cabinet member for Youth Power, Councillor Melanie Onovo, to work with Councillor Anthony McAlmont; to hold our schools to account.

In conclusion, referencing the announcement by national government around the new National Youth Strategy. They will be embarking on the biggest national conversation, amongst and with young people, in a generation or if ever in this country. She very much hoped that the national conversation for young people; led by young people, would have at its forefront young people from Newham, including those young black men in Newham that have experienced the level of exclusion, so we can bring that back to the national stage.

Councillor Joshua Garfield, as someone who had served on the Committee and led on the education portfolio, wanted to point out that there are schools in our borough that go to great lengths to ensure that they serve holistically the whole journey of a young person, through their school career and do everything they can to keep them in the school community. Those, unfortunately, that decide, that academic rigor, in order for it to take priority end up second referencing everything else that is vital in a child's upbringing and in a child's education. He argued, that academic rigor need not take a back seat for a school to completely nourish, educate and protect our young people from being excluded from both their school communities and from our own community as a borough, and would really welcome comments and remarks on what the Council could do to support the schools which follow that ethos, and help encourage the schools that don't, to see a brighter future for our black boys.

Councillor Carleene Lee-Phakoe asked how the Council would ensure the rights of those young black people when they have special educational needs and disabilities, who are often overlooked by a system that wasn't made for them?

Councillor Anthony McAlmont welcomed the remarks and assurances given by the Mayor.

Responding to the question from Councillor Garfield, he said that we need to really understand the issues facing these young people, because we do not. He knew this because during scrutiny, when asked the question; asking for data and information; we do not have it as a council; our partners don't have it, and you cannot fix something if you don't know what the problem is. You cannot fix something if you don't know how to fix. So therefore, we need to look at what is causing the exclusion from schools into the Pupil Referral Unit.

The biggest thing, was when they go into year seven, they are OK; and between years seven and year nine, something seems to have gone drastically wrong and no one can say what it is. By years nine and ten; which are very important because of the GCSE's, they have lost it. They have lost

their way and therefore the attainment is low; the very time they are being transitioned into the Pupil Referral Unit.

So we need to have a very serious conversation with our partners in education in how we can address these issues.

In terms of children with SEND needs; again – we need to look at that in how we can really help. He was pleased that Councillor Ruiz had announced that our SEND provision was improving, and said we need to continue to work in that respect, because, again – all too often, we do not always understand what the issues are; what the parents of these children are facing.

Councillor Anthony McAlmont advised that he works in a college with SEND students, and feels that the college provides excellent SEND care.

13. Members' Questions

Six questions were submitted by Members, in accordance with Council Procedure Rule 16 (Member Questions).

The questions, together with the response, are detailed in the Appendix 5, attached to these Minutes.

14. Speeches from Members

The following speeches were made by Members, in their own individual capacity and do not necessarily represent the Council's views or reflect current Council policy.

Councillor Liz Cronin

“Thank you Chair, and good evening to my fellow Councillors, officials, members of the public and all. It's a real privilege to have been elected as a councillor by the people of Forest Gate North.

And a Labour councillor at that – the party that brought us the minimum wage, a million children lifted out of poverty, the Climate Change Act, and so much more. Most recently, after nearly fifteen years of decline and division under the Conservatives, the new Labour Government has committed to build 1.5 million new homes, bring us clean power by 2030, and renationalise our ailing railways.

I would like to pay tribute to my predecessor Sasha Das Gupta; a devoted councillor and trade unionist. I wish her well as she starts her next chapter in Spain. And my thanks also go to my co-councillor Rachel Tripp, whose expertise and kindness have been invaluable in helping me learn the ropes.

Forest Gate North is a fantastic ward to represent. Its residents are as wonderfully diverse as they are fiercely proud of their heritage. From its Quaker beginnings, to surviving the Blitz, and coming together this year to

resist the brutish hate crimes on our Pride flags, this is a community bursting with life.

Indeed, our people are second to none. I was lucky enough last week to accompany our MP Uma Kumaran on a visit to Odessa Infant School, where I'm a governor. I left in no doubt that the children are going to blow the lid off their Nativity play, thanks in no small part to their tireless teachers. It's also clear, however, that they are also facing serious challenges. Their funding for Special Educational Needs simply hasn't kept pace with rising demand, and attendance post-Covid is a struggle.

More widely, our ward has pockets of serious anti-social behaviour and knife crime – and there's far more fly-tipping than we'd like, despite improvements. All this is with a backdrop of serious financial headwinds for the whole borough, which will inevitably have to fall in part on us.

So it's my job to be a strong advocate for residents, and support them in the challenges that lie ahead. You won't be surprised that housing is the number one issue I see in my surgeries and inbox, and I hope that now having a national Labour government will see some of that pressure lifted – off renters, and especially those in temporary accommodation.

Plainly, there's a mountain of work to do, and we owe it to everyone in Newham to get it right. I look forward to working with you all on this.

Merry Christmas, Happy Holidays, and thank you”.

Councillor Mehmood Mirza

“Good evening, comrades I stand here tonight to address a pressing concern shared by many across this chamber and indeed the entire borough.

It touches the heart of every resident who calls Newham home – The failure of this Labour administration to make the lives of residents better. Over the past few years, we've seen the borough go backwards on nearly every metric that matters.

Residents are facing many challenges, and instead of offering solutions, this administration has only made things worse.

Now, more than ever, the people of Newham need a council that works for them. This council is not working. Let me outline why. This labour run council has put up council tax by an eye-watering 26% since 2018. At the same time, our finances remain in disarray.

Despite raising taxes, year after year, we have little to show for it.

Fly-tipping is out of control, turning our streets into dumping grounds and, eroding the quality of life for residents. Resident satisfaction has plummeted down a staggering 48% in just three years.

These figures are not just numbers; they reflect the daily frustration and despair of families, workers, and businesses who expect better.

Even worse, the housing regulator has exposed shocking failings in the way this council manages housing. The people who rely on these services are being let down at every turn.

Promises made to residents have been broken. Free visitor permits? Scrapped. First car free permits? Scrapped. This administration has introduced increased emissions charges that penalise the very people who keep our borough moving; professional drivers and small businesses.

These are regressive policies that hurt the hardworking backbone of Newham.

Over recent years we have lost The City farm, Hartley & Kensington youth centres, West Ham Utd from their Boleyn ground, East Ham Market working Men's Club, Boleyn Cinema, the Gasworks Sports ground, Balaam Leisure Centre. Now the Gymnastics Centre and potentially the Debden house camping Centre. a much-needed escape for many of the borough's children

The biggest problem here is a lack of leadership and vision. Labour Party has no plan to reverse these trends. there is no strategy. This administration's only playbook is to tax residents more and deliver less. Labour has no long-term plan for growth or prosperity.

But tonight, I want to give hope to the people of Newham. I want to tell them that change is coming. The days of chaos under this labour administration will soon come to an end. Our borough deserves better, and we can deliver it.

I envision a Newham where every resident feels valued; where services are reliable, where families can thrive, and where businesses can grow. A Newham that works for all! Colleagues, the people of Newham deserve the very best.

They deserve a council that works for them, not against them. They deserve a leader who will lift them up, not drag them down, and they deserve a brighter future than what this administration has delivered.

Post the 2026 election, that vision will become a reality. The Newham Independents are ready to deliver the leadership this borough so desperately needs. And mark my words: we will win, and we will win big. Thank you".

15. Treasury Management 2023/24 Year End & Quarter 1 2024/25 Update Report

Council considered a report which met the statutory reporting requirements and demonstrated that the Council has complied with its obligations,

including how the funds in question have been properly invested and managed, balancing the risk and return inherent in such activities.

Decision

Council RESOLVED, for the reasons set out in the report and its appendices to note; the Treasury Management Outturn 2023/24 including the prudential indicator outturn, and the 2024/25 Treasury Management forecasts.

16. Constitution Review - Amendment to Council Procedure Rules

The report sought approval of the recent work carried out to review and revise the Constitution and to recommend the formal adoption of the amended Council Procedure Rules.

The Mayor, in presenting the report thanked all members of the Constitution Review Working Group for their diligence in bringing forward the revised procedure rules report. She thanked officers from the Legal and Governance for their hard work and input into the Constitution Review Working Group, along with Sarah Sturrock and Robert Cayzer, who provided the quality assurance required.

The Mayor reflected on the importance of a constitution for a local authority to provide the ethics and framework in which to operate. The forthcoming sections of the Constitution have been driven in the spirit announced in May 2022; for a constitutional review fit for purpose for the 21st century.

She reminded that the level of transparency and good governance was the reason why Newham had put the spotlight on the inefficiencies of public service delivery, because Newham residents deserve the best in service delivery and the best in member practices, that includes members driven by public purposes; a motivation for public good, and not to hold on to power and public office for ego.

Councillor Higgins, in seconding the report said that the report represented a large distance made from both staff and elected members, in figuring out what it meant to be a multi-party and transparent council. He acknowledged the support of the Monitoring Officer and other members of staff.

He mentioned that Councillor Chadha; a member of the working Group, had asked about future efforts to socialise the changes. As the Constitution protects members' rights, the Council needed to consider how to socialise; to help members deliver their responsibilities and do the best for the residents they represent.

Councillor Higgins added that Members on the Constitution Review Working Group would reflect on how they had to work with each other and compromised; and hoped that all members would learn how to work together better, for the things that really matter to the people they represent.

Decision

Council RESOLVED to

- 1. Formally adopt the amended Council Procedure Rules attached at Appendix 1**
- 2. Note that the Constitution Review Working Group with its current membership chaired by Mayor Fiaz OBE (as set out in Appendix 2), has continued to meet and work collaboratively to consider the Constitution; with members from the three political groups working over substantial periods to achieve a consensus on the provisions**

17. Polling Districts and Polling Places Review 2024

The report reviewed the Polling Districts and Polling Places within the London Borough of Newham to comply with the requirements of the Representation of the People Act ('the Act') 1983 sections 18A and 18E (as amended by section 17 of the Electoral Registration and Administration Act 2013).

Decision

Council RESOLVED to NOTE:

- 1. The representations received as part of the Consultation in Appendix 1.**
- 2. The publication of the revised Register of Electors will be published on 3 February 2025 to reflect changes to polling districts;**
- 3. The representations received and outcome in sections 5.3 A, G, I, K, M N and P.**

Council RESOLVED to AGREE:

- 1. The proposals as set out under sections 5.3 B, C, D, E, F, H, J, L and O**
- 2. The contents of Appendix 2 which sets out the electorate total for each polling district, and makes changes to polling district codes as a result of new proposals as set out and referenced in section 5 of this report.**
- 3. The ongoing practice of conducting an annual 'interim' review of polling districts and polling places, in order to make improvements to existing polling arrangements. This can be**

implemented without waiting for the statutory five yearly review period to commence.

18. Temporary Accommodation Task and Finish Group Update

Report deferred

19. Civic Awards 2024 - Recommendations of the Civic Awards Panel

Council considered a report which set out the Civic Awards Panel's recommended winners of the Newham Civic Awards for 2024. Section 4 of the report included brief biographies of the proposed award winners.

The Mayor in presenting the report commended and thanked all members of the Civic Awards Panel, especially the young people, for their dedicated focus and targeted conversations.

The Mayor said that the quality of the applications over the three years, had mushroomed and grown, putting a spotlight on the brilliance that exists in Newham. It had been a pleasure discussing profiles of the individuals with the Civic Board members and the young people.

She added that all should feel privileged to be elected representative serving the wonderful residents of Newham and the variedness of our communities. At a time of great challenges, she had been taken aback by the length that people have gone, to help strangers and neighbours, through a passion and a love for their borough.

The Mayor thanked all those nominated; the individuals and organisations across all categories.

The Mayor also thanked Officer Jennifer Webster, who within a short time frame was able to process the nominations with diligence.

Councillor Danny Keeling in seconding the report, said that this was their first time working on the awards. They were previously concerned about the number of people putting themselves forward and being shortlisted, and as councillors, pushing the message out to find these brilliant community projects, and people helping so many others in their communities, and further afield. They said that we have really done it this time.

The Group had shortlisted many people, with interesting stories about the great work; not just in Newham, but further afield in different areas.

Councillor Danny Keeling also commended the youth representatives for their excellent work, in preparing their own panel and marking; this gave them a voice and chance to be heard and be represented.

In conclusion, they said that this was not political; but working as one council, and looked forward to the awards in February.

The Civic Awards Panel recommended that Council award two Honorary Freedoms of the London Borough of Newham to Lyn Brown and Paulette Watson MBE.

Decision

Council RESOLVED to Agree, for the reasons set out in the report, to agree the Honorary Freedom of the London Borough of Newham be conferred by the Council on:

- **Lyn Brown and**
- **Paulette Watson MBE**

in recognition of their distinguished service to the London Borough of Newham.

20. Point of Order - 4. 8.2 Council Procedure Rules

The Chair confirmed the procedure to allow the meeting to be extended beyond 21:30.

21. Special Urgency and Exempted from Call-In Procedure Decisions

Council received a report on Special Urgency and Exempted from Call-In Procedure Decisions.

The report presented for information decisions taken under the Special Urgency procedure and those decisions which were exempt from call-in, in accordance with the provisions of Rule 16 of the Overview and Scrutiny Procedure Rules, Part 4.5 of the Constitution, since last being reported to Council in November 2022.

Decision

For the reasons set out in the report, Council NOTED the Special Urgency decisions, as set out in paragraph 3.7 of the report.

a) Appointment of Independent Persons

Council considered a report which sought approval to appoint two Independent Persons who may be consulted by the Monitoring Officer and work with the Council's Standards Advisory Committee, to contribute to maintaining high standards of conduct in the authority.

Decision

Council RESOLVED to AGREE the appointment of Mrs Bibi Pearce Johnson and Mr Gary Rogers as the Independent Persons, for a period

of 2 years ending 16 December 2026, with the option to extend for a further two years.

b) Appointments to Committee – Summary of changes

Council noted that since the Annual Council Meeting held 23 May 2024 and the meeting of Full Council held on 16 September 2024, there have been changes to Committee Membership reported to the Monitoring Officer by Group Whips and appointment to Commissions by the Overview and Scrutiny Committee.

The report summarised the latest status of Committees' membership as at the date of the Council agenda publication 6 December 2024.

Decision

Council RESOLVED to NOTE the report and associated appendix.

22. Motions

Motion 1 - Recruitment Balance on Each Ethnicity and Each Protected Characteristic in the Workplace

**Proposed by Councillor Shantu Ferdous
Seconded by Councillor Simon Rush**

Whilst many challenges of discrimination persist within workplaces, they often start with poor recruitment processes that create inequity and overrepresentation of some groups over others. The Council is already committed to a policy and practices aimed to ensure that there is no discrimination within the workplace relating to any of the nine protected characteristics and that our workforce reflects the community it serves.

Council notes that nationally, according to the Office for National Statistics (ONS), Black, Asian, and Minority Ethnic (BAME) unemployment is at a record high, showing the need for organisations make an even greater effort to recruit from underrepresented communities. (TUC, 2023). Pakistani and Bangladeshi people had the lowest rate of employment, at 61%, in the UK (UK Gov. Nov 2023).

The Council believes that, to counter underrepresentation of any aspect of our community, accurate and detailed recording, monitoring and reporting of the employment rates relating to all protected characteristics is essential. Council considers this to be important in helping to identify and resolve gaps in the recruitment process, and so achieve a more diverse workforce which represents the diversity of the borough.

Therefore, The Council resolves:

- to ensure and endorse recruitment policies, processes and procedures that positively encourage applications from people of diverse backgrounds and protected characteristics, (as under the Equality Act 2010: namely: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation and care leavers which is an additional protected characteristic of LBN.
- to conduct annual recruitment surveys, similar to those which the Council utilises when assessing the Gender Pay Gap and Ethnicity Pay Gap, to report on the diversity of applicants.
- to undertake necessary actions to ensure effective recruitment to address under representation of those with protected characteristics.

We understand LBN operates diverse recruitment panels. We move that, in addition, HR communication effectively ensures that there is a diverse applicant pool. Such a statement of encouragement can include: -

"It is our aim to develop and endorse candidate pools that include applicants from all backgrounds and communities and encompassing all Protected Characteristics."

References-

<https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/unemployment-and-economic-inactivity/unemployment/latest/>
<https://www.tuc.org.uk/research-analysis/reports/general-council-report-2023?page=2>
<https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/employment/employment/latest/>

At 9.30pm – the Chair asked Council if they wished to extend the meeting for a further 30 minutes to conclude the business.

Following debate, the Motion was put to the vote and was declared CARRIED unanimously.

Motion 2 - Reform the Olympic Park Fixed Estate Charge

Proposed by: Councillor Danny Keeling [GREEN]

Seconded by: Councillor Nate Higgins [GREEN]

Council notes:

- The 'Fixed Estate Charge' (now stated as 'FEC') is a charge levied on residents and businesses living and operating in and around the Queen Elizabeth Olympic Park to support its maintenance and facilities. It is paid to the London Legacy Development Corporation, and is 'index linked' (i.e., rises with inflation)¹

• ¹ [Fixed Estate Charge | Queen Elizabeth Olympic Park](#)

- The FEC is not linked to any residential discount schemes, and payers receive no special entitlements or access to the park
- Residents in East Village and Glasshouse Gardens do not pay the FEC, which has led to residents feeling it is levied unfairly
- February 2023 saw the Labour Deputy Mayor of London publish a review on the FEC, it did not include councillor contributions (those elected by the residents to represent them), it did however acknowledge that the rate was a financial burden to residents and not set up in an equitable way. ²
- The FEC is set to overtake council tax despite providing much worse value for money and no defined benefits. The charge is on course to double every ten years, a rate that was rejected by ground rent reviews.
- Chobham Manor Residents Association has launched a campaign to reform the FEC, asking initially that the RPI index-linking of the FEC be scrapped
- That the Lea Valley is funded by a London-wide precept, and a similar model for the Olympic Park could cost just 74p per head of population
- That as Mayor of Newham, Mayor Fiaz has a seat on the board of the LLDC which levies the Fixed Estate Charge

Council believes:

- That the legacy of the 2012 Olympics must be for all Londoners, and the Fixed Estate Charge is contributing to it being increasingly unaffordable for many Londoners to make the Olympic Park their homes
- That the Queen Elizabeth Olympic Park is a public benefit and attraction for all Londoners, and indeed for the whole country, and should therefore be funded by all Londoners
- That the FEC linked to RPI is simply unsustainable
- That the FEC functions so similarly to a ground rent that it risks being unlawful
- That the FEC is undemocratic, in that residents who pay what is essentially a property tax have no influence over how the funding is spent
- A park is a public space, a green space that should be accessible and livable next to in the borough of Newham
- As a borough we should never have a separate charge just to live next to a park.

² [London Legacy Development Corporation fixed estate charge at Chobham Manor](#)

Council resolves:

- To oppose the Fixed Estate Charge in its current form and to campaign to reform it, including via the LLDC board
- To ask the Crime, Environment and Regeneration Scrutiny Committee to look at alternatives to the Fixed Estate Charge, including a London-wide precept, in the upcoming municipal year, and to ask representatives of the GLA and LLDC to attend to answer members' questions.
- For the Mayor of Newham to write to the Mayor of London, all London Assembly members, and the Chief Executive of the LLDC, asking them to:
 - End the indexing of the FEC
 - Reverse the FEC to financial year 2014/2015 levels
 - To explore funding the Queen Elizabeth Olympic Park through a London-wide precept

Amendment to motion 2

Proposed: Cllr Kamali

Second: Cllr Gray

Delete all in red and replace and in /insert with wording all in blue as below.

Motion 2 - Reform the Olympic Park Fixed Estate Charge

Proposed by: Councillor Danny Keeling [GREEN]

Seconded by: Councillor Nate Higgins [GREEN]

Council notes:

The 'Fixed Estate Charge' (now stated as 'FEC') is a charge levied on residents and businesses living and operating in and around the Queen Elizabeth Olympic Park to support its maintenance and facilities. It is paid to the London Legacy Development Corporation and is 'index linked' (i.e., rises with inflation)¹

The FEC is not linked to any residential discount schemes, and payers receive no special entitlements or access to the park

Residents in East Village and Glasshouse Gardens do not pay the FEC, which has led to residents feeling it is levied unfairly

Delete all in red

~~February 2023 saw the Labour Deputy Mayor of London publish a review on the FEC, it did not include councillor contributions (those elected by the residents to represent them), it did however acknowledge that the rate was a financial burden to residents and not set up in an equitable way. 2~~

~~The FEC is set to overtake council tax despite providing much worse value for money and no defined benefits. The charge is on course to double every ten years, a rate that was rejected by ground rent reviews.~~

~~Chobham Manor Residents Association has launched a campaign to reform the FEC, asking initially that the RPI index linking of the FEC be scrapped~~

~~That the Lea Valley is funded by a London wide precept, and a similar model for the Olympic Park could cost just 74p per head of population~~

~~That as Mayor of Newham, Mayor Fiaz has a seat on the board of the LLDC which levies the Fixed Estate Charge~~

Replace with all in Blue below

This charge was introduced by the previous Conservative London Mayor, Boris Johnson.

The massive funding cuts to GLA and Newham council by the previous Conservative Governments and the dreadful financial situation that the current government has inherited due to past mismanagement.

There are several other developments in Newham where residents must pay a similar extra charge for environmental facilities

Newham Council made a submission to the review calling for change to the way the park is funded. Newham Council made it clear that the current funding model was unfair and called for businesses who are choosing to locate on the Park to pursue their commercial interests should bear the weight of the FEC charge

Newham Council in its submission also called for alternatives to the FEC be urgently considered and be based on household affordability rather than on the income requirement in order to protect residents. Furthermore, consideration should be given in the interim and short-term to support and protections for residents who are unable to pay, including the postponement of payments or interest free options

Chobham Manor Residents Association has launched a campaign to reform the FEC, asking initially that the RPI index-linking of the FEC be scrapped. The Council in its submission also noted that even the Office for National Statistics has stopped using the RPI as the measure to link increases owing to its unreliability in measuring general inflation and is likely to overstate inflation. Other indexation measures such as CPI or CPIH are also problematic

Council believes:

Delete all in red

That the legacy of the 2012 Olympics must be for all Londoners, ~~and the Fixed Estate Charge is contributing to it being increasingly unaffordable for many Londoners to make the Olympic Park their homes~~

That the Queen Elizabeth Olympic Park is a public benefit and attraction for all Londoners, and indeed for the whole country, ~~and should therefore be funded by all Londoners~~

~~That the FEC linked to RPI is simply unsustainable~~

~~That the FEC functions so similarly to a ground rent that it risks being unlawful~~

~~That the FEC is undemocratic, in that residents who pay what is essentially a property tax have no influence over how the funding is spent~~

~~A park is a public space, a green space that should be accessible and livable next to in the borough of Newham~~

~~As a borough we should never have a separate charge just to live next to a park~~

Replace with all in Blue below

Alternative funding strategies must be considered. As well as businesses who locate in the park it is an asset of great social value for Newham and East London, but also the capital and all Londoners. It is a Metropolitan Park suitable for a global city of London's stature and of an international standard of quality beyond anything seen in other public parks in the capital. This can only be sustained through ongoing subsidy from the GLA occupying a custodian role for all Londoners.

Council resolves:

Delete all in red

~~To oppose the Fixed Estate Charge in its current form and to campaign to reform it, including via the LLDC board~~

Replace with all in Blue below

To contact Residents and their associations, our GLA representatives, local Councillors and MPs (including outside Newham) to campaign to reform it.

To ask the Crime, Environment and Regeneration Scrutiny Committee to look at alternatives to the Fixed Estate Charge, including a London-wide precept, in the upcoming municipal year, and to ask representatives of the GLA and

LLDC to attend to answer members' questions.

~~For the Mayor of Newham to write to the Mayor of London, all London Assembly members, and the Chief Executive of the LLDC, asking them to:~~
~~e End the indexing of the FEC~~
~~e Reverse the FEC to financial year 2014/2015 levels~~
~~e To explore funding the Queen Elizabeth Olympic Park through a London-wide precept~~

To explore funding the Queen Elizabeth Olympic Park through a London-wide precept and work with Residents, LLDC, GLA and other stakeholders to reach a transparent, fair and equitable solution.

Councillor Danny Keeling, as mover of the original motion, and in accordance with Rule 20.4, declared that he did not accept the amendment.

Following debate and a vote, Council agreed to in accordance with Rule 21. (e), 'that the question be now put'; without debate; to vote on the amendment.

The amendment was put to the vote, and declared CARRIED, with four members voting against.

The Motion, as amended becoming the substantive Motion was then put to the vote and was declared CARRIED unanimously.

23. Conclusion of Business of Council Meeting

There being no further business the Chair declared the meeting closed.

LONDON BOROUGH OF NEWHAM

COUNCIL

Report Title	MEMBERS' ALLOWANCES SCHEME 2025-26
Date of Meeting	27 February 2025
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Director	Rachel McKoy, Director of Legal and Governance and Monitoring Officer
Appendices	<p>Appendix 1 - The Remuneration of Councillors in London 2023, Report of the Independent Panel</p> <p>Appendix 2 – Constitution Review Working Group Membership</p> <p>Appendix 3 – Members' Allowances Scheme – IRP with 2.5% uplift</p> <p>Appendix 4 – Members' Allowances Scheme – IRP with no uplift</p> <p>Appendix 5 – Current Members' Allowances Scheme with 2.5% uplift</p>

1. Executive Summary

- 1.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations"), the Council must approve the Members' Allowances Scheme each year.
- 1.2 There is a legal requirement to have regard to the latest 'Remuneration of Councillors in London' report of the London Councils' Independent Remuneration Panel (IRP) when approving a new scheme. Their latest report ("the Report") was published on 5 January 2024 (see **Appendix 1**).
- 1.3 The Local Government Act 2000 (Section 99) requires local authorities to set up an independent panel to consider an appropriate level of allowances for their members. The legislation contains special provision for London boroughs to use an independent panel set up by London Councils for this purpose rather than a local panel. Such panels only make recommendations – it remains the responsibility of each authority to decide which members should be remunerated and at what level.
- 1.4 The Regulations require a comprehensive review of the scheme no less than every four years. The London Independent Panel has regularly convened and published reports since being set up, with the last report being published in 2023. The Panel typically undertakes a proper review every four years and publishes its reports subsequently. The last four-year review was delayed due to the pandemic but has now been produced in the 2023 report (see **Appendix 1**).
- 1.5 In the most recent report of the Independent Panel, the Panel carried out a thorough review of Members' Allowances following a process of detailed

consultation and comparison. It is suggesting significant increases in the basic member allowance together with a range of changes across all Special Responsibility Allowances (SRAs). It is the Panel's view that boroughs should implement these changes, as part of a contribution to recruiting and retaining a diverse range of good quality candidates to stand for office in London.

- 1.6 The Council's responsibility is to set the Members' Allowance Scheme taking into account the recommendation of the Independent Panel. Therefore, instead of accepting the IRP recommendations, Members could decide to apply an uplift of the average applied to staff of 2.5% across all allowances (applied from 1 April 2025) or retain the existing Members' Allowance Scheme with no increases.

2. Recommendations

For the reasons outlined in this report, Council is recommended to:

- 2.1 Note that the Constitutional Review Working Group (CRWG) with its current membership chaired by Mayor Fiaz OBE (as set out in **Appendix 2**), met and worked collaboratively to consider Members' Allowances Scheme for 2025-2026; with members from the three political groups working to achieve a consensus on Members' Allowances.
- 2.2 Having regard to the report of the Independent Panel for the Remuneration of Councillors in London 2023 at **Appendix 1**, to agree as recommended by the CRWG.
 - a. In compliance with the recommendations of the Independent Panel, to align the current roles attracting SRA in Newham into the bands proposed by the Independent Panel in Appendix 1 of the report and also set out in Appendix 4.
 - b. Adopt the allowances as recommended by the Independent Panel for each band as set out in Appendix 1 of the Report at 2024-25 levels, with no uplift for 2025-26 despite the Independent Panel's recommendation for this.
 - c. Agree that, in line with the Independent Panel's proposal (see page 17 of their report in Appendix 1) Members of the Licensing (Act) 2003 Committee which meets with exceptional frequency or for exceptionally long periods to be paid an allowance at Band 1 at the end of the Municipal Year based on attending a number of meetings. The number of meetings will be determined by the Chair of the Licensing Committee in consultation with the CRWG at a future meeting.
 - d. Agree to apply a 2.5% increase to allowances for Co-Opted Members.
- 2.2 Formally agree to amend the Members' Allowance Scheme for 2025-26 in accordance with the above decisions.
- 2.3 Authorise the Director of Legal and Governance to comply with the statutory requirements to publicise the 2025-26 Members' Allowances Scheme and to

update the Constitution as necessary.

2.4 Note that the CRWG will undertake further work for the 2026/27 Members' Allowances report to:

- a) review applying a Service Spokesperson allowance once a political group reaches a certain size; and
- b) consider the case for reinstating an SRA for the Chair of the Majority Group.

3. Background

- 3.1 The current Scheme provides for the payment of Basic, Special Responsibility, Carers', Travel, Subsistence and Co-opted Member Allowances. There is also provision for relevant allowances to be updated with effect from 1 April each year by the average percentage increase in the Local Government Pay Settlement, unless the average increase is below 1%, in which case no increase will be applied.
- 3.2 The Independent Panel for the Remuneration of Councillors in London in its most recent report, as part of a four-year review has determined that the recommended basic allowance should be £15,960 for 2024-25. For reference, the current position at Newham is that the basic allowance was adopted as part of the 2024-25 Members' Allowances Scheme and aligns with the IRP's recommendation.
- 3.3 In addition, the Panel recommends that each band of SRAs should be on a range as set out in Appendix A of their Report. However, currently 4 of the 6 bands within Newham's Scheme are set at a higher rate in comparison to the IRP's recommendations. Currently, the basic allowance, Band 6 (Mayors Allowance) and Band 2 of Newham's Scheme aligns with the IRP's recommendation.
- 3.4 The Independent Panel for the Remuneration of Councillors in London in its recent report reiterated their previous recommendation that Members' allowances should be uplifted annually in line with the pay settlement for employees. This equates to a mean average of 2.5% uplift across all allowances. It is of course up to each borough to determine the allowances it pays to members and whether to agree the uplift in allowances.
- 3.5 Council agreed to undertake a review of all bands at its meeting on 29 February 2024 and a report would be brought to the Annual Council Meeting in May 2024. However, a review could not be undertaken in time for the Annual Council Meeting and therefore the scheme remains as agreed at its meeting on 29 February 2024.

4. Constitution Review Working Group

- 4.1 The CRWG was established following an announcement by Mayor Fiaz at the 18 March 2024 Full Council meeting. The CRWG comprises of a cross-party membership of elected members, chaired by the Mayor and supported by officers (Appendix 2). It allows for the considered consultation and engagement across the Council's political groups as the Council progresses with updating the Council's Constitution. This report to Full Council reflects consideration of

the Council's Members' Allowance scheme. The CRWG met at length on two occasions to consider the Independent Panel's recommendations. The following three options were presented to the CRWG to consider:

- a) **Option 1** - Restructure LB Newham bandings for Special Responsibility Allowances to reflect those of the IRP – Uplift Basic and Special Responsibility Allowances by 2.5% as recommended by the IRP (See Appendix 3). The financial implications of this option is set out in paragraph 10.5.
- b) **Option 2** - Restructure LB Newham bandings for Special Responsibility Allowances to reflect those of the IRP – No uplift of Basic and Special Responsibility Allowances (See Appendix 4). The financial implications of this option is set out in paragraph 10.6.
- c) **Option 3** - Retain current LB Newham bandings for Special Responsibility Allowances - Uplift Basic and Special Responsibility Allowances by 2.5% as recommended by the IRP (See Appendix 5). The financial implications of this option is set out in paragraph 10.7.

5. Proposals

- 5.1 Having considered all three options, the CRWG were unanimously of the view that Option 2 should be implemented and Newham Bands, roles and SRAs aligned to the IRP recommendations without an uplift of 2.5%. The CRWG reached this view in recognition of the Council's financial position, while taking into account that a fair remuneration for councillors' was an important factor in enabling and encouraging a wide range of candidates to stand for election and therefore important to local democracy.
- 5.2 It is therefore recommending that the council commits to aligning Newham's scale with those referenced by the Independent Panel in order to adhere to the standard recommendations, in the interest of both transparency and accountability. This option also provides financial savings to the Council as referenced in paragraph 10.6.
- 5.3 Council should note, that currently the basic allowance, Mayors allowance and allowance for Band 2 of Newham's scheme aligns with the IRP's allowances agreed as part of the Members' Allowances Scheme 2024-25. At present, the remaining bands of the Newham's scheme for Members' Allowances does not fully accord with the allocations made by the IRP.
- 5.4 The banding in the IRP's report differs from the current banding system used in Newham. In total, the IRP report contains 5 bands, 2 of which are for a directly elected mayor (band 4) and a Leader of the Council (band 5). In most cases, specific roles that fall within the IRP's bands do not align into the same band or category as Newham's bands.
- 5.5 Therefore, the Council should consider adopting the IRP's banding structure in its entirety which would result in roles being reorganised in line with the IRP's

banding system. The adoption of this option would result in Newham's bands being reduced from 6 to 4 as set out in Appendix 4. In addition, the reorganisation of roles and bands to align with the IRP would attract an allowance as set by the IRP. The following changes that would be required to each band is as follows:

5.6 IRP Band 1 – SRA - £3,105

Band 1 membership would remain the same, with the inclusion of an additional allowance for 'Members of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods'. Council should note that there is a reduction in the current LBN allowance from £3,956 to £3,105, a difference of £851.

5.7 IRP Band 2 - SRA - £15,523

The membership of IRP Band 2 incorporates the membership of LBN bands 2, 3 and 4. These bands have been merged and roles contained within them now form Band 2 of the IRPs recommendation.

The following roles were moved from LBN Band 2 are as follows:

- Other Committee Chairs (Local Development, Pensions Committee, Audit Committee)
- Chair of Council
- Leader of Principal Opposition Group

5.8 These roles remain unaffected as it was agreed at the Budget Setting meeting of Council in 2024, that roles within this band would be uplifted to be in line with the IRP recommendation to £15,523.

5.9 However, the below roles contained within LBN Band 3, as recommended by the IRP, should be placed within IRP Band 2. These roles are currently set at an allowance of £16,955. If this option is adopted, a reduction of £1,432 in the allowance received by members undertaking these roles. These roles are:

- Committee Scrutiny Lead Member/Chair of Scrutiny Sub-Committee
- Chief Whip of Majority Group

5.10 In addition, the following roles have also been moved from LBN Band 4 to IRP Band 2. There is a difference in the allowance; currently the SRA is set at £20,346. By adopting this option, a reduction of £4,823 would be applied to allowances for Members undertaking these roles;

- Deputy Cabinet Member
- Commissioner
- Chairs of major regulatory committees (Strategic Development & Licensing)

5.11 IRP Band 3 – SRA- £37,255

This band contains special responsibility roles of Cabinet Members and the Statutory Deputy Mayors/Deputy Leader of Council allowance. The current SRA is set at £38,430, the IRP recommend an allowance of £37,255, a reduction of £1,175.

The IRP band recommends that the following roles are contained within this band:

- Chair of Health and Well Being Board
- Chair of Overview and Scrutiny Committee

5.12 These roles have been moved from LBN Band 4 currently set at £20,346 to IRP Band 3 which attracts an SRA of £37,255, an increase in allowance of £16,909.

5.13 The remaining two options (Options 1 and Option 3) were considered and are set out under section 8 of this report.

6. Exceptional frequency of Meetings

6.1 To be compliant with the IRP's recommendations, The IRP recommends that Members of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods are to be paid an allowance. The IRP recommend that this is to be remunerated at Band 1.

6.2 In this case, for the purposes of this report, the Licensing Act (2003) Committee was convened on 24 occasions within this Municipal Year. Of the 24 meetings convened, 21 of those meetings were in excess of 2 hours.

6.3 The CRWG considered this and reached a consensus that Members of this committee (excluding the Chair of the Committee who receives a separate allowance) are to be remunerated with an annual payment at Band 1, in accordance with IRP recommendations. Therefore, the CRWG recommends this to be agreed by Council.

6.4 It is proposed that Members of this committee will receive an allowance at Band 1, to be paid in the last month (April) of the Municipal Year.

6.5 The minimum number of meetings a Member must attend will be determined by the Chair of the Licensing Committee in consultation with the CRWG at a future meeting.

7. Co-Opted Members

7.1 The CRWG also considered allowances paid to Co-Opted Members. Currently Co-Opted Members receive allowances as set out in the table below.

7.2 The IRP in its recent report does not suggest specified rates for co-opted Members. However, a 2.5% uplift for Members allowances for 2025/26 applies to *all* allowances, including co-optees.

7.3 The CRWG reached a consensus that allowances paid to co-opted Members should be uplifted. The Council is asked to agree to accommodate this uplift to maintain an attractive remuneration for co-optees.

7.4 The following table outlays the impact of following the IRP's recommendations;

Role	2024 Current Allowance	2025-2026 with 2.5% uplift
Independent Chair	£1356 per annum	£1390 per annum
Independent Member	£565 per annum	£579 per annum

8. Alternative Options

8.1 The following options were also considered; they are as follow:

8.2 Option 1 – In accordance to the IRP, LBN bands and roles were aligned in accordance to the IRP, apply the average increase given to staff in the financial year of 2024-25 of 2.5% across all allowances to take effect from 1 April 2025 as set out in **Appendix 3**.

8.3 Option 3 – Retain the existing Members' Allowances with an increase of 2.5% across all allowances as set out in **Appendix 5**.

8.4 As referenced in section 4.1 (a) and 4.1 (c), these options were considered and rejected on the basis that Option 2 was in accordance with IRP recommendations, in the interest of both transparency and accountability and provides savings to the Council.

9. Consultation

9.1 The CRWG have been consulted as part of preparing this report.

10. Financial Implications

10.1 This report outlines options for Members' Allowances. The current budget for the Scheme is £2.1m, with allowances estimated to cost £1.9 and employers Ni at £0.2m.

10.2 All 66 elected Councillors are eligible to claim the basic allowance. Members that hold an additional responsibility are also entitled to claim a 'Special Responsibility Allowance (SRA) which is set at different levels using a banding system. If any member has more than one additional responsibility, they may only claim one additional SRA.

10.3 The costings assume that all roles attracting an SRA allowance are occupied.

10.4 London Councils published an Independent Panel Report in January 2024; this report is contained in Appendix 1. With regard to the report, a number of options have been proposed for consideration, including changes to the amount of individual allowances as outlined in section 5 of this report.

10.5 Option 1 proposes adopting the alignment of LBN bands with the IRP bands and includes an uplift of 2.5% as set out in Appendix 3. Additionally, allowances are to be set in line with the IRP's allowances. This option would be cost neutral compared to current costs, although some individual allowances would increase or decrease.

10.6 Option 2 – which is the recommended option - proposes adopting the alignment of LBN bands with the IRP bands as set out in Appendix 4. Additionally, allowances are to be set in line with the IRP's allowances. This option would make a saving of £60k compared to current costs and some individual allowances would increase or decrease.

10.7 Option 3 proposes retention of the current Members' Allowance Scheme with a 2.5% increase. This would cost an additional £55k compared to the current scheme.

10.8 Separate to the options outlined above, there is also a proposal to provide an allowance at Band 1 level to members of the Licensing (Act) 2003 Committee which meets with exceptional frequency. This is outlined in more detail in section 6 of this report. If agreed, there would be an additional cost of £3,105 x 2 Members, a total of £6,210 on the current scheme.

10.9 This report also recommends that co-opted members' allowances are increased by 2.5%. The current cost of these allowances is £15.2k, which would increase to £15.6k.

10.10 Employers NI rates are increasing from 1st April 2025. The impact of this doesn't vary much between the 3 options outlined above with growth of circa

£60k required to cover the changes to rates and thresholds.

10.11 All options are proposed to commence from the 1st April 2025, so there are no financial implications for the current 2024-25 financial year.

11. Legal Implications

- 12.1 Regulation 20 of the Regulations requires the establishment of an independent remuneration panel (“IRP”) either by (a) the authority itself; (b) jointly by any authorities or (c) by the Association of London Government (now London Councils), to make recommendations in respect of the Members’ allowances payable by London boroughs. Newham has previously followed the recommendations of London Councils.
- 12.2 The Regulations require a review of the scheme every four years as a minimum and for the scheme to be adopted each year. The current IRP completed a review of remuneration for Councillors in London, and its findings and recommendations are presented in Appendix 1. As per Regulation 19 of the 2003 Regulations, the Council must have regard to the recommendations made by the IRP before making any amendment to its scheme.
- 12.3 While the Council is not bound by the IRP’s recommendations, it would be required to give reasons for departing from them. Individual Members also have the discretion to decline to accept the full allowances to which they are entitled.
- 12.4 The regulations also require the Council to make copies of the IRP’s report available for public inspection, to provide copies on request and to publicise in a local paper the existence of the Report and any decisions that the Council makes upon consideration of it.
- 12.5 The function of making or amending the Scheme is a function reserved to Full Council in accordance with the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, and no delegation is permitted under regulation 2(7) of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended). Councillors are therefore acting under specific statutory authority.

13. Equality Implications

- 13.1 Under section 149 of the Equality Act 2010, the Council has a duty when exercising its functions to have “due regard” to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is known as the public sector equality duty. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 13.2 Due regard is the regard that is appropriate in all circumstances. The weight to be attached to the effect is a matter for the Council to consider.
- 13.3 In addition to a basic allowance, which is mandatory and is payable to all Members, the current and proposed Schemes make provision for other allowances including a dependent Carers' allowance which are discretionary and payable to Members who undertake specific roles. This ensures that they can do so without suffering a financial disadvantage. This provision encourages persons who share a protected characteristic to participate fully in public life.

The Remuneration of Councillors in London 2023

Report of the Independent Panel

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Remuneration of councillors in London 2023

1. Introduction

- 1.1 The Independent Panel on Members' Remuneration last published a report on member allowances in early 2022. In that report the Panel did not recommend substantial changes to Member allowances, it noted that the challenges facing councils and councillors appeared to be increasing and becoming more complex. Therefore, the Panel also recommended that it undertake a more detailed review in 2023.
- 1.2 For the 2023 review, the Panel has undertaken a detailed review of member allowances with the aim of providing up to date advice on appropriate levels of reward for the work of elected members in London over the next four years. The intention was to seek a wider consultation than previously, using qualitative and quantitative research to underpin its findings and recommendations. The Panel canvassed members and officers in all London boroughs through surveys, focus groups and interviews, in order to consider whether and how the role of councillors has changed in recent years and what the main issues that may have an effect on the recruitment and retention of councillors are currently. It also carried out a considerable benchmarking exercise of allowances paid in other parts of England as well as in Scotland, Wales and Northern Ireland, and undertook an in-depth review of the methodology used by Independent Remuneration Panels across the UK.
- 1.3 The research showed that basic allowances per annum in London are significantly lower than those paid in Scotland, Wales and Northern Ireland. The assessment of members' allowances in the home nations is carried out by independent bodies whereas in England, the level of allowances is determined by the local authority members themselves. It has also become clear that allowances in many boroughs are considerably lower than remuneration received by workers in London with comparative levels of responsibilities and skills. This comparative contrast in remuneration is juxtaposed against increased workloads, time pressures, accountability, and financial pressures that councillors are presently having to manage. The Panel takes the view that it is important that there is a system of support in place that recognises the vital role that elected representatives play in local government and the full scale of their responsibilities. This support includes appropriate remuneration levels.

2.0 Background

- 2.1 Local authorities are required by the Local Authorities (Members' Allowances) (England) Regulations 2003¹ to establish and maintain an independent remuneration panel to make recommendations on the level of the basic and special responsibility allowances. In London the regulations authorise the establishment of an independent panel (the Panel) by the Association of London Government (now London Councils)

¹ [The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

panel to make recommendations in respect of the members' allowances payable by London boroughs. The Regulations require a review of the scheme every four years as a minimum. Whilst the Panel makes recommendations, each council determines its own remuneration scheme for its own councillors, having regard to the Panel's recommendations.

- 2.2 The Independent Panel for London Councils currently comprises Mike Cooke (Chair), Sir Rodney Brooke CBE DL and Anne Watts CBE. It reported in 2022 and at that time recommended very few changes on the basis that more time was needed for a more detailed review during 2023, given that the Panel had received feedback that the work of councillors and the demands upon them had increased significantly.

3.0 Research

- 3.1 This review has provided the Panel with an opportunity to consider the roles undertaken by councillors in London, and to examine more deeply how the demands, responsibilities and scope of duties of councillors have evolved in recent years. This review also provided the Panel with an opportunity to review the methodology used by other Independent Remuneration Panels and to carry out benchmarking with other local authorities across England, Scotland, Wales and Northern Ireland.
- 3.2 The Panel has expanded on the approaches used in previous reviews. In addition to carrying out a survey of London borough Leaders to gauge their views on the operation of the existing remuneration scheme, the Panel has held a series of feedback meetings with groups of elected councillors, conducted a survey of the London branch of the Association of Democratic Services Officers (ADSO), and held meetings with officers from the London Borough Legal Alliance (LBLA), and the South London Legal Partnership (SLLP), in order to get a more complete picture of the challenges facing London's councillors today. The Panel also commissioned Ipsos to carry out a small number of focus groups to gauge the public perception of councillors' roles, responsibilities and levels of allowances.
- 3.3 The member engagement focus groups consisted of a range of participants from the three major political parties – Labour, Conservative, and Liberal Democrat, and included a range of members from inner and outer boroughs, and with different levels of responsibility (e.g. newly elected backbench councillors, Cabinet Members and borough Leaders).
- 3.4 The Panel is grateful both to everyone who participated in the consultation process and thank them for their contributions as well and to London Councils for its support to the review.

4.0 The crucial role of elected councillors

The role of the councillor has fundamentally changed in recent times. There is now more reliance from the public on their local council due to challenges such as the cost of living crisis, the effects of the pandemic and the resettlement of refugees. (Borough Leader)

- 4.1 Councillors in London oversee multi-million pound budgets and employ thousands of people; all are responsible for the delivery of a wide range of crucial services. The health and wellbeing of residents and communities are at the heart of the work of London boroughs who also at one end of the age spectrum are endeavoring to give children the best start in life, whilst at the other are helping to support older people to live as independently as possible. Local councils are at the heart of developing their boroughs and working with businesses to bring local economic benefits. The building of new homes and the improvement in the standards of existing houses are crucial to their work as is their local leadership on climate change.
- 4.2 A key aspect of the responsibility of councillors is managing the complex financial pressures involved in addressing increases in the demand for services with reductions in budgets. The scale of a London council's annual expenditure budget and other financial activities are in many instances comparable with those of large publicly quoted companies.

"The budgets that borough Leaders are managing are huge, as is their level of responsibility when something goes wrong. A borough Leader's role is now similar to that of a non-executive director of a large company" (Borough Leader)

- 4.3 At the same time Councillors are integral to the effectiveness of the local democratic process. As well as representing them, they stand ready to be approached by their residents to take up matters on their behalf where appropriate. The voice of democratically elected councillors in the development of the policies and strategies of their councils is absolutely essential. Councillors also play an important role in the oversight and scrutiny of services.
- 4.4 Some Councillors have additional and burdensome responsibilities, including Leaders of Councils, Elected Mayors and council portfolio holders. Some roles have specific statutory responsibilities (e.g. in the case of elected Mayors/statutory children's and adults cabinet members).
- 4.5 The needs of Londoners and of London's communities are becoming arguably more complex, given the seismic national and international changes ranging from the

global energy crisis, climate change, patterns of migration and housing shortages. The national economic challenges directly affect households and communities as well as businesses and councils themselves.

5.0 The role of Member Allowances

- 5.1 It is important to reflect on the purpose of the allowances, payments and related arrangements for councillors.
- 5.2 The Panel draws the reader's attention to the report of the 2007 Independent Commission on the Role of Local Councillors, chaired by Dame Jane Roberts which was commissioned to consider the incentives and barriers for encouraging people who are able, qualified and representative to be candidates to serve as councillors; retaining and developing them once they are elected and enabling them to secure public interest and recognition for the work they carry out for their communities.
- 5.3 The Roberts commission considered a wide range of issues but at its heart were the key questions of: 1) how best to ensure that people from a wide range of backgrounds and with a wide range of skills are encouraged to serve as local councillors; and 2) how to ensure those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage.
- 5.4 Within these broad considerations there can be no doubt that financial compensation or a system of allowances plays a crucial part in making it financially possible for local people to put themselves forward to take on the onerous responsibilities involved in being a councillor and indeed to continue to serve as one.
- 5.5 For this reason it is crucial that allowances for councillors across London are pitched at an appropriate level such that they make a major contribution in ensuring diverse and effective local representation. This 2023 review of Member allowances has aimed to take a step back and ensure that the recommended allowances are pitched such that they serve this crucial purpose.
- 5.6 We are clear that the Panel can only make recommendations and that each council must determine its own system and rates of allowances. However each council must have regard to our recommendations. We are concerned that a wide variation in the level of allowances between councils across London has evolved over the years. **Given that this year's Panel review has been a significant stocktake and that we have made clear recommendations, with a clear rationale and for the important purpose described in this section, we strongly recommend that the findings of our review and the Panel's position are adopted across London. This is at the heart of ensuring a healthy, vibrant and representative local government in the capital.**

6.0 Time commitment and demands on councillors

6.1 Fulfilling the responsibilities of councillors in the many and various roles within a council has, arguably, always been demanding. In 2022 the Panel received anecdotal feedback that the workload and the time involved had increased significantly and so in this review we wanted to explore this in more detail.

6.2 The feedback from elected members and officers was that in the view of almost all the people we spoke to workloads, demands and pressures had increased. There appear to be a number of contributory factors:

- A wide range of recent events had added additional work; some examples given were: the demands of the pandemic years and the post-pandemic recovery work; sometimes given was the level of work in the resettlement of refugees; and the work to support residents through the very significant economic challenges of recent years, including during the energy crisis but also linked to the impact of food inflation and increased risks of homelessness.
- There has been a noticeable increase in the expectation that leading councillors work in closer partnership with other public services. The Health and Care Act 2022 in particular brings an expectation that councils will work in formal partnership with NHS organisations including NHS providers and Integrated Health Boards.
- The feedback confirmed the views we were given in 2002 that public expectations of councillors has increased especially linked to the societal changes that social media has brought about. Although most of the councillors we spoke to welcomed the flexibility that now exists for increased levels of remote meetings, the downside appears to be that there are more meetings. The representations which have been made to the Panel also suggest a picture of councillors being expected to be almost instantly available, with heavy constituency case loads and often with ever more complex responsibilities for the running of the council and overseeing its services.

***“ One resident submitted a formal complaint because they had messaged me on Friday evening and I hadn’t replied to them until the following Monday morning.”
(Backbench councillor)***

As well as these issues adding complexity, they make additional time demands.

“There are now many more meetings than pre-Covid. There are also numerous social media groups councillors are expected to be involved in, case work, and other commitments. I have worked out that on average I work 54 hours a week” (Cabinet Member)

- 6.3 Members have told the Panel that it is increasingly difficult to maintain a full-time job alongside their role as councillors, and this is particularly true for Cabinet Members and Leaders. The implication of this would be that it is more likely that people who are already financially secure who can carry out these roles, which may prevent younger candidates, people with lower incomes or those with young families, from standing or taking on special responsibilities. Taking up a role in local government could also hinder councillors’ career progression in their day job, and in most cases the special responsibility allowances do not compensate for the reduced salary people receive as a result of not being able to dedicate themselves fully to their day job. The time pressures involved in the role, particularly councillors with special responsibilities can make it difficult to combine the role with a job and caring responsibilities.
- 6.4 One borough Leader told the Panel that at the 2022 election, there were so few candidates that in some wards residents did not have a choice of councillors to vote for.
- 6.5 Councillors also expressed concern that appointments to positions carrying special responsibilities could be uncertain and not in most cases for a set term. Consequently, councillors have significant concerns about giving up full-time work to undertake more senior roles in their councils.

7.0 The Basic Allowance

- 7.1 As a result of the economic climate over the last decade and ongoing financial challenges, our recent reports have made no recommendations for increasing the levels of members’ allowances other than continuing provision for annual adjustments in accordance with the annual local government pay settlement for staff agreed by the National Joint Council for Local Government Staff.
- 7.2 As part of the research for this 2023 review, the Panel carried out benchmarking of recommendations on allowances and those paid by local authorities within the UK to see how current London allowances compare.
- 7.3 From the Panel’s benchmarking research, it is evident that the previous Panel’s recommendations for the basic allowance in London, lags behind Scotland, Wales and Northern Ireland. This issue was identified in the last two Panel reports, however, the Panel reluctantly decided at the time that given the financial climate it would have been inappropriate to recommend a general increase in member allowances.

- 7.4 In our last report the Panel recommended that there should be a Basic Allowance paid to every councillor of £12,014. Updated for the local government staff pay awards since then, the figure is now £12,499.
- 7.5 This allowance continues to be substantially lower than the allowance paid by all local authorities in Scotland which is presently £20,099² and similarly in Wales³ where the government-appointed commission has set the basic allowance at £17,600 for members of local authorities with populations which are generally substantially lower than those of London boroughs. Furthermore, the basic allowance in Northern Ireland from 1 April 2023 is £16,394⁴ per annum. The Panel's research has established that there are some parts of England that have similar basic allowances to those currently recommended for London boroughs. However, there are other English local authorities, where the roles and responsibilities of councillors are broadly the same to those of councillors serving in London boroughs, that pay significantly more. For example, in Birmingham⁵, in 2022-23 the basic allowance was £18,876, and in Manchester⁶ it was £18,841.
- 7.6 The Panel is of the view that when taking everything into account that the rate of the basic allowance should now be addressed.
- 7.7 As part of the 2023 review, the Panel has reviewed the methodologies used by other Panels and has identified that Independent Panels across the UK use a variety of approaches for determining how to set the member allowances. The Panel has also re-examined the methodology used in calculating allowances in the original London panel report and updated it to reflect current circumstances. The original calculation in the Panel's first report in 2001 was based on a proportion of the average 'white collar worker' wage in London.
- 7.8 Although making the comparisons with Scotland, Wales, NI and other UK cities was useful in terms of gaining a comparative perspective, the Panel has reached the view that it needed to both determine a method for London and recommend a level of allowance that was achievable, bearing in mind the historic challenges for some councils in agreeing to previous recommended allowances.
- 7.9 Having looked at various options, the Panel has concluded that the most appropriate approach is to determine the basic allowance as a proportion to the remuneration of the people councillors represent and has used the Annual Survey of Hours and Earnings (ASHE) data, published by the Office for National Statistics as a basis of its calculation. The Panel has used the median wage for all London workers for this purpose. In 2022-23, this is £38,936.73 per annum. Based on a 37 hour week, and taking into account a 30% public service discount, (as has been the custom and practice) **the Panel has determined that the recommended basic allowance should be £15,960.**

² [The Local Governance \(Scotland\) Act 2004 \(Remuneration\) Amendment Regulations 2023 \(legislation.gov.uk\)](#)

³ [Independent Remuneration Panel for Wales: annual report 2022 to 2023 \[HTML\] | GOV.WALES](#)

⁴ <https://www.communities-ni.gov.uk/publications/circular-ig-0323-consolidated-councillor-allowances>

⁵ [Independent Remuneration Panel Reports | Birmingham City Council](#)

⁶ [Microsoft Word - MCC IRP Final Report \(manchester.gov.uk\)](#)

- 7.10 The Panel considers that this allowance better reflects the high cost of living in London, than the previous recommendations.
- 7.11 It is the Panel's view that it is pressing that boroughs should implement these changes in 2024, as part of the contribution to recruiting and retaining a diverse range of good quality candidates to stand for office in London.

8.0 Special Responsibility Allowances

8.1 The reasons for payment of special responsibility allowances, additional to the basic allowance, should be clearly set out in local allowances schemes. Special allowances should come into play only in positions where there are significant differences in the time requirements and levels of responsibility from those generally expected of a councillor.

8.2 Categories of special allowances:

The regulations specify the following categories of responsibility for which special responsibility allowances may be paid:

- Members of the executive where the authority is operating "executive arrangements"
- Acting as leader or deputy leader of a political group within the authority
- Presiding at meetings of a committee or sub-committee of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee
- Representing the authority at meetings of, or arranged by, any other body
- Membership of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods
- Acting as spokesperson of a political group on a committee or sub-committee of the authority
- Membership of an adoption panel
- Membership of a licensing or regulatory committee
- Such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned above, whether or not that activity is specified in the scheme.

8.3 The Panel's research shows that the categories of SRAs recommended by the London Panel are comparable with those recommended by Independent Panels in other cities in the UK and in Scotland and Wales.

8.4 However, the Panel's previous recommendations have not consistently been adopted within London, and the resulting situation is that whilst there is some convergence

across London boroughs on the basic allowance, there remain substantial differences in the amounts of SRAs for similar roles in boroughs.

- 8.5 Given the extent of the responsibilities of Leaders of London boroughs, the Panel's first report in 2001 recommended that their remuneration should equate to that of a Member of Parliament. Our recommendations for other special responsibility allowances were historically determined as a sliding scale (pro-rata) proportion of the remuneration package for a council Leader. Since then, the increase in the remuneration of Members of Parliament has substantially exceeded the annual local government pay increase which was tied to the special responsibility allowance for the leader of a London borough, and the current MP salary is now £86,584
- 8.6 The Panel has taken the opportunity to review this historic link, and following feedback, we sense strong support for our own view that an MP's salary is no longer an appropriate comparator to set the Leader's allowance, as the roles are substantially different and indeed almost impossible to compare.
- 8.7 We received feedback that some members believe that the Leaders of London boroughs warrant a higher remuneration than an MP, because they have greater financial responsibility and legal burdens, and especially given the differential pension arrangements. Indeed, some respondent authorities suggested that the direct responsibilities of a Leader should command the salary of a junior minister.

"An MP does not undertake an executive role (strategic leadership, management & accountability of a complex public service operationally managed by highly paid officials) and so not a comparator to a Leader or elected Mayor"

(Borough Leader)

9.0 Leader's SRA

- 9.1 This is often a full-time role, involving a high level of responsibility. It is right that it should be remunerated on a basis which compares with roles with similar levels of responsibility, while still retaining a reflection of the voluntary character of public service.
- 9.2 For the Leader's SRA, the Panel has decided that a more appropriate comparator would be the Annual Survey of Hours and Earnings (ASHE) data for Corporate Managers and Directors as the level of responsibilities most closely align to those of a borough Leader. For 2022-23, the average gross annual salary for full time workers in London within this category was £108,242. After applying a 30% public service discount (as has been the custom and practice) this would provide for a Leader's total

package of £75,773. The 2022 Panel report recommended that the Leader's SRA should be £62,090. Taking into account this figure, when combined with the new recommended basic allowance, the total package for a Leader would be £78,050. As this figure is greater than that based on the ASHE calculation, the Panel is not recommending any changes to the existing Leader's SRA at this time.

10.0 Other SRAs

10.1 The Panel has previously determined that all other SRAs are calculated as a proportion of the Leader's SRA. Since its inception, the Panel has recommended using bands rather than fixed amounts, in order to allow flexibility and recognise local variations on how the roles are performed. The Panel has decided to continue using this methodology. However, as part of the review, the Panel has benchmarked the sliding scale recommended by other Panels and used by local authorities and has adjusted the percentages historically used in order to more closely align with the average used by other local authorities outside of London. **The recommended bands and levels of allowance are attached as Annex A.**

11.0 Bridging the Gap and public perception

11.1 When considering a members' allowances scheme, boroughs are obliged to have to a report by an independent panel, but it is a matter for boroughs themselves to decide whether to adopt its recommendations.

11.2 However, in view of the evidence obtained over the past 18 months, the Panel strongly recommends that all authorities implement the recommendations in their boroughs in the next year. On average, the total annual budget for members allowances in a London Borough is between 0.4-0.5% of the council's general fund net budget. Notwithstanding this, the Panel acknowledges the challenges that increasing allowances may present to boroughs, both financially and reputationally; however, the Panel is concerned that if member allowances do not keep up with its recommendations, there is a risk that they will fall significantly further behind their comparators and that councils will consequently face even greater challenges in recruiting and retaining a good calibre of councillors in the future.

11.3 The Panel perceived that there was some concern from councillors about the public acceptability of increasing allowances. As a result the Panel sought to test the public view and therefore commissioned Ipsos to undertake qualitative research, through a number of focus groups, on the public's perception on councillors remuneration. The Ipsos research was small scale but provides indicative evidence of public views.

11.4 Ipsos held three discussion groups with a representative sample of the general public in June 2023 using a deliberative approach to enable participants to reach an informed perspective. The stimulus material included pen portraits of councillors based on information received from London Councils' members on their working hours and

levels of responsibility. The information given to participants also included typical allowances received in London, in Essex, and in Wales for councillors receiving a basic allowance and average SRAs paid to Cabinet Members, and council Leaders.

- 11.5 The research found that the Londoners in focus groups felt that allowances in London needed to increase to provide a more accurate reflection of councillors' responsibilities and hours.

"I thought at least [the Council Leader's remuneration] would be about a £100,000 plus for the amount of work that she does because she's taken on casework as well... and that's time-consuming."

When exposed to allowance comparisons in different parts of the country, participants thought the current allowances did not reflect the fact that the cost of living in London was higher than elsewhere in the country.

"Councillors' pay should take into account that living in London is more expensive, so they should immediately just be paid more in general."

In addition, they recognised that the level of allowances can have a detrimental effect on the diversity of councillors and would deter those from a lower income background from becoming councillors.

"It feels like [we're] paying them so little, it feels like there are some people who can't afford to be a councillor. And that has consequences on the democratic process"

- 11.6 Participants also suggested changes to remuneration for councillors: raising the basic allowance and increasing allowances to better reflect responsibilities and hours; and additional allowances provided to support councillors with childcare costs and saving for a pension.
- 11.7 Participants expressed surprise at the range of allowances paid across London, particularly at the cabinet member and council leader level and supported greater consistency in such remuneration levels across councils in London.
- 11.8 Although the sample of Londoners was only small, it indicates that with due briefing and deliberation there is likely to be support for the increase in allowances.
- 11.9 During the consultation process, a significant number of councillors told the Panel that they do not think that councillors should be responsible for setting their own allowances, and that this is perhaps one of the reasons why the basic allowance in London lags behind Scotland and Wales, where allowances are set by outside bodies and it is mandatory for local authorities to adopt the recommendations. The Panel is supportive of this view, but recognizes that this would need a change in legislation. The Panel intends to raise this issue with the Secretary of State.

12.0 Training and support

- 12.1 The responsibilities of councillors are substantial, extensive and complex, particularly since the Pandemic and its aftermath, which has seen a rapid increase of using digital technology, and flexible ways of working. The training and development of councillors is beyond the remit of this Panel. However, the feedback we received was that councillors require the logistical and clerical support and appropriate IT equipment which will help them carry out their roles efficiently. The Panel supports this view and recommends that boroughs undertake their own stock takes to ensure appropriate support is in place to enable members to fulfil their responsibilities.
- 12.2 Furthermore, we have heard from boroughs that councillors are experiencing increased levels of abuse on social media, and so we recommend that training in navigating the increasingly challenging world of social media is also provided.

13.0 Care Costs

- 13.1 It is important that obstacles to becoming a councillor should be removed wherever possible. Care costs could be a significant deterrent to service as a councillor. Our strong view is that in appropriate cases when they undertake their council duties, councillors should be entitled to claim an allowance for care of dependents. The dependents' carers' allowance should at least be set at the London living wage but payment should be made at a higher rate when specialist nursing skills are required or to reflect higher costs during non-standard working hours. We have had representation that the carers allowance should be payable to family members on the basis that it is preferable for family members to look after a dependent, especially in the evening but that the frequency is often such that it is unreasonable for this to be expected to be with no financial allowance.

The level of dependent carers allowance does not recognise the fact that babysitters tend to charge more for evening and weekend work. In addition, the carers allowance should be able to be claimed even if a family member was looking after the councillors' dependents" (Newly-elected Backbench Councillor)

- 13.2 The Panel recognises that allowance payments for family carers who are not members of a councillor's household would need to be designed with some careful consideration but is very sympathetic to this need and recommend that councils review their schemes to make this possible.
- 13.3 It's view is also that members' allowances schemes should allow the continuance of Special Responsibility Allowances in the case of sickness, maternity and paternity leave in the same terms that the council's employees enjoy such benefits (that is to say, they follow the same policies). To this end, London boroughs are recommended to adopt a related parental leave and sickness policy as an appendix to their allowances scheme.

13.4 The Panel has received feedback that there is a need to reform the legislation governing membership of the Cabinet/Executive and how this impacts Councillors who wish to take parental leave. Councils have a strict statutory limit of ten members of the cabinet/executive – including the Leader. Should one of those members wish to take parental leave for any significant period during their tenure as a cabinet member, and there is already a full complement of cabinet and leader up to the statutory limit they are faced with what is an entirely unfair dilemma. They either resign from the post so another councillor can be appointed or they leave their colleagues with an additional workload for their period of absence. While some Councils have sought to appoint deputy cabinet members or the like these are not proper answers to this issue as they are not cabinet members with the appropriate legal and constitutional authority. It is very easy to compare this to the position of an employee where a replacement can be appointed for the duration without prejudice to the individuals' rights to return. While self-evidently Councillors are not employees there should not be any additional hurdles to participation for any section of the population.

13.5 The Panel support the view that the legislation needs reviewing.

14.0 Travel and Subsistence allowances

14.1 The Basic Allowance should cover basic out-of-pocket expenses incurred by councillors, including intra-borough travel costs and expenses. The members' allowances scheme should, however, provide for special circumstances, such as travel after late meetings or travel by councillors with disabilities. The scheme should enable councillors to claim travel expenses when their duties take them out of their home borough, including a bicycle allowance.

15.0 Allowances for Civic Mayor or Civic Head

15.1 Many councils include the allowances for the mayor (or civic head) and deputy in their members' allowance scheme. However, these allowances do serve a rather different purpose from the 'ordinary' members' allowances, since they are intended to enable the civic heads to perform a ceremonial role. There are separate statutory provisions (ss 3 and 5 of the Local Government Act 1972) for such allowances and councils may find it convenient to use those provisions rather than to include the allowances in the members' allowance scheme.

16.0 Allowances that fall outside this scheme

16.1 Within the context of this review, the Panel has not looked at remuneration that councillors may receive for their roles on outside bodies, wholly owned companies or joint venture partnerships. However, in the interests of transparency, the Panel requests that councils consider how information on all members remuneration within their borough is made easily available to the public in the same place. The Panel recommends that where local authorities have set up companies which remunerate councillors who act as directors these allowance should be set out in the members allowances scheme.

17.0 Local discretion

- 17.1 It is for each borough to decide how to allocate their councillors between the different bands, having regard to our recommendations and how to set the specific remuneration within the band. The Panel believes these should have the merits of being easy to apply, easy to adapt, easy to explain and understand, and easy to administer.
- 17.2 The scheme should be able to be applied to different types of governance arrangements and interpreted flexibly. The Panel has received legal advice that suggests that in boroughs which operate through the Committee System, where a Committee Chair has identified responsibilities in a role profile for particular services, then in practice the duties and responsibilities of a Committee Chair are equivalent to the role of a Cabinet Member and that a similar system of allowances should be used. For example, in some boroughs which use a committee system, the Statutory Lead Member for Children's Services is the Chair of the Children and Community Services Committee. In this case, it would be reasonable to suggest that this Committee Chair should receive the SRA equivalent to that of a Cabinet Member. The Panel must emphasise that these decisions are dependent on the arrangements adopted by the authority in question and should be decided on a case by case basis.

18.0 Pensions

- 18.1 There is a widespread view amongst the councillors we spoke to in 2022 and this year that a disincentive to the recruitment and retention of councillors has been the Government's decision in 2014 to remove the right of councillors to join the local government pension scheme. This was keenly felt by those councillors the Panel heard from. The Panel notes that the rationale behind that decision was unclear and that councillors in Scotland, Wales and Northern Ireland continue to be entitled to a local government pension. The Panel is of the view that this inconsistency should be addressed. Although this issue is beyond the remit of the Panel, the Panel will nevertheless write a letter to the Secretary of State asking the government to look again at this important issue,

19.0 Annual uplifts

- 19.1 The Panel continues to recommend that all allowances should be updated annually in line with the percentage pay award agreed by the National Joint Council (NJC) for Local Government Services staff.
- 19.2 In some years the NJC national pay award is agreed as being in the form of a lump sum for all or the majority of staff or the rate of increase is different at different levels on the NJC pay spine. In such situations a method of deriving an appropriate increase in the Members' basic allowance (so it keeps in line with the staff pay award) is required. To achieve this the panel will have regard to any NJC guidance such as guidance on what any lump sum equates to as an average percentage pay increase, and guidance on the percentage increase to any staff allowances. The Panel will also consider the average (mean) percentage increase to the spinal column points,

but excluding any exceptional increases such as measures to rectify a low pay problem at the lowest level of the pay spine. For illustrative purposes, for April 2023 the figure was 3.88%“

20. Review of implementation

- 20.1 The Panel proposes to convene in the final quarter of 2024 to review how its recommendations have been implemented by boroughs across London and at the same time consider the most recently published ASHE data on median salaries of those working in the Greater London area, as well as any agreed NJC national pay award.

Mike Cooke

Sir Rodney Brooke CBE DL

Anne Watts CBE

December 2023

Appendix A

THE RECOMMENDED MEMBER ALLOWANCE SCHEME FOR LONDON

The Basic allowance: £15,960

Special responsibilities – beyond the basic allowance

Calculation of special allowances

The proposed amounts for each band are a percentage of the figure suggested for a council leader depending upon levels of responsibility of the roles undertaken and are explained below.

BAND ONE

The posts that the Panel envisages falling within band one, include:

- Vice chair of a service, regulatory or scrutiny committee
- Chair of sub-committee
- Leader of second or smaller opposition group
- Service spokesperson for first opposition group
- First opposition group whip (in respect of council business)
- Vice chair of council business
- Chairs, vice chairs, area committees and forums
- Cabinet assistant
- Acting as a member of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods
- Acting as a member of an adoption panel where membership requires attendance with exceptional frequency or for exceptionally long periods
- Leadership of a specific major project.

Remuneration

The Panel proposes that band one special responsibility allowances should be on a sliding scale of between 5-15% per cent of the Leader's SRA.

This would be made up as follows:

Basic allowance: £15,960

Band One allowance: £3,105 - £9,314

Total: £19,065 - £25,274

BAND TWO

The Panel considers that the types of office being within band two are:

- Lead member in scrutiny arrangements, such as chair of a scrutiny panel
- Representative on key outside body
- Chair of major regulatory committee e.g. planning
- Chair of council business (civic mayor)
- Leader of principal opposition group
- Majority party chief whip (in respect of council business).

Remuneration

The Panel proposes that band two allowances should be on a sliding scale between 25-50 per cent, pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance £15,960

Band two allowances: £15,523 - £31,046

Total: £31,483 - £47,006

BAND THREE

The Panel sees this band as appropriate to the following posts:

- Cabinet member
- Chair of the Health and Wellbeing Board
- Chair of the main overview or scrutiny committee
- Deputy leader of the council

Remuneration:

The Panel proposes that band three allowances should be between 60-75 per cent pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance: £15,960

Band three allowance: £37,255 - £46,569

Total: £53,215 - £62,529

BAND FOUR

Leader of the Council

This is often a full-time role, involving a high level of responsibility. It is right that it should be remunerated on a basis which compares with roles with similar levels of responsibility, while still retaining a reflection of the voluntary character of public service.

Remuneration:

The Panel proposes that the remuneration package for a council leader under band four of our scheme should be £78,052.

This is made up as follows:

Basic allowance: £15,960

Band four allowance: £62,092

Total: £78,052

BAND FIVE

Directly elected mayor

A directly elected mayor has a full-time job with a high level of responsibility and exercises executive responsibilities over a fixed electoral cycle. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, while still retaining a reflection of the voluntary character of public service. However, the Panel believes that this post remains different to that of the strong leader with cabinet model. The directly elected mayor is directly elected by the electorate as a whole. The strong leader holds office at the pleasure of the council and can be removed by the council. The Panel believes that the distinction is paramount and this should be reflected in the salary level.

Remuneration:

The Panel proposes that a directly elected mayor should receive a remuneration of **£93,575**.

Appendix B

A Job Profile for councillors

In its previous reports, the Panel reflected on the importance of the role of elected members. The 'job profile' for councillors originally included in the Panel's 2010 report is repeated in as the Panel still considers it to be accurate and up to date.

On behalf of the community – a job profile for councillors

Purposes:

1. To participate constructively in the good governance of the area.
2. To contribute actively to the formation and scrutiny of the authority's policies, budget, strategies and service delivery.
3. To represent effectively the interests of the ward for which the councillor was elected, and deal with constituents' enquiries and representations.
4. To champion the causes which best relate to the interests and sustainability of the community and campaign for the improvement of the quality of life of the community in terms of equity, economy and environment.
5. To represent the council on an outside body, such as a charitable trust or neighbourhood association.

Key Tasks:

1. To fulfil the statutory and local determined requirements of an elected member of a local authority and the authority itself, including compliance with all relevant codes of conduct, and participation in those decisions and activities reserved to the full council (for example, setting budgets, overall priorities, strategy).
2. To participate effectively as a member of any committee or panel to which the councillor is appointed, including related responsibilities for the services falling within the committee's (or panel's) terms of reference, human resource issues, staff appointments, fees and charges, and liaison with other public bodies to promote better understanding and partnership working.
3. To participate in the activities of an outside body to which the councillor is appointed, providing two-way communication between the organisations. Also, for the same purpose, to develop and maintain a working knowledge of the authority's policies and practices in relation to that body and of the community's needs and aspirations in respect of that body's role and functions.
4. To participate in the scrutiny or performance review of the services of the authority, including where the authority so decides, the scrutiny of policies and budget, and their effectiveness in achieving the strategic objectives of the authority.
5. To participate, as appointed, in the area and in service-based consultative processes with the community and with other organisations.

6. To represent the authority to the community, and the community to the authority, through the various forums available.
7. To develop and maintain a working knowledge of the authority's services, management arrangements, powers/duties, and constraints, and to develop good working relationships with relevant officers of the authority.
8. To develop and maintain a working knowledge of the organisations, services, activities and other factors which impact upon the community's well-being and identity.
9. To represent effectively the interests of the ward for which the councillor was elected, and deal with constituents' enquiries and representations including, where required, acting as a liaison between the constituent and the local authority and where appropriate other public service providers.
10. To contribute constructively to open government and democratic renewal through active encouragement of the community to participate generally in the government of the area.
11. To participate in the activities of any political group of which the councillor is a member.
12. To undertake necessary training and development programmes as agreed by the authority.
13. To be accountable for his/her actions and to report regularly on them in accessible and transparent ways.

Appendix C

The independent panel members

Mike Cooke

Mike Cooke was the Chief Executive of the London Borough of Camden for seven years, where he had also been Director of Housing and Adult Social Care and HR Director. He has extensive experience of partnership working across London including as the Chief Executive Leadership Committee lead on children and chairing the London Safeguarding Children Board. Mike also has worked for seven years in financial services where he developed an expertise in remuneration.

Until November 2020 Mike had been a Non-Executive Director of the Central and North West London NHS Foundation Trust where he was chair of the HR Committee. Mike's current role is the Chair of the North Central London Integrated Health and Care System.

Sir Rodney Brooke CBE, DL

Sir Rodney Brooke has a long career in local government, including as chief executive of West Yorkshire County Council, Westminster City Council and the Association of Metropolitan Authorities.

He was knighted in 2007 for his contribution to public service.

Dr Anne Watts CBE

Anne Watts has an extensive career in governance, diversity and inclusion spanning commercial, public and voluntary sectors. She has held executive roles for HSBC and Business in the Community and was chair of the Appointments Commission. She has carried out reviews of Government departments and the Army. In addition she has been a member of Government Pay review bodies and Deputy Chair, University of Surrey where she chaired the Remuneration Committee and the new Vet School.

She is a non-exec of Newable (previously Greater London Enterprise) where she chairs the Environmental, Social and Corporate Governance Committee and is a non-exec of Newflex subsidiary. In addition she continues to sit on the Race and Gender Equality Leadership teams for Business in the Community.

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Appendix 2 Membership of the Constitution Review Working Group

Members

Mayor Rokhsana Fiaz OBE (Chair)
Cllr Sarah Ruiz, Statutory Deputy Mayor
Cllr Anthony McAlmont, Chair, Overview & Scrutiny Committee
Cllr John Gray, Chair, Pensions Committee
Cllr Jane Lofthouse, representing the Chair of Licensing Committee
Cllr Nate Higgins, representing the Minority Green Group
Cllr Rachel Tripp, Chair, Strategic Development Committee
Cllr Rita Chadha, representing the Majority Labour Group
Cllr Simon Rush, representing the Majority Labour Group
Cllr Sophia Naqvi, representing the Minority Independents Group

Officers

Rachel McKoy, Monitoring Officer
Manjia Grant, Principal Governance Lawyer
Conrad Hall, Corporate Director of Finance & Resources
Robert Cayzer, Interim Head of the Mayor's Office
Sarah Sturrock, Interim Strategic Adviser to the Mayor
Akhtar Ali, Head of Registration and Electoral Services and Interim Head of Democratic Services

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APPENDIX 3

IRP Recommendations - Costs of Member Allowances 2025/2026 – with 2.5% uplift

	Roles	Payment per annum	Cost
Basic Allowance			
	All elected Members	£16,359	66x £16,359 = £1,079,694
Special Responsibility Allowances			
4	Directly Elected Mayor	£95,914	£95,914
3	<ul style="list-style-type: none"> • Cabinet Member (9 Inc. Stat Dep Mayor) • Chair of Health & Wellbeing Board • Chair of Overview & Scrutiny 	£38,186 (additional supplement of £5,793 per annum for the Cabinet member appointed as Statutory Deputy Mayor)	8x £38,186 + 1x £43,979= £349,467 +1 x £38,186 =£387,656
2	<ul style="list-style-type: none"> • Deputy Cabinet Member • Commissioner • Chairs of major regulatory committees (Strategic Development & Licensing) • Committee Scrutiny Lead Member/Chair of Scrutiny Sub-Committee • Chief Whip of Majority Group • Other Committee Chairs (Local Development, Pensions Committee, Audit Committee) • Chair of Council • Leader of Principal Opposition Group 	£15,911	20x £15,911 =£318,222
1	<ul style="list-style-type: none"> • Vice Chair of Council • Majority Party Group Secretary • Assistant Whip of Majority Group • Chief Whip of Principal Opposition • Leader of the second opposition group 	£3,183	5x £3,183 = £15,913
Total			£1,897,399

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APPENDIX 4

IRP Recommendations - Member Allowances Scheme 2025-2026

	Roles	Payment per annum	Cost
Basic Allowance			
	All elected Members	£15,960	66x £15,960 = £1,053,360
Special Responsibility Allowances			
4	Directly Elected Mayor	£93,575	£93,575
3	<ul style="list-style-type: none"> • Cabinet Member (9 Inc. Stat Dep Mayor) • Chair of Health & Wellbeing Board • Chair of Overview & Scrutiny 	£37,255 (additional supplement of £5,652 per annum for the Cabinet member appointed as Statutory Deputy Mayor)	8x £37,255 + 1x £42,906= £340,946 +1 x £37,255 =£378,201
2	<ul style="list-style-type: none"> • Deputy Cabinet Member • Commissioner • Chairs of major regulatory committees (Strategic Development & Licensing) • Committee Scrutiny Lead Member/Chair of Scrutiny Sub-Committee • Chief Whip of Majority Group • Other Committee Chairs (Local Development, Pensions Committee, Audit Committee) • Chair of Council • Leader of Principal Opposition Group 	£15,523	20x £15,523 =£310,460
1	<ul style="list-style-type: none"> • Vice Chair of Council • Majority Party Group Secretary • Assistant Whip of Majority Group • Chief Whip of Principal Opposition • Second Opposition Group Leader • Member of the Licensing (Act) 2003 committee which meets with exceptional frequency or for exceptionally long periods 	£3,105	7x £3,105 = £21,735
Total			£1,857,331

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APPENDIX 5

Current Member Allowances Scheme 2024/2025 – 2.5% Uplift

	Roles	Payment per annum	Cost
Basic Allowance			
	All elected Members	£16,359	66x £16,359 = £1,079,694
Special Responsibility Allowances			
6	Directly Elected Mayor	£95,914	£95,914
5	Cabinet Member	£39,391 (additional supplement of £5,793 per annum for the Cabinet member appointed as Statutory Deputy Mayor)	8x £39,391 + 1x £45,184= £360,310
4	<ul style="list-style-type: none"> • Chair of Overview & Scrutiny • Deputy Cabinet Member • Commissioner • Chairs of major regulatory committees (Strategic Development & Licensing) • Chair of Health & Wellbeing Board 	£20,855	13x £20,855 = £271,115
3	<ul style="list-style-type: none"> • Committee Scrutiny Lead Member/Chair of Scrutiny Sub-Committee • Chief Whip of Majority Group 	£17,379	4x £17,379 = £69,516
2	<ul style="list-style-type: none"> • Other Committee Chairs (Local Development, Pensions Committee, Audit Committee) • Chair of Council • Leader of Principal Opposition Group 	£15,911	4x £15,911 = £63,644
1	<ul style="list-style-type: none"> • Vice Chair of Council • Majority Party Group Secretary • Assistant Whip of Majority Group • Chief Whip of Principal Opposition • Leader of second Opposition Group 	£4,055	5x £4,055 = £20,275
Total			£1,960,470

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LONDON BOROUGH OF NEWHAM

COUNCIL

Report title	2025/26 Budget Setting Report: Sustaining a Fairer Newham and Addressing the Financial Challenges Ahead	
Date of Meeting	Thursday 27th February 2025	
Lead Officer	Andrew Ward, Deputy Director of Finance	
Corporate Director	Conrad Hall, Corporate Director of Resources	
Lead Member	Cllr Zulfiqar Ali, Cabinet Member for Finance and Resources	
Key Decision?	Yes	Reasons: Decisions over £1M
Exempt Information & Grounds	No	Grounds: N/A
Wards Affected	All	
Appendices	<p>A. Budget Savings B. Key Budget Growth Assumptions C. Capital Strategy <i>Annex C1. Capital Programme</i></p> <p>D. Sales, Fees and Charges E. 2025/26 Budget Tables F. Flexible use of Capital Receipts G. Public Health Grant H. Chief Officers' Pay Policy Statement I. Cumulative Equality Impact Assessment – Budget 2025/26 J. Council Tax Resolution 2025/26 K. Treasury Management Strategy Statement <i>Annex K1. Prudential Indicators and Treasury Limits</i> <i>Annex K2. Non treasury loans to wholly owned bodies</i> <i>Annex K3. Specified and Non-Specified Investments</i></p> <p>L. Monitoring Officer's Advice M. Council Tax Reduction Scheme Consultation Findings N. Budget Engagement Insights Report O. HRA Business Plan Summary 2025/26</p>	

Introduction by Cllr Zulfiqar Ali, Cabinet Member for Finance and Resource

This administration is here to serve the people of Newham and remains committed to delivering its manifesto commitments and our driving ambition of Building a Fairer Newham for all to enable everyone to prosper. Despite difficult challenges over the last few years, our aim is to set and deliver local priorities that are fair, put the interests of our working class people at heart, and protect the vulnerable and those most in need. We have been and continue to work in collaboration with our residents and communities to do so.

We know this year's budget comes at a time of crisis. A crisis which is not of our own making. We had fourteen years of government austerity, a cost of living crisis, cuts, high inflation, high interest rates, and the housing and temporary accommodation crisis. These have significantly impacted on our abilities to drive the change that we want at the pace we need. Despite this, I am pleased that this administration has over the years been successful in a number of areas for the benefit of our communities. These have been well documented in our corporate plan and performance reports which are reported to the Cabinet on a quarterly basis. Our achievements include:

- Progress has been made in a number of areas across the Building a Fairer Newham Corporate Delivery plan. Regeneration schemes such as the Carpenter's Estate have progressed with the opening of the new entrance to Stratford Station and Cabinet has approved changes to the scheme that make it deliverable in the current economic climate.
- Educational achievements rank highly nationally with year 6 pupils ranked fourth in England, and GCSE pupils ranked 21st nationally for Attainment and Progress.
- We have increased the suitable accommodation available to our care leavers with the refurbishment of Clova Road to create 8 bedrooms within a supported unit for young people in need of supported accommodation Admissions to care homes remain low, and resident outcomes were achieved across 96% of safeguarding enquiries.
- Challenges include an increased number of rough sleepers, which is being addressed through the Rough Sleeping Integrated model.
- Sustainability goals advanced with expanded Healthy School Streets, Electrical Vehicle (EV) charging infrastructure contracts being awarded, and the highest ever recycling performance.
- We have the largest housing development programme in London. We are well on our way to deliver our manifesto target of 1,500 homes. We have completed 576 new homes so far, with another 656 in active construction.

- We are repairing and resurfacing our roads and pavements, delivering and improving our refuse and street cleaning services.
- We have improved our recycling rate from one of the lowest in London to one of the fastest improving authorities in London.
- We have achieved national recognition of our street cleaning improvements with awards from Keep Britain Tidy Group.
- Our performance on fly-tipping actions and removal is now well above the London average.

However, 14 years of disastrous Tory mismanagement of the economy and their inability to support residents, and communities through the hardest of times, has and is continuing to impact on local government finances.

It is encouraging to see that just over six months in, the new Labour Government has acknowledged the work that councils have done to keep services going through those very difficult times. It is intent on repairing the damage wrought on our country by successive Conservative governments which have damaged our public services in this country. We welcome that this is part of a 10-year mission to fix our country through addressing the systemic challenges this country and local government face. This government is under no illusion about the scale of the issues facing local government especially and have acknowledged that the double whammy of growing demand for services (particularly in social care and responding to homelessness), and cost pressures the job for councils in recent years has become almost impossible to bear.

The Mayor, the Cabinet, the Executive and the Corporate Leadership Team has been working hard throughout this year to do all we can to reduce costs, make savings, explore opportunities for income and look at doing things differently.

We have had various budget challenge sessions with independent experts, engaged with various scrutiny and budget working group sessions which have all helped us to plan next year's budget and the Medium Term Financial Strategy (MTFS). The proposals contained in this report take into account collective learning and contribution as far as possible.

This report follows the draft budget proposals approved for engagement at Cabinet on the 9th January 2025. It presents a final balanced budget for approval for the 2025/26 financial year. This is in the context of the exceptionally challenging circumstances that the council faces. We have over 40,000 people on housing list and over 7,000 households in temporary accommodation. Despite our significant efforts through our homelessness prevention programme and negotiations to reduce nightly accommodation costs which has resulted in a reduction in hotel costs of around £13m from the £14m spent in 2023/24 to the estimated £1m in 2024/25, and alongside stemming the significant rise in average costs to 5% in 2024/25, we are continuing to face pressure of £52m next year to meet our projected costs due to growing demand and inflationary pressures in homelessness and temporary accommodation costs.

The Medium-Term Financial Strategy (MTFS) forecast a £157m budget gap across the 3 years to 2027/28 which is lower than £175m forecasted earlier due to increased government grant funding in the Local Government Finance Settlement (LGFS) announced in December. This comprises of £84m in 2025/26; £41.3m in 2026/27 and £32.3 in 2027/28.

The projected gap in 2025/26 is £84m of which £52m is due to homelessness and temporary accommodation costs. When viewed against the annual revenue budget of the Council of £394m, this represents a significant challenge that is beyond the means of any local authority and is largely as a result of the national crisis in homelessness, and social care.

Whilst we have used our best endeavours, balancing the budget for 2025/26 is simply not possible without drastic cuts in statutory services which would have significant and adverse impact on our residents, especially when two thirds of our budget is spent on provision of statutory social care services. The scale of the budget gap is so significant that it is beyond our means unless we make significant service reductions by cutting universal, statutory services as well as other services that meet our residents' expectations. It is for this very reason that we along with many other councils have been lobbying the government to find ways and means to support local authorities and our Exceptional Financial Support (EFS) is within this context. We need to continue improvements in our services and meet our statutory requirements; and that is why we have asked the government for EFS which will allow us to balance the budget for 2025/26. However, unlike other authorities who seek government approval to borrow funds, our application is to seek approval to use income from our own capital receipts to offset budget gap. We are confident that we have substantial assets which we can safely dispose to meet the transitional budget needs during 2025/26.

As we are well aware, Newham is not alone in facing the impact of the national crisis. There were 19 local authorities which applied for EFS last year and the numbers are expected to increase this year due to the worsening crisis. We are aware of at least 7 London Boroughs who have applied for EFS this year.

The Mayor, the Cabinet, and the Corporate Leadership team has been working hard to identify savings and efficiencies to reduce the gap by going through an extensive review of the budgets, costs and expenditure which also included independent budget challenge process. As a result, we have identified savings of approximately £80m over the MTFS period of which £ £32m are in 2025/26. It is proposed to reduce the budget gap with these savings. It also needs to be noted that lately the government has authorised the Council to raise council tax by an additional 4% over and above 4.99% assumed in the LGFS. This will increase additional income, reducing next year's budget gap to £46m and the cumulative forecast budget gap to £72m by the 2027/28 financial year.

With a heavy heart, it is therefore proposed to increase the Council tax by 8.99%. Whilst this is the largest increase this year, Newham's Council Tax has been kept at a low level for too long a time, denying Newham residents investments where they are needed the most. Despite the incremental rises since May 2018, Newham is currently the sixth lowest of all the London boroughs. This level of increase is necessary to support our investments in the services our residents deserve and need. With many

other London councils expected to introduce a similar rise, Newham is forecast to still have at least the seventh lowest Council Tax level.

However, we recognise that the increase in Council tax would have impact on our residents particularly on those who are financially vulnerable. We have nearly seventeen thousand residents who have been benefiting from our current Council Tax Reduction Scheme (CTRS) this year. We have gone through the residents' consultation for the CTRS, where the proposal was to reduce this from 90% to 70% having had the feedback, this administration is committed to continue to provide 80% support. Our CTRS is specifically designed for households with working age adults on low incomes or receiving certain benefits, by reducing the amount they must pay towards their Council Tax bill. CTRS for pension age households is set by central government so these residents are not impacted at all by the proposed CTRS changes set out in this report.

As such it is proposed to implement the CTRS relief at 80% to ensure those in greater need can continue to benefit from this scheme.

In recognition of the crisis faced by the local government, the new government has stated that the LFGS settlement for 2025/26 is transitional and there is commitment for multi-year settlements from the following year. In Autumn, the government announced over £4 billion in additional funding for local government services of which £1.3 billion was allocated to the 2025-26 Local Government Finance Settlement as well as targeting additional funding within the Settlement towards the places that need it most i.e. those areas like Newham with greater need and demand for services because of poverty and deprivation. For Newham this has led to expected additional income of £34m, since the Medium Term Financial Strategy (MTFS) was last reported in October 2024.

This results in a projected MTFS Budget forecast gap that has reduced from the £175m (including the £100m forecast position for TA cost pressures) to a now reported £157m projected Budget forecast gap by 2027/28 (of which £106m is the forecast position for TA cost pressures).

However, it does mean that £84m of the forecast Budget gap is projected for the 2025/26 financial year. The Mayor, Cabinet and Officers have worked hard to identify further savings through a robust budget challenge process over the Autumn and through these winter months; and our saving proposals detailed in this report and appendices demonstrate how our commitment to achieving priority 'Building a Fairer Newham for All' outcomes for our people remains intact.

In summary:

- These identified savings total £80m for the MTFS period, reducing the projected budget gap (including additional 4% Council tax increase) to £46m in 2025/26 and £72m by the 2027/28 financial year.
- This is still less than the forecast increase in cost of £52m on Temporary Accommodation for that year, highlighting again the exceptional challenge facing

the Council, and councils in London, in the face of the housing crisis, and why building homes people can afford is a must.

- We expect £23m of savings from transformation and organisational redesign and will be expecting the Chief Executive and her team to ensure we accelerate the delivery programme to ensure we not only achieve this target but exceed where possible.
- Our recent track record of savings delivery is at 86%. We will work hard to increase this target to maximise delivery.
- We will maintain liaison with LGA, London Councils, our MPs and government ministries to monitor progress on the government's plans for local government support and its housing delivery strategy as well as on the Fair Funding Review progress and reassess the impact of this on our plans for future years.
- We will continue our efforts to reduce TA costs through accelerating our homelessness prevention programme, our efforts to reduce private sector nightly accommodation costs, and through our acquisition and placement policies.
- We continue to strengthen our financial governance and controls.

The 2025/26 Budget proposals also reflect the intent of the Mayor and Cabinet to prioritise local investment, early intervention and preventative models of service delivery at a time when we must demand efficiency, service area and transformation improvements from the Council, so that every penny and pound we spend for our residents achieves long lasting benefits for our communities and Newham as a place. They absolutely reflect the priorities expressed by local residents through our engagement with them.

This all aligns with the new Government's plans to reform and transform public services to fix a broken system that is failing people and communities, and where root causes have been left unattended for too long. We want to achieve outcomes that transform people's lives so that they can get on with their life with their families and loved ones. We also want to work with the new government to play our part to rebuild the foundations of our public services and reignite trust.

I commend the final 2025/26 Budget plans to the Mayor, Cabinet and the Council as a demonstration of our ongoing commitment to fairness and resilience in tough times.

1. Executive Summary

- 1.1. This report presents Full Council with a final balanced budget for approval for the 2025/26 financial year. This final budget plan for the 2025/26 financial year is presented in the context of the exceptionally challenging circumstances facing local government, and for Newham Council most notably in the provision of temporary accommodation which requires £52m of budgetary growth due to demand and inflationary cost pressures.
- 1.2. The proposed budget set out in this report presents a balanced budget following an application for Exceptional Financial Support (EFS) from central government, and is contingent on their support for it. This requested support comes in two forms.
- 1.3. Firstly, the government approved the Council's request for a higher referendum limit on council tax increases, but only to a limit of 9%, rather than the 10% asked for. Whilst the limit was set at 5% nationally, on the 3 February, the minister for local government approved bespoke limits to some of those councils who had made requests. No council received the entirety of their request, and the 9% for the London Borough of Newham was one of highest approved. The additional 4% gives the Council the power to approve a council tax increase of up to 8.99% for the 2025/26 financial year. The additional 4% raises £4.8m of council tax income. This is £1.2m less than the original request for an additional 5% increase which would have raised £6m in council tax income.
- 1.4. If approved, council tax in Newham will remain the lowest in Outer-London, and the seventh lowest in London overall. In setting council tax, the Council has balanced the needs of all residents with the need to support the most vulnerable. The Council retains a Council Tax Reduction Scheme which offers up to 80% relief for working age households, and there is no change to the scheme for pension age households.
- 1.5. Secondly, the government is still considering the request to utilise the Council's own capital receipts to fund revenue expenditure in order to balance the budget in the short term. This request comprised of £16m of capital receipts to be used to balance the 2024/25 budget, and £50m for balancing the 2025/26 budget. Having agreed the additional 4% council tax referendum limit, as above, rather than the requested 5%, the £50m asked for on capital receipts has now been increased by £1.2m to £51.2m. It is hoped that government will make a decision on this request in time for the budget setting meeting at Full Council on the 27 February 2025 but if it is not confirmed by then a further meeting will be held on 4 March 2025.
- 1.6. It is important to note that the requested £51.2m of support from capital receipts is less than the budgetary pressures caused by temporary accommodation. In other words, if it were not for the Housing Crisis, then the Council would be able to balance the budget without this EFS support.
- 1.7. In addition to the EFS process, this report accounts for other national funding announcements made and takes into account the continued work which has taken place locally to develop the final budget proposals. These are:

- Budget engagement with stakeholders, and with the Council's scrutiny function, began after the October Cabinet and has continued into February 2025, and been taken into consideration. The engagement insights report is presented in appendix N.
- The cumulative impact assessment has been compiled and taken into consideration. This assessment is attached to this report as appendix I.
- The Council Tax Reduction Scheme consultation ran from the 27 November 2024 to 14 January 2025, and the findings taken into consideration. The consultation findings are attached to this report as appendix M.
- The Schools Forum have endorsed the proposed use of the 2025/26 Dedicated Schools Grant, including the successful continued reduction to the High Needs deficit, and the impact of falling pupil numbers in mainstream education, as set out in the draft budget papers.
- The Public Health Grant allocations have been developed and are attached to this report in appendix G.
- The internal capital strategy process has been followed to produce the proposed Capital Programme for 2025/26 which is attached to this report as appendix C, and the associated Treasury Management Strategy Statement was scrutinised by Audit Committee in January and is attached in appendix K.
- The Final Local Government Finance Settlement for England for 2025/26 was published on the 3 February 2025, and changes to funding allocations are reflected in this report. The National Insurance increase compensation has been confirmed at £3.2m which is £0.8m less than the Council required.

1.8. This report explains the changes that have been made to the draft budget proposals to produce a balanced budget for the 2025/26 financial year.

1.9. Strategically, the position across the medium term remains the same as reported in the draft budget report, save for the adjustment to council tax increases, and other minor changes. Namely, the strategic position is that the escalating trend in increases to cost and demand for temporary accommodation are causing a gap in the budget between forecast costs and expected income. To recap, the Medium-Term Financial Strategy (MTFS) forecast a £157m budget gap across the 3 years to 2027/28, and it is proposed to close this budget gap with approximately £80m of savings, plus the additional 4% council tax increase which will raise £5m. This leaves a cumulative forecast budget gap of £72m by the 2027/28 financial year.

1.10. The £80m of savings were included in the draft budget report (appendices a, b and c of that report), and whilst some updates have been made to the detailed narrative explaining these savings, they remain in the budget proposals. For clarity, these savings have been consolidated into appendix A of this final budget report, but retain their original reference numbers (e.g. A1, B2).

This budget proposed is not sustainable, using capital receipts from assets to cover day-to-day expenditure is unaffordable in anything except the very short-term, but unless government aligns local authority funding to the duties and responsibilities placed on the sector there is little alternative. Most authorities in

the sector face this position, whether in 2025/26 or in the years immediately following that. This is set out in detail in the Chief Finance Officer's formal Section 25 statement, in section 18 of this report.

1.11. The Council is committed to ensuring it does what is required to deliver efficiency savings that keep our residents at the heart of our service provision and drives its fairness mission locally. The transformation proposed will see the Council work in new ways, have better use of technology and ensure it delivers on the savings of £23m across the next three years. The MTFs and transformation plans set out the permanent ongoing savings to be delivered from this work, and this is supported by a £10m one-off investment pot, funded from the flexible use of capital receipts, as set out in appendix F.

2. Recommendations

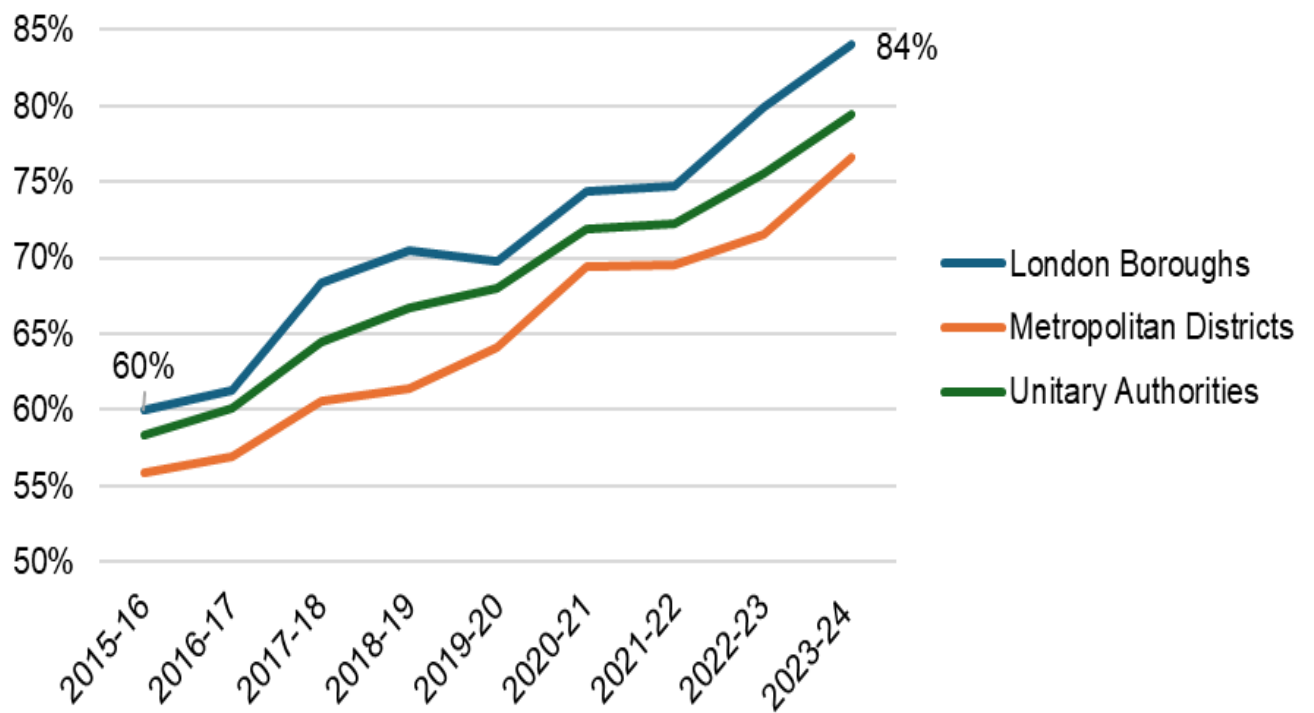
For the reasons set out in the report and its appendices, Council is recommended to:

- 2.1. Agree the General Fund net budget requirement for 2025/2026 be set at £496m as set out in Section 8.
- 2.2. Agree an overall 8.99% increase in the Council's element of council tax for 2025/26 with 2% as a precept for Adult Social Care and a 6.99% general increase
- 2.3. Agree, to change the Council Tax Reduction Scheme as set out in section 8.
- 2.4. Subject to confirmation of the GLA's precept, agree to set the overall amount of council tax for 2025/26 as set out in Appendix J, the Council Tax Resolution.
- 2.5. Agree the budget Saving and Growth proposals to be made to the budget for 2025/26 as set out in Appendices A and B.
- 2.6. Agree the capital programme along with the minimum revenue provision policy, and unchanged CIL infrastructure List, as set out in the Capital Strategy Appendix C.
- 2.7. Agree to notify the Secretary of State of the plans to fund transformative expenditure to generate ongoing savings using the provision for flexible use of capital receipts as per appendix F.
- 2.8. Agree or note, as appropriate, the proposed fees and charges as set out in Appendix D for implementation from 1st April 2025.
- 2.9. Agree the Treasury Management Strategy and Annual Investment Strategy including the revised treasury and prudential indicators set out in Appendix K.
- 2.10. Agree the Chief Officers' Pay Policy Statement for 2025/26 as set out in Appendix H.

- 2.11. Note that the level of the Dedicated Schools Grant (DSG), for 2025/26 has been set at £399m, and approve the local funding formula recommended by the Schools Forum.
- 2.12. Note the HRA Business Plan approved by Cabinet 9 January 2025 as set out in Appendix O.
- 2.13. Note the Public Health Grant budget as set out in appendix G.
- 2.14. Note an average 2.7% rent increase on all Council-owned rented accommodation (including homes managed under a PFI contract), and service charge increases will be applied.
- 2.15. Note the Section 25 Statement of the Corporate Director of Finance as set out in section 18.
- 2.16. Note that the proposals for balancing the budget rely on the use of £51.2m of capital receipts, which is subject to approval of the Council's application for Exceptional Financial Support.
- 2.17. Note that MHCLG have advised that applications for EFS, by any Council, are unlikely to be determined until late February 2025 and that a "reserve" date for Full Council has been set for 4 March 2025.
- 2.18. Note the Monitoring Officer's Advice as set out in Appendix L

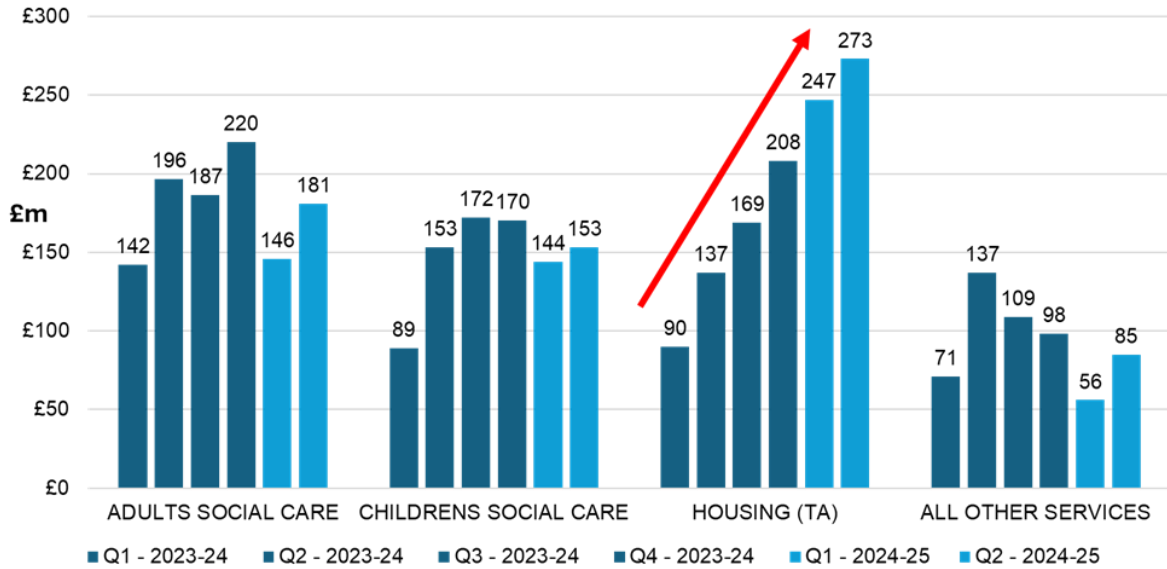
3. Background

- 3.1. The financial position that the Council now faces has been reported a number of times, and the strategic position remains that demand and cost inflation pressures in temporary accommodation and in the provision of social care are the cause of the budget gap shown in the Medium Term Financial Strategy.
- 3.2. For context, this is not a position unique to Newham Council. Local Authorities in general across the country are facing these pressures, and in particular it is London Boroughs where the housing crisis is being felt most acutely. The following charts evidence the trends impacting the whole of London, and demonstrate these are national and regional issues.
- 3.3. **Chart One – Spending on Adult Social Care, Children's Social Care and Homelessness as a % of Net revenue expenditure 2015/16 to 2023/24 – by authority type.** *Source: MHCLG Revenue Outturns*



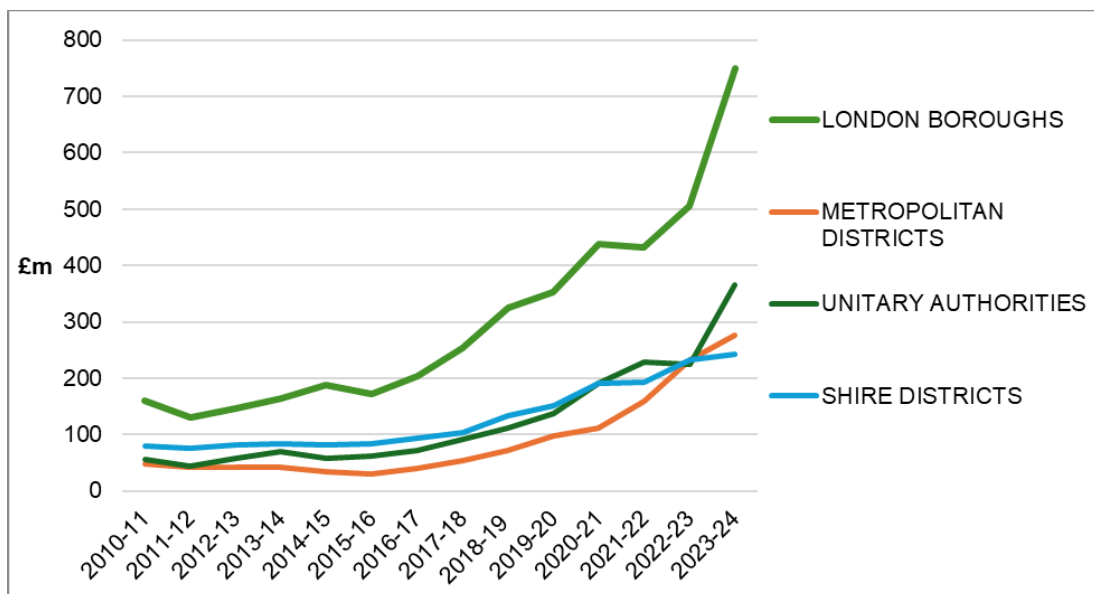
3.4. The above chart shows a fundamental shift in spending over the last decade with a growing proportion of council budgets being spent on demand led services. The rise for London's boroughs has been particularly stark.

3.5. Chart Two - Gross overspending by broad service area – London boroughs – Q1 2023-24 to Q2 2024-25. Source: *London Councils/Society of London Treasurers quarterly budget monitoring surveys*



3.6.13. For London Boroughs, these pressures are accelerating and have caused overspends in the last two years. In 2023/24, this totalled more than £700m and averaged more than £20m per borough. This will be exceeded in 2024/25, where the forecasts are for overspends of more than £270m on temporary accommodation; £180m on adult social care, and £150m on children’s social care.

3.7. Chart Three - Net current expenditure on homelessness by authority type – 2010-11 to 2024-25. Source: *MHCLG, Revenue Outturns, 2023-24 outturn estimated and 2024-25 budgeted figures*



- 3.8. London continues to suffer the most severe homelessness pressures in the country, with 1 in 50 Londoners now living in temporary accommodation. This includes 1 in 21 children, and the capital accounts for more than half (56%) of all homeless households living in temporary accommodation in England. Expenditure has risen fourfold since 2010, and London Boroughs now spend £114m a month on temporary accommodation.
- 3.9. Further background reading on how these trends are affecting Newham Council is available in the previous reports made to Cabinet, which are listed below.
- the [Going Concern Assessment](#) to Audit Committee in June 2024;
 - the [Summer 2024 Finance Review Report](#) to Cabinet in August 2024;
 - the [October 2024 Finance Review Report](#) to Cabinet in October 2024;
 - the [December 2024 Finance Review Report](#) to Cabinet in January 2025.
 - the [Quarter Three budget monitoring report](#) to Cabinet in February 2025.
 - the DSG Budget Setting reports to Schools Forum in January 2025.

4. Final Budget

- 4.1. The draft budget for 2025/26 has been amended in the following ways.
- 4.2. Following a decision by the Minister of State for Local Government and English Devolution, the council tax referendum limit has been set at 9%, meaning that the Council can raise council tax by an additional 4% rather than the drafted 5%. This would mean that there is c.£1.2m less resources to support expenditure in 2025/26 than planned.
- 4.3. In compensation for this the Council increased its EFS application to use capital receipts to support the budget by £1.2m, from £50m to £51.2m.
- 4.4. Engagement with stakeholders started in October 2024 after the first initial proposals were received by Cabinet, and has continued since then. The Council's proposals have been refined throughout this process, and they reflect key insights from the engagement;
- Prioritising essential services such as those supporting children and young people.
 - Addressing the Housing Crisis with significant investment in house building as well as budgetary growth to meet demand for temporary accommodation.
 - Improving service delivery, for example with investment in digital services through the Council's transformation programme.
 - Improving financial management with the transformation programme set to make efficiencies, including reducing management and senior staff overheads.

- 4.5. The Overview and Scrutiny Committee's 'Budget Scrutiny Commission' has reviewed the proposals during January 2025 and presented its recommendations at committee on 10 February 2025. The Commission's work has helped to constructively challenge and strengthen the budget proposals. The Budget Scrutiny report including its findings and recommendations was published alongside the Executive's response and considered at Cabinet on 18 Feb 2025.
- 4.6. Internal review of budgetary growth in the draft budget has resulted in £0.4m additional growth being required by Children and Young People Services to continue to support services. There is also £1.1m additional growth being allocated to Environment and Sustainable Transport budgets, although for 2025/26 this is 'balance sheet neutral' as this growth had been accounted as one-off investment but it is now clear that it requires a permanent increase to resourcing to ensure the environmental improvements resulting from Healthy School Streets are sustained.
- 4.7. The Council Tax base has been set using the most up to date information on the number of dwellings in the borough. Continued growth in the number of properties has increased the expected tax take for 2025/26 by £1.2m.
- 4.8. The Council Tax Reduction Scheme consultation findings have been taken into consideration. A reduction to the maximum support available from 90% to 70%, and options in between, was consulted upon. This final budget report proposes not to reduce it all the way to 70%, but instead to implement support at 80% from April 2025. Details on the proposed amendments are in section 8 of this report. The financial impact of this change is to increase the Council's resources by £2.9m, as indicated in the draft budget report.
- 4.9. The capital strategy process, detailed in appendix C, provides the proposed capital programme for 2025/26. The process has ensured only essential and necessary capital projects are included with the result that total capital borrowing expectations can be reduced allowing for a saving compared to the draft budget of £1.6m.
- 4.10. The Final Local Government Finance Settlement for England (FLGFS) for 2025/26 was published on the 3 February 2025. National Insurance funding is £0.8m less than required, and the Children's Social Care Prevention Grant has increased by £0.2m to a total of £2.5m.

4.11. Table One – Summary of Changes to the Draft Budget

Change	Financial Impact Cost / (Saving) £m
EFS – 8.99% Council Tax increase allowed rather than 9.99%	1.2
EFS – Increase to Capital Receipts	(1.2)
CYPS Growth - On review of the draft budget it was discovered that some NRPF expenditure was not funded following the allocation of the Household Support Fund elsewhere.	0.4
EST Growth - On review of the draft budget it was realised that the 'investment' required to deliver Environmental measure savings (Healthy School Streets), needed to be permanent growth, so could not be funded from our investment pot (flexible use of capital receipts, but needed to be built into our MTFS).	1.1
Growth in the Council Tax Base	(1.2)
Capital Strategy - Reducing the planned capital programme by £60.6m will produce a revenue saving to our borrowing budget	(1.6)
FLGFS - Children's Social Care Prevention Grant	(0.2)
FLGFS – National Insurance compensation	0.8
Total	(0.8)

4.12. The table above shows that after taking into account all the changes, £0.8m can be added to the Council's contingency budget. In setting the final budget proposals it is acknowledged that the Council continues to face financial risks due to demand led pressures and uncertainty, and contingency budgets are being held against these. Clearly the contingency budgets are supported by the use of capital receipts, so if unused in -year, would actually reduce the Council's reliance on those receipts.

4.13. The final budget proposals contain;

- £4.1m as a general contingency.
- £7.2m as a centrally held budget to meet staff pay increases once pay awards are negotiated nationally.
- £0.8m as the net total of changes as per table one above.
- **£12.1m in total**
- In addition, there is a £4.3m balance from the £50m capital receipts application via EFS and the draft budget, this will be held as an additional contingency in reserve.

4.14. There are both likely and possible demands on this contingency which could occur in 2025/26 for which the budgetary figures are not yet available. These are listed below with some **indicative figures** included to provide clarity in terms of the quantum of what might be required. For avoidance of doubt; this section is not stating that all of the below will necessarily occur.

- Pay award settlements could cost between £4m, based on a 2% increase, or £8m based on a 4% increase.
- Member allowance increases could cost £0.3m and are not yet accounted for in the budget.
- There is a risk that if strictly applied as drafted the recently announced ring-fence on the Homelessness Prevention Grant could leave £3m of budgeted expenditure unsupported creating a budget pressure.
- The Children's Social Care Prevention Grant has been accounted for centrally, but it is not clear at the time of drafting if the grant would be heavily ring-fenced, and if so what existing expenditure could fall within that ring-fence. There is a risk that the entire £2.5m would be expected to fund new preventative expenditure, which has not been budgeted for.
- Risk of non-delivery of savings proposals in 2025/26. An 80% delivery rate would mean £6m of contingency would be needed to cover the shortfall. This risk is being mitigated through close monitoring and management action on savings delivery.
- Service overspends. Whilst care has been taken to allocated sufficient growth to service budgets to cover demand and inflationary pressures, there remains a risk of external factors causing overspends.

5. Public Engagement

5.1. A series of budget engagement events and a survey was organised to provide residents with the opportunity to feed into decisions into key spending and saving proposals for the 2025/25 budget year.

5.2. In total, 489 people took part in budget engagement activities. Of those, 251 attended 8 engagement sessions between October and November 2024. Residents were invited to take part and special events were also put in for the voluntary, community and faith groups, businesses, young people and members of the Co-Production Forum. Sessions were hosted in person and online, at various times of the day to ensure residents with different access needs and commitments were able to hear about the budget proposals and take part.

5.3. The Mayor, her Cabinet, and senior officers were present at these events to give an introduction and overview of the proposals. Then time was allocated at each event for roundtable discussions. Residents and partners were encouraged to provide feedback on budget proposals and share their views, concerns, and aspirations around the budget.

5.4. A resident feedback survey was also created for residents and partners unable to attend the events, to maximise participation, and ensure residents and key stakeholders in the borough had a chance to share their views and concerns around the budget. A total of 238 people took part in the survey, including residents and representatives from the NHS, businesses and education providers.

Key Findings

- 5.5. **Prioritising Essential Services:** Residents emphasized the importance of protecting core services, particularly those supporting children, young people, and vulnerable adults such as Children's Centres.
- 5.6. **Addressing the Housing Crisis:** Concerns were raised about the rising cost of temporary accommodation and the need for an increased affordable housing supply and improved procurement of temporary accommodation.
- 5.7. **Improving Service Delivery:** Residents called for improved communication, streamlined processes, and increased transparency in decision-making. Digital innovation and co-location of services were also suggested to enhance efficiency.
- 5.8. **Financial Sustainability:** There was a recognition of the need for financial prudence while protecting essential services. Residents suggested exploring innovative revenue generation strategies, reducing unnecessary expenditure, and improving fiscal management.
- 5.9. **Community Engagement and Partnership:** The importance of strong partnerships between the Council, voluntary sector, and businesses was highlighted. Collaborative approaches were seen as essential for delivering effective services and addressing community needs.
- 5.10. **Community Cohesion and Grassroots Support:** Recent survey feedback emphasised the importance of supporting grassroots organisations and micro-charities in building community resilience, particularly highlighting the need for affordable community spaces and venues.
- 5.11. **Residents' Recommendations.** Listed below is a summary representative of the generally supported views expressed to the Council by residents. There were of course a wide range of views taken into account.
- 5.12. **Protect Essential Services like Children's Centres:**
- Do not close down Children's Centres. Prioritise funding for essential services like Children's Centres, libraries, and youth services.
 - Invest in early intervention and preventative services to reduce future costs.
 - Ensure adequate funding for adult social care services, particularly for vulnerable groups.
- 5.13. **Address the Housing Crisis:**
- Increase investment in affordable housing development.
 - Explore innovative housing solutions, such as modular housing and co-living.
 - Improve the management of temporary accommodation to reduce costs and improve outcomes.

5.14. **Enhance Service Delivery:**

- Improve communication channels (website, phone line and digital services) and engagement with residents, businesses and community organisations. To enhance service access and delivery
- Streamline and consolidate services where possible and reduce bureaucracy.
- Invest in digital technology to improve service delivery.
- Co-locate services in community centres or libraries to increase accessibility and efficiency.

5.15. **Improve Financial Management**

- Explore innovative revenue generation strategies to bring investment into the borough and Council.
- Reduce spending on organisational expenses, through reducing senior staff salaries and outsourcing and improving procurement processes.
- Strengthen long-term financial planning and budgeting.

5.16. **Strengthen Community and Business Partnerships:**

- Foster collaborative relationships with the voluntary sector and businesses around shared goals to enhance impact.
- Establish formal mechanisms for co-production and communication – creating a centralised ‘front door’ to streamline interactions and prevent duplication.

5.17. Appendix N is the full final budget engagement report. It contains detailed information on public feedback on the budget, as well as case studies on feedback from businesses, the Co-Production Forum, Voluntary Community and Faith Sector organisation, the NHS and education providers.

5.18. **Newham Council’s response to Public Feedback**

5.19. The Mayor and Cabinet take resident’s feedback very seriously when making decisions around the budget. In line with public feedback, the Administration has and will do all it can to protect core universal services that residents rely on and are essential to the Building a Fairer Newham.

5.20. Several proposals that were initially put forward have been changed or withdrawn, in light of resident feedback and other political judgements. This includes:

- **Refuse collection.** Refuse collection will remain weekly, rather than moving to fortnightly.
- **Street Cleaning.** Street cleaning levels will remain at current levels – and refuse and cleansing were on that list. proposal to reduce street cleaning by 20% has been withdrawn. The Administration felt that such cuts would be counter-productive, undoing recent good work in improving cleanliness of the borough.
- **Parks service.** The Park service’s budget will not be reduced as proposed. Parks will be maintained at current standards for the enjoyment of all residents.

- **Youth Empowerment Service** (including Youth Zones). Further savings were offered from Youth Services, up to £2.2million. However, this was not accepted due to the political values and priorities of this administration to make Newham the best place for young people to grow up and reach their potential.
- **Children’s Centres**. Options to extensively cut back the Children’s Centre budget, worth another £0.45m, were rejected considering strong resident feedback against the closure of centres. Consequently, Children’s centres will receive some protection. However, some limited redesign and consolidation of children’s services will be needed due to their unsustainable financial situation, which residents and stakeholders will be consulted on.
- **Enrichment budget**. The initial proposal to remove the enrichment budget for children and young people entirely has been rejected. Instead, a 25% reduction in budget has been put forward, ensuring children from low-income families will still have access enrichment opportunities. However, officers will revise and streamline the approach to existing enrichment, heritage and cultural programmes (including the Cultural Passport).

6. Savings

6.1. There are no material changes to the savings proposed in the draft budget report. The final budget report proposes that the savings in appendix A are implemented for 2025/26 and across the MTFS as planned. These are summarised in the table below.

6.2. Table Two – Summary of MTFS Savings

Directorate	Savings 2025-26 £'000	Savings 2026-27 £'000	Savings 2027-28 £'000	TOTAL SAVINGS £'000
Adults and Health	6,535	6,840	6,900	20,275
CYPS	3,967	3,089	2,064	9,120
Digital	120	150	0	270
EST	4,190	54	0	4,244
IEH	3,784	1,838	1,000	6,622
Marketing	100	0	0	100
oneSource	300	0	0	300
REP	20	1,029	983	2,032
Resources	1,110	1,375	1,100	3,585
Transformation	680	450	350	1,480
Corp	3,400	0	0	3,400
Cross Cutting	8,000	11,000	9,000	28,000
Total	32,206	25,825	21,397	79,428

Sales Fees and Charges (SFC)

6.3. In support of setting a balanced budget a target of 20% increase to SFCs where possible was set. Finance conducted an exercise with services to test the impact of these increases including benchmarking against other local authorities to ensure increased prices would not impact demand/sales volumes and result in a net decrease in SFC income and also identify those SFCs which are determined by other factors.

6.4. This is a cross cutting saving and affects all income generating services within the Council with some exceptions identified. The savings target is distributed across Directorates as shown below.

6.5. Table Three – SFC income target saving

Directorate	Current Budget (2024/25) £'000	Savings (2025/26) £'000
Children and Young People	1,274	176
Inclusive Economy & Housing	8,608	1,082
Environment and Sustainable Transport	6,905	1,363
Marketing	1,261	255
Digital	113	18
Housing Revenue Account	77	28
Grand Total	18,238	2,922

6.6. The SFC Schedule is attached for information as Appendix D.

7. Growth

7.1. Budgetary growth is proposed as per the draft budget report with two exceptions. An internal review of budgetary growth in the draft budget has resulted in;

7.2. £0.4m additional growth being required by Children and Young People Services to continue to support services. On review of the draft budget it was discovered that some NRPF expenditure was not funded having previously received Household Support Fund which is under pressure elsewhere in the Council's budget.

7.3. £1.1m additional growth being allocated to Environment and Sustainable Transport budgets, although for 2025/26 this is 'balance sheet neutral' in 2025/26, as this growth had been accounted as one-off investment but it is now clear that it requires a permanent increase to resourcing so that will impact the MTFs. On review of the draft budget it was realised that the 'investment' required to deliver

Environmental measure savings (Healthy School Streets), was actually permanent growth, so could not be funded from our investment pot.

7.4. This final budget report includes, in Appendix B, a more detailed explanation of the assumptions used to calculate budgetary growth in the key areas of Adults Social Care, Children’s Social Care and Housing Benefit Subsidy loss. This work builds upon material explored with budget scrutiny during January 2025, and is provided for information.

7.5. The draft budget report, covered in detail the assumptions used to model the temporary accommodation budgetary growth included in the MTFs, and these are summarised in section nine.

7.6. Table Four – Summary of Budgetary Growth by Directorate

Directorate	Budget 2024/25	Growth Allocations				Total Growth over 3 years
		2025/26	2026/27	2027/28	£m	
	£m	£m	£m	£m	£m	
Children and Young People	123.5	13.1	1.2	0.8	15.0	
Inclusive Economy & Housing	49.5	55.1	30.7	23.2	109.0	
Adults & Health	119.4	21.1	5.7	4.9	31.6	
Environment and Sustainable Transport	24.0	2.6			2.6	
Marketing	8.2	0.2			0.2	
Digital	1.7	0.2	(0.1)		0.1	
Transformation	4.7	0.1			0.1	
Resources	28.3	4.0	0.5		4.4	
Dedicated Schools Budget	0.0				0.0	
RMS	0.0				0.0	
Housing Revenue Account	0.0				0.0	
oneSource - Non Shared	0.8	0.1			0.1	
oneSource	2.5	2.2	1.3		3.5	
Corporate	32.3	29.6	21.4	18.2	69.2	
Total Services	394.8	128.3	60.6	47.0	235.8	

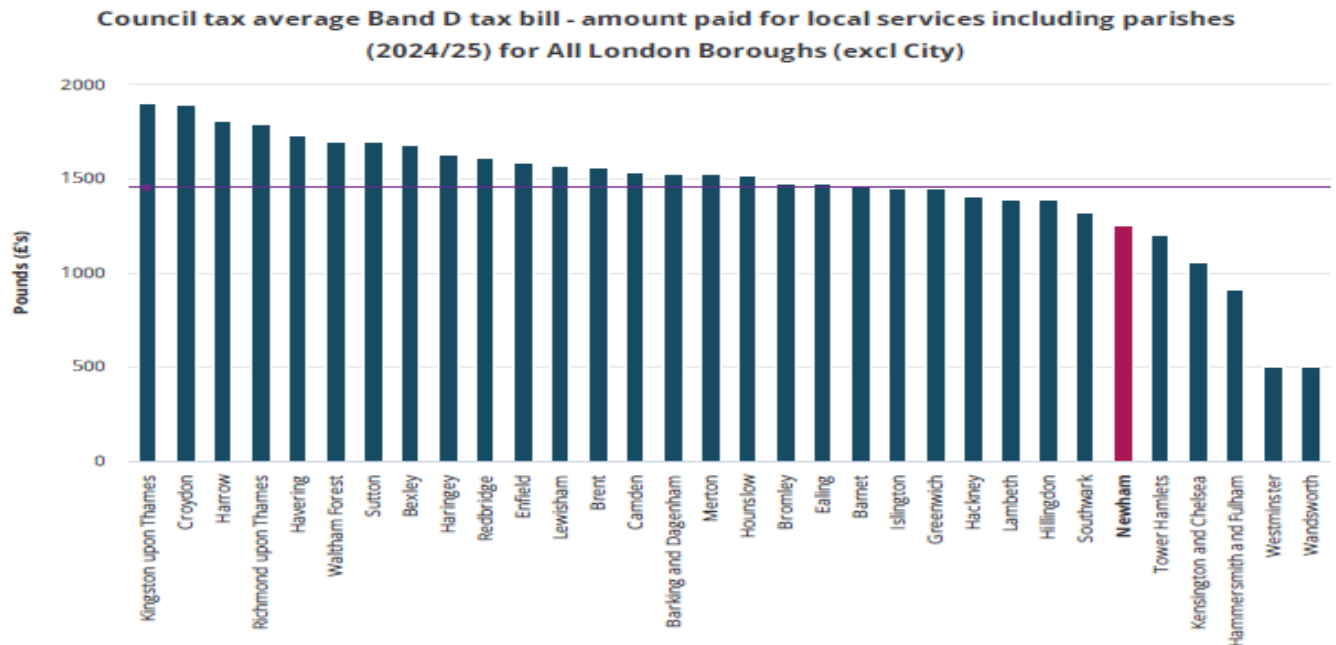
8. Income and Council Tax

8.1. Following the ministerial decision on a bespoke referendum limit for Newham of 9%, it is proposed to increase Council Tax of 8.99%. This will be done as a 2% increase for the adult social care precept and a 6.99% general increase. The

resulting Council Tax rates for the London Borough of Newham in 2025/26 are shown in the table further down.

8.2. Council Tax in Newham is currently the lowest in outer London, and the sixth lowest in London overall. The increase will mean that Band D council tax for the London Borough of Newham for 2025/26 will be £1,365.58. This will still leave Newham with the lowest council tax in outer London, and it will be at least the seventh lowest in London overall.

8.3. Chart Four – 2024/25 Council Tax (band D) across London



8.4. Table Five - Proposed Newham Council Tax Bands 2025-26

	A	B	C	D	E	F	G	H
Council Tax								
24-25 band £	737.15	860.00	982.86	1,105.72	1,351.44	1,597.15	1,842.87	2,211.44
Proposed uplift	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%
25-26 band £ (proposed)	795.53	928.12	1,060.71	1,193.30	1,458.48	1,723.66	1,988.83	2,386.60
Adults Social Care Precept								
24-25 band £	98.15	114.50	130.86	147.22	179.94	212.65	245.37	294.44
Proposed uplift	2%	2%	2%	2%	2%	2%	2%	2%
25-26 band £ (proposed)	114.85	134.00	153.14	172.28	210.56	248.85	287.13	344.56
Total Newham Council Tax								
24-25 band £	835.30	974.50	1,113.72	1,252.94	1,531.38	1,809.80	2,088.24	2,505.88
Proposed uplift	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%
25-26 band £ (proposed)	910.38	1,062.1	1,213.8	1,365.58	1,669.04	1,972.51	2,275.9	2,731.16

Council Tax Reduction Scheme

8.5. The proposed changes, which will only affect working age households, and not impact pension age households, are to:

- Reduce the maximum level of support provided from 90% to 80%, rather than 70% as originally modelled in response to the consultation.
- Increase the income taper, the rate at which Council Tax reduction reduces as income increases, from 20% to 25%. This has been changed from the original 30% in response to the consultation findings.
- Reduce the maximum capital permitted to be entitled to any Council Tax reduction from £16,000 to £6,000, as per the consultation.
- Increase non-dependent deductions by 10%, rather than the 30%, as per the consultation.

8.6. Any revision to the scheme is governed by the Local Government Finance Act 2012 and any revised scheme needs to be agreed by Council no later than 11th March 2025.

8.7. Appendix M contains the results of and response to the CTR consultation. 471 responses were received to the consultation, broadly broken down as being 60% from CTR recipients, 38% from other council tax payers, and 2% from other residents or stakeholders.

8.8. CTR recipients mostly disagreed with the proposal to reduce CTR support to 70%, although there was a more mixed response from other council tax payers. Of those who disagreed with a reduction to 70% a majority favoured a change to 80% support, which is now in line with the proposal in this report.

8.9. The consultation responses also showed a strong negative response to the proposal to increase the income taper on CTR support to 30%. Consequently, the Council now proposes to increase the taper to just 25%. The full results of the consultation can be seen in Appendix M.

8.10. The changes to the Council Tax Reduction Scheme will reduce the budget gap with £2.9m of additional tax revenue for the Council. This is reflected in the Council Tax Base set 30 January 2025 under delegated powers. The Council Tax Base collection rate, which reflects how much council tax will be collected over the lifetime of the debt, has been adjusted downwards recognising these changes could result in a higher level of bad debts.

The revised 2025 scheme will be published on the Council's website.

Second Homes

8.11. At the meeting of 29th February 2024, Council determined that, in line with amendments made to the LGFA 1992 by the Levelling Up and Regeneration Act 2023 (LURA 2023), a 100% premium should apply to furnished homes that are only periodically occupied ('second homes') from 1st April 2025. These are properties in which no one is resident and are substantially furnished, and also include furnished properties between lettings. Council is asked to note that the Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 came into force on 1st November 2024, providing for a 12-month limit exception in cases where properties are marketed for sale or let at a reasonable amount or cases where dwellings have undergone probate.

Government Funding

8.12. Table Six – Government Grant Funding

Grant Source	Funding	2025/26 Provisional funding allocation	2025/26 Final funding allocation	Change	Commentary
		£m	£m	£m	
Revenue Support Grant		46.3	46.3	0	
New Homes Bonus		5.9	5.9	0	
Services Grant		0.0	0.0	0	
Recovery Grant		11.0	11.0	0	New grant for 2025/26
Children's Social Care Prevention Grant		2.3	2.5	0.2	New grant for 2025/26
ASC Market Sustainability and Improvement Fund		6.4	6.4	0	Despite rising demand and prices this grant is 'cash-flat'; hence a real-terms cut
Better Care Grant (Improved Better Care Fund Income)		21.2	21.2	0	Despite rising demand and prices this grant is 'cash-flat'; hence a real terms cut
ASC Discharge Grant		0.0	0.0	0	Rolled into Better Care Grant above
Social Care Support Grant		43.6	43.6	0	Increase reflects share of £600m additional funding
National Insurance Compensation		4.0	3.2	(0.8)	

Sub-total – Central Grants	140.7	140.1	(0.6)	
Rough Sleeping Prevention and Recovery Grant 2025/26	1.7	1.7	0	
Rough Sleeping Drug and Alcohol Treatment Grant 2025/26	0.7	0.7	0	
Emergency Accommodation Reduction Pilots 2025/26	0.2	0.2	0	
Homelessness prevention - 24-25 includes in year top-up	21.3	21.3	0	
Sub-Total – notable departmental grants	23.9	23.9	0	
Grand Total	164.7	164.1	(0.6)	

8.13. In total £173.5m is also expected from the National Non-Domestic Rates system, including the top up and index compensation amounts.

8.14. Table Seven – Total budgeted income for 2025/26

Source	24/25 £m	25/26 £m	Change £m	Commentary
Council Tax	110.3	126.4	16.1	Increase in base dwellings in the borough and increase in CT rate by 8.99%
Central Grants	113.3	140.1	26.8	Increase in funding as well as new allocations such as recovery grant
NNDR	171	173.5	2.5	Growth in NNDR
Total	394.6	440.0	45.4	

8.15. Adding the balancing use of Capital Receipts of £46.1m via EFS, plus the investment expenditure funded from flexible use of capital receipts of £10m, brings the total available resource for the 2025/26 revenue General Fund to £496m.

9. Temporary Accommodation/Housing Crisis

9.1. The Temporary Accommodation forecasts have been extensively scrutinised through the Budget Challenge Board; and by both the Council's internal governance Transformation and Improvement Board and the Temporary

Accommodation Board. Appendix F of the draft budget report explains the financial modelling, but in summary the assumptions used to forecast demand are:

- In 2025/26 there will be + 50 new TA cases in nightly paid accommodation per month. This includes transferring 15 TA cases per month (180 total in the year) from the most expensive suppliers to lower cost suppliers. The basis of this assumption is that on average the number of households in nightly-paid TA has increased by 46 per month in 2024/25.
- In future years of the MTFS there will continue to be +50 new TA cases per month, and these will be allocated proportionately across suppliers.

9.2. The assumptions used to forecast price are;

- In 2025/26 there will continue to be price increases for nightly paid TA in line with the trends experienced in 2023/24 and 2024/25. The forecast adjusts for the impact of fixed rate agreements with certain suppliers.
- In future years' price increases are again assumed but at a slightly lower rate than in 2024/25, which is in line with Savills view of a slowing in UK rental price increases.

9.3. These assumptions have not changed since the draft budget report.

9.4. Whilst the Council welcomed the additional funding provided through the Homelessness Prevention Grant, government were proposing that 49% of this grant be ring-fenced to specific terms and conditions. A shift to preventative spending makes sense over the longer term, but the short term impact, if this ring-fence is applied, is to leave c.£3m of budget expenditure on the provision of temporary accommodation unsupported in this budget. This has been listed as a risk against the contingency budget set.

10. Medium Term Financial Strategy

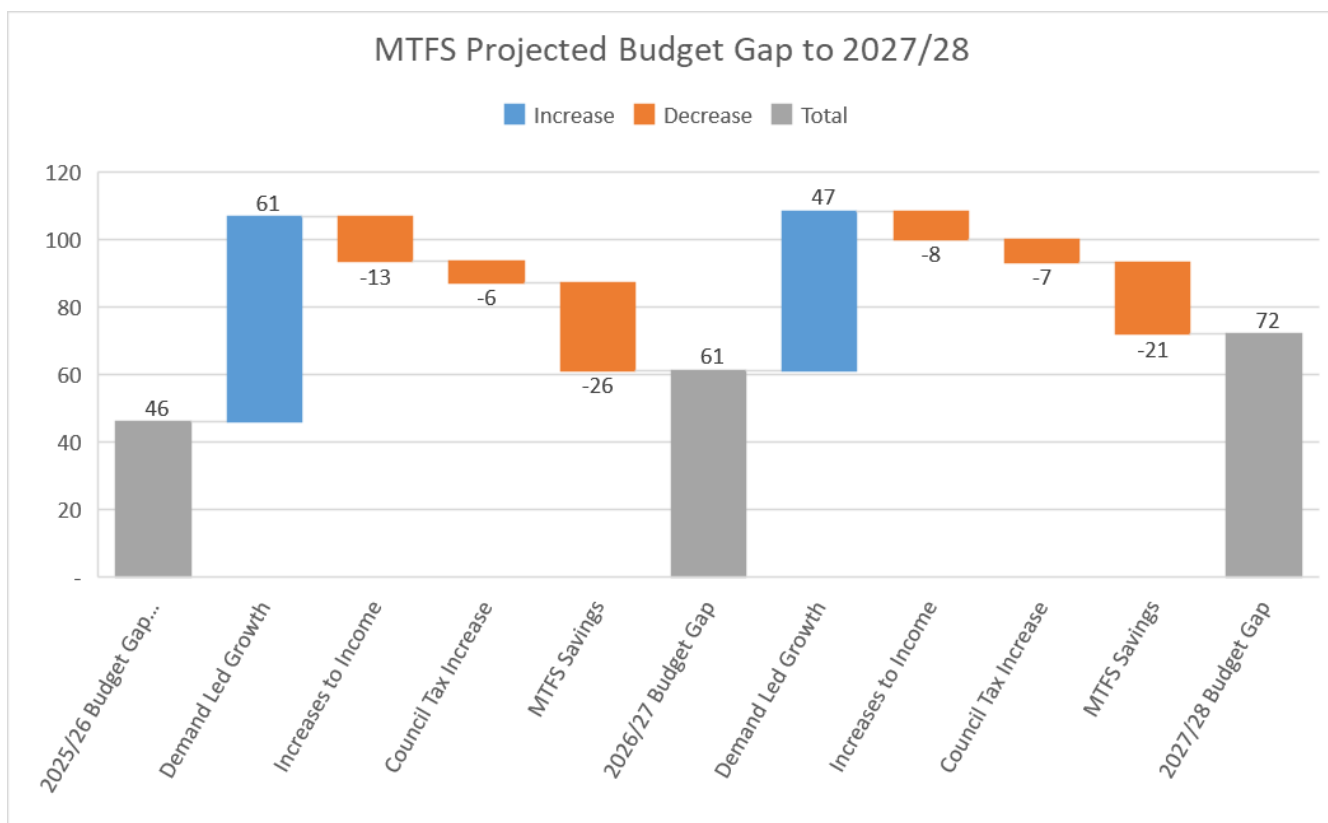
10.1. The medium term financial position presented as part of the draft budget report has been adjusted for the developments explained further up in the report, (e.g. the council tax increase), but this does not materially change the strategic position.

10.2. Table Eight – Updated MTFS Position

	2025/26	2026/27	2027/28	Cumulative Total
Original MTFS Budget Gap	84.0	41.3	32.3	157.5
Additional 4% Council Tax Increase	(5.7)	(0.2)	(0.3)	(6.2)
Sub –total MTFS Budget Gap	78.3	41.1	32.0	151.4
Proposed MTFS Savings	(32.2)	(25.8)	(21.4)	(79.4)
Revised MTFS Budget Gap (in-year then cumulative)	46.0	15.2	10.6	71.9

10.3. This is the result of forecast demand led growth for service budgets (mainly temporary accommodation and social care), not being offset by the forecast increases in income and council tax, or by the MTFS savings now planned. This is best illustrated in the Waterfall chart below, which shows how the cumulative annual budget gap will grow to c.£72m by 2027/28.

10.4. Chart Five – Medium Term Financial Strategy – Forecast Budget Gap



10.5. The Council will continue to address this budget gap through its transformation programme and continued emphasis on finding new savings and efficiencies, but it will clearly also require reform of the local government funding system with resourcing becoming more aligned to the need to provide services.

11. Capital Strategy and the Treasury Management Strategy Statement

11.1. Appendix C outlines Newham Council's Capital Strategy, detailing the approach to capital investment, funding, and prioritisation to support the Council's strategic priorities. It sets out the proposed additions and changes to the capital programme for 2025/26. These proposals are the result of the capital strategy process which prioritised projects which deliver financial returns as well as strategic priorities within the financial envelope allowed for in the MTFS.

11.2. The outcome of the capital strategy process is that the programme can be reduced by £60.6m compared to that set out in the draft budget report achieved through a prudent approach to adding new projects to the Capital Programme and a review and reduction of planned spend within the existing programme. The revenue impact of this is to reduce planned borrowing costs by approximately

£1.6m. This has been set out and accounted for earlier in this report as part of presenting a balanced revenue budget.

11.3. The Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy (AIS) are attached to this report as appendix K. The TMSS sets out the prudential framework that local authorities work to in order to demonstrate that capital investments plans are prudent and affordable. The TMSS also contains the prudential indicators against which treasury borrowing will be measured to monitor and demonstrate the Council is working to the set strategy.

12. Housing Revenue Account

12.1. Cabinet approved the HRA Business Plan in October 2024 and approved an update at Cabinet in January 2025 as part of the draft budget report, (Appendix G of that report). The plan provides the framework for managing the financial aspects of council housing, ensuring sustainability and effective resource allocation. The approval continues to signify a commitment to maintaining and improving housing services for residents. Notably, the plan projects an expected surplus of £2.5 million for the 2025/26 financial year, which will be used to increase the level of HRA reserves for ongoing investment in later years.

12.2. Cabinet agreed in January to implement an average 2.7% rent increase on all Council-owned rented accommodation, including homes managed under the Private Finance Initiative (PFI) contract. This increase, along with the service charge adjustments detailed in section 8 of the January Cabinet report, aims to balance the need for revenue generation with affordability for tenants. The updated assumptions in the HRA Business Plan reflect the economic changes experienced over the past year, including adjustments to CPI and RPI figures.

12.3. Furthermore, the business plan approved an increase in the HRA Capital Programme of £97.5 million for 2028/29, set out in section 8 of the January Cabinet report. This investment will support essential capital projects and improvements in council housing. There have been no substantial changes to the position since the January Cabinet meeting, and a further report on the 30-year HRA Business Plan is scheduled for early summer 2025. The increased capital programme will help address key areas such as major works, decarbonisation efforts, and development schemes, ensuring the long-term sustainability and quality of council housing.

13. Dedicated Schools Grant

13.1. DSG is a ring-fenced grant paid to local authorities for education purposes. It consists of four blocks and must be deployed for one of the following purposes:

- Schools Block – funds core mainstream primary and secondary budgets (academies receive funding directly from the DfE).

- High Needs Block – supports Special Educational Needs and Disabilities (SEND) pupils aged 0-25 and pupils of compulsory school age in Alternative Provision (AP) due to exclusion, illness or other reasons.
- Central Block - provides funding for local authorities to carry out central functions on behalf of maintained schools and academies.
- Early Years Block – funds early years’ provisions for children aged 9 months to 4 years.

13.2. **Schools Block** - The 2025/26 Schools Block allocations based on October 2024 pupil numbers and 2024/25 comparative figures, are set out in the table below. Final allocations were confirmed in December 2024.

13.3. **Table Nine - DSG Block Funding**

	2025/26	2024/25	Variance +Fav./-(Unfav.)
	£000s	£000s	£000s
Schools Block	435,135	406,415	28,720
Less: Grants rolled into DSG in 25/26 (est.)	(27,957)		(27,957)
Less: Adjust. For reduced pupil nos. (est.)	(8,494)		(8,494)
Revised Schools Block	398,684	406,415	(7,731)

13.4. Nationally, there has been no significant policy change in the way schools are funded or how funding is distributed between local authorities. As in previous years, inner London boroughs have the lowest per pupil increases. Newham had the third lowest per pupil increase nationally at 1.52% (second lowest in 2024/25 and third lowest in 2023/24).

13.5. The total 2025/26 DSG funding for Newham schools (maintained and academies) is expected to reduce by £7.7m to £399m. In addition, the purchasing power is expected to decrease by a further £10m, assuming an inflation rate of 2.5%.

13.6. The 2025/26 allocations are based on the October 2024 census and pupil numbers are down by 1,191. As funding is largely based on pupil numbers, this will mean a provisional cash reduction of £7.7m (based on an adjusted pupil number decrease)

13.7. **High Needs** - Local authorities will have a minimum increase of 7% per head of the 2 to 18-year-old population, with gains capped at 10%. Most London boroughs have increases of 7%. The funding increase for Newham is marginally better at 7.6%, which will mean the High Need Block increasing by £5.3m to £824m. However, there are rising demands and other cost pressures. Year-on-year, Education Health Care Plans (EHCPs) have increased by 7% to 2,285 pupils, and Special Educational Needs (SEN) support pupils by 6% to 6,686 pupils.

13.8. Table Ten - High Needs Block

	2025/26	2024/25	Variance +Fav./-(Unfav.)
	£000s	£000s	£000s
High Needs Block (provisional)	82,440	77,174	5,266

13.9. In 2024/25, around 70% of the High Needs funding was passported to Newham schools: £34m to mainstream, £13m to Special Schools, and £6m to Alternative Provisions. The balance is made up of out-of-borough costs, Post-16 placements, and centrally provided services.

13.10. The accumulated DSG deficit is currently £12.7m, largely driven by historic overspends on the High Needs Block. As part of the local authority deficit recovery plan, in the last financial year the High Needs Block achieved an in-year underspend of £5.2m. The current year is forecasting an in-year underspend of £3m. However, the deficit recovery plans have placed significant pressures on school SEND support services. Therefore, the current deficit recovery trajectory remains challenging despite the additional funding.

13.11. **Central Block** - The Central Block provides funding for local authorities to carry out central functions on behalf of maintained schools and academies, including admissions, school improvement, education welfare, asset management, and statutory and regulatory duties. The Block funding is expected to increase by £49k (or 1.9%) to £2.65m.

13.12. Table 11 – Central Block

	2025/26	2024/25	Variance +Fav./-(Unfav.)
	£000s	£000s	£000s
Central Block	2,702	2,598	104
Less: Adjust. For reduced pupil nos. (est.)	(55)		(55)
Revised Central Block	2,647	2,598	49

13.13. **Early Years** - There has been significant expansion of age range services in 2024/25. Provisions now cover the following five funding streams (and current year DfE hourly rates are also shown below):

- 3-4 year-olds (universal 15 hours - £6.74)
- 3-4 year-olds (additional 15 hours for working parents - £6.74)
- 2 year-olds (disadvantaged – £9.62)
- 2 year-olds (working parents – new, £9.62)
- Under 2 year-olds to 9 months (working parents – new, £13.22).

13.14. The provisional 2024/25 Early Years Block allocation is £42.1m (of which £17m is expected to be passported to schools with nursery provisions and £24m to private, voluntary, and independent providers). Funding is based on headcount,

and the allocation will be finalised after the January 2025 census and confirmed in July 2025. Local Authorities are required to passport 95% of the funding to providers, and the balance can be retained to cover central administration and support costs.

Pupil Number changes and strategy

- 13.15. Across London, pupil numbers are falling, primarily due to falling births as well as outward migration. Newham is less affected than some other boroughs, but action is needed to protect educational standards and avoid increasing school budget deficits and the risk of school closure.
- 13.16. Our 2023 borough forecast estimates a 5% decrease in our primary pupil numbers by 2027. At secondary school level, forecast demand is also falling. There is a forecast drop in demand for Year 7 places from 4.4% in 2024/25 to 13% by 2029/30.
- 13.17. Schools are funded on a per pupil basis, so this decline in pupil numbers will have a direct impact on schools' budgets. Eight maintained primary schools were in deficit in March 2024 and based on quarter two this is forecasted to increase to twenty.
- 13.18. The Council has asked schools and academies to consider options in order to limit the detrimental impact on the wider sustainability of schools across the borough, in particular to reduce their Published Admission Number (PAN) so they can restructure staffing to sustainable levels.
- 13.19. There has been a positive response from primary and secondary schools/trusts to an expression of interest to reduce PAN, and formal consultation on PAN reductions began in November. The process will be repeated next year to achieve the overall required PAN reduction by 2027.
- 13.20. All maintained schools with an existing deficit or significant forecast deficit for 2024/25 are being supported by LA officers through regular meetings, with HR advice on staffing reorganisation and other deficit reduction strategies. Some schools have already undertaken staffing restructures and more are being planned. However, one maintained primary school already has an unrecoverable budget deficit, alongside another with a deficit of considerable concern.
- 13.21. Where it is not reasonable to expect the school to eliminate the whole of the deficit from its own future resources, local authorities are permitted to pay cash sums towards elimination of a deficit balance. This can be charged to the dedicated schools grant (DSG) only if a contingency fund has been approved by maintained school members of the Schools Forum. There are no such de-delegated contingencies in Newham, and Schools Forum has not agreed this when proposed by the LA. However, Schools Forum has agreed de-delegation to support schools in financial difficulty which will allow the local authority to buy-in specialist external Headship and School Business Manager support to work with Governing Bodies, Heads and Bursars.

Schools Surplus Balances

13.22. School balances at 31st March 2024 have reduced by £2.4m (8.7% decrease) from the previous year, to £24.8m. There was a notable reduction in the reserves held by primary schools. In 2023/24, primary schools depleted the reserve balance by around 34% and this is not sustainable in the medium term.

13.23. Table 12 - School Surplus Balance by Phase

Phase	22/23 in-year movement	2023/24 Opening Balance	In-year Movement	2023/24 closing balance	23/24 Core Budget (ISB)	Closing balance as % of ISB
		+ surplus / (deficit)	+increase / (reduction)			
	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)	
Nursery	491	2,253	419	2,672	5,935	45%
Primary	(3,005)	10,700	(3,592)	7,108	92,343	8%
PRU	21	375	(177)	198	4,565	4%
Secondary	952	13,810	974	14,784	53,687	28%
Grand Total	(1,541)	27,138	(2,376)	24,762	151,957	

13.24. Based on 2024/25 Quarter 2 monitoring returns, around 20 primary schools, a maintained nursery school and the Pupil Referral Units are forecasting a closing deficit. A further 13 primary schools would have reserves of less than the 8% recommended by the DfE. In contrast, all but one of the secondary schools are forecasting reserves of 5% or more, the threshold recommended by DfE. Balances above 8% and 5% are deemed to be excessive by the DfE.

13.25. DfE regulations allow Local Authorities to implement and administer Balance Control Mechanism (BCM) with the approval of Schools Forum so that excess balances can be clawed back and redistributed. Where schools build up large surpluses, the funding is not spent on pupils for whom it has been allocated through the formula. It creates a mismatch between funding earmarked based on needs and resources utilised for the benefit of these pupils. DfE defines an excessive balance as one which is above 5 per cent of income in secondary schools, or above 8 per cent of income in primary schools, special schools or pupil referral units. A tempered approach to BCM may be based on the average balance over the last 1 to 5 years. If such a provision is approved by Schools Forum, recovered funds can be held in a separate account and allocated to schools that are being reorganised to ensure that the curriculum can still be delivered, the

funding will be for specific interventions and purposes. A paper was taken to Schools Forum in January 2025 for review, Forum view was not to implement BCM for 2025/26 but consider implementation in the future.

14. Public Health Grant

- 14.1. Appendix G outlines the Public Health Grant (PHG) for Newham for the financial year 2025-26, detailing its allocation to both the prescribed and non-prescribed functions, and explaining specific uses across various services and directorates.
- 14.2. The PHG is allocated by the Department of Health and Social Care to local authorities in England to support public health initiatives aimed at improving health and reducing inequalities. For 2024/25, the total national public health grant is £3.603bn, with Newham receiving £34.2m. The 2025-26 allocation is provisionally set at £34.729m, assuming a £0.5m increase on the previous year.
- 14.3. Note that an updated allocation exceeding this figure was received on the 7 February 2025, but has not been fully factored into this report.
- 14.4. The prescribed functions include public health leadership, sexual health services, NHS Health Checks, child measurement programs, and health protection. Non-prescribed functions, though not legally mandated, are often preventative in nature and include obesity, physical activity, and mental health services. The allocation strategy for 2025-26 aims to enhance outcomes and cost-effectiveness, with adjustments for inflationary pressures in staffing and contracts.

15. Delivering Council Policy and Corporate Priorities

- 15.1. In response to Newham's LGA Corporate Peer Review, the Council committed to "Review and sequence the priorities within the Building a Fairer Newham Corporate Plan with a clearer focus on the key corporate priorities for the immediate, short, medium, and long-term."
- 15.2. This has led to changes in the timing of the delivery of some commitments and hence savings within the period of this MTF5.
- 15.3. Pausing and changing commitments on; smarter infrastructure in parks, transforming East Ham Town Hall, and scaling back the expansion of cycle infrastructure, will have avoided new capital borrowing of c.£26m over the next two years. This avoids additional revenue borrowing costs of c.£1.2m per annum enabling the Council to direct spending to the delivery of statutory services.

15.4. Pausing and changing commitments on leisure infrastructure and carbon neutrality for our homes avoids the costs of major capital schemes from the capital strategy pipeline of potential projects totalling £85m.

16. Alternatives Considered

16.1. This report contains proposals which achieve a balanced budget for 2025/26. Prior to the final budget setting at the planned full meeting of the Council, alternative proposals can be considered, but the end result must provide a balanced budget for the coming financial year.

17. Consultation and Scrutiny

17.1. Cllr Zulfiqar Ali, Lead Member for Finance and Resources, July 2024 to February 2025.

17.2. Mayor and Cabinet, July 2024 to February 2025.

17.3. Budget Scrutiny Commission January 2025.

18. Implications

Financial Implications, including the Section 25 Statement

18.1. **Preamble:** Section 25 of the Local Government Act 2003 requires that when a local authority sets its budget:

- *“the chief finance officer of the authority must report to it on the following matters —*
 - *(a) the robustness of the estimates made for the purposes of the calculations, and*
 - *(b) the adequacy of the proposed financial reserves.”*

18.2. It also requires that:

- *“An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made”.*

18.3. The whole of this section of the report should be taken as my Section 25 Statement (“The Statement”). This forms a part of the budget report to Cabinet on 18 February 2025, at which a budget will be recommended to the Full Council, for consideration at its meeting planned for 27 February 2025. The Statement will, of course, also be contained in the report to Full Council, including to any reserve dates that may also be required. I do not expect this Statement to change between

the Cabinet date and the date of the Full Council meeting but of course if material facts change then the Statement may also change.

18.4. As detailed in the report, Newham Council’s application for Exceptional Financial Support (EFS) has not been determined by MHCLG as at the date of publication of this report. The Statement has been written on the basis that the EFS application will be approved in full. If this is not the case, then a revised version will be provided and the risk of this is discussed later in the Statement.

Detail and analysis

18.5. Newham’s financial position is exceptionally challenging. The financial strategy set out is not sustainable in anything but the short-term, but it is difficult to see that a credible alternative was available that would have balanced the budget without requiring deep cuts to statutory services.

18.6. The overall position was reported to Cabinet in August 2024, which disclosed an estimated budget gap of approximately £175m over the three years 2025/26 to 2027/28. Updates on the financial position were provided to Cabinet, Scrutiny and All Members at various dates between then and now, including most significantly the draft budget, which was agreed by Cabinet on 9 January 2025.

18.7. Although the legal budget setting requirements in a local authority are essentially annual in nature it is generally accepted good practice to seek to set a budget over a three-year period, or at the least to set the annual budget in that wider context.

18.8. The table below sets out the initial forecast gap of £175m over the three-year period to 2027/28 and how this has been refined since August 2024, principally as a result of the increased cost of national insurance contributions, which could not reasonably have been forecast in August and to take account of the Provisional Local Government Finance Settlement (PLGFS). This table is replicated from the January report with additional rows added at the bottom to take account of funding and other updates since then.

18.9. Table 13 – MTFFS Budget Gap to 2027/28

	£m	£m
Original gap (reported in August 2024)		175.0
Changes;		
Additional growth allowed for in social care (includes cost of additional national insurance contributions)	6	
Additional National Insurance costs for directly employed staff	4	
Change in forecasts for temporary accommodation, including Housing Benefit subsidy loss	4	
Aggregate of other smaller changes	2	
Sub - Total		191.0
Additional grant funding in the PLGFS	(34)	
Sub-Total – MTFFS Budget Gap		157.0

Additional council tax	(6)	
Sub – Total (position as at January 2025)		151.0
Net change in Council Tax (from increase in base dwellings and rate change from 9.99% to 8.99%)	(0.1)	
Adjustment to capital strategy (from reduced Capital Programme)	(1.6)	
FLGFS – net change in grants	0.6	
Other applied growth (CYPS and EST)	1.5	
Total Revised Gap (as at February 2025)		151.3

18.10. The £151.3m revised budget gap is profiled as set out in the table below.

18.11. Table 14 – Profiled Budget Gap

	2025/26	2026/27	2027/28
	£m	£m	£m
Budget gap	78.3	41.0	32.0

18.12. Newham’s net budget in 2024/25 is £395m.

18.13. The Council has been clear that it is its responsibility to do everything that it can to set a balanced budget. The 2025/26 Budget proposals have set out the significant savings identified; almost £80m. The report has also set out proposals considered but not implemented, so that there is full transparency of decision-making.

18.14. It is equally clear that the scale of the financial pressure resulting from temporary accommodation – over £100m of the original £175m (now £151m) target – was always likely to be beyond the Council’s ability to meet without assistance.

18.15. Realistically, it is hard to see how any local authority could cut more than 40% from its budget and still meet all of its statutory obligations.

18.16. There is always more that any organisation can do to improve efficiency and to control costs, even in a local authority context where some services are statutory in nature.

18.17. However, the scale of the housing crisis is largely determined by factors outside of Newham’s direct control: it cannot resolve systemic market issues within the London housing market, only deal with the social and financial consequences of that. Efficiencies alone cannot bridge this gap.

18.18. It is important to emphasise that the savings identified would be more than sufficient to balance the budget, excluding the temporary accommodation pressure. The table below exemplifies this: the savings identified of £79.4m considerably exceed the £44.7m budget gap excluding the temporary accommodation pressure.

18.19. Table 15

	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Total budget gap	78.3	41.0	32.0	151.3
TA budget gap	52.4	30.5	23.2	106.1
All other budget gap	25.9	10.5	8.8	45.2
Savings identified	(32.2)	(25.8)	(21.4)	(79.4)
Surplus (if excluding TA)	(6.3)	(15.3)	(12.6)	(34.2)

18.20. It was therefore appropriate that Newham should request Exceptional Financial Support (EFS). As set out above, at the time of writing the outcome of that request is not known, but if it is not granted then the Council will clearly be unable to set a balanced budget for 2025/26.

18.21. The request for EFS is a necessary response to the circumstances. Other councils have applied for support requesting permission to borrow to fund day-to-day expenditure. Newham's position is slightly different. Surplus assets have been identified for disposal and the request is to be able to use the receipts from those flexibly, for day-to-day expenditure. In other words, the specific request is for accounting flexibility rather than for additional resources.

18.22. In principle, provided that the request is granted, Newham Council has sufficient surplus assets to cover the budget gap this way for two to three years. However, using capital resources (if allowed) for this would simply defer the date at which the Council no longer had the resources to meet its statutory obligations.

18.23. This is not a sustainable financial strategy.

18.24. Government has committed to a more fundamental review of the local government finance system to be implemented for 2026/27. The provisional local government finance settlement (PLGFS) has presaged some of what might be expected in this, confirmed by the final settlement which did not introduce material changes. More funding has been allocated and the distribution of this has been more heavily weighted to deprivation, measured in such a way that increases funding for Newham. The report has set out the £34m additional funding received by Newham in 2025/26 from this revised distribution.

18.25. The 2026/27 financial settlement may therefore lead to additional funding for Newham. It would not be reasonable to plan for this (and this draft budget does not do so) but it would be reasonable at least to consider the prospect.

18.26. Government has also committed to various interventions in the housing market. The detail of these is not clear, but the intent is clear: that they should increase housing supply and especially affordable housing supply and reduce the various demand pressures causing homelessness.

18.27. Seen in this light, the EFS application could be regarded as intended to provide a "breathing space" whilst wider national and regional policy issues are addressed. Hopefully, then, this should lead to a financially sustainable future for the Council,

but I emphasise again: whilst the EFS application is reasonable under the circumstances, and indeed it is not at all obvious how it could have been avoided, it is not a financially sustainable strategy.

18.28. This comment must be tempered by a sober assessment of the current economic outlook. Whilst matters may of course change there are few, if any, serious economic commentators who expect economic growth to increase significantly in the short-term.

18.29. The reasonable conclusion to draw from this is that whilst the review of local government funding may help Newham it is unlikely, at best, to provide the Council with the resources it needs to meet residents' needs and statutory obligations. If EFS is the only additional solution to this provided by government then the sector's financial position will become unsustainable. Those authorities that have been in the process for more than one year find themselves being forced to borrow for one year's deficit and then, in the following year, borrowing even more as the interest on the previous year's borrowing also needs to be paid for.

18.30. The "breathing space" argument must be understood to be limited in this way and later this calendar year, once the position on funding for 2026/27 to 2028/29 becomes clearer it may no longer be sustainable. However, even if this does turn out to be the case it is not clear what the alternative, if any, to EFS will be.

18.31. Newham is not alone in the local government sector in this regard. Last year 19 authorities were granted EFS. We do not know the figure this year, but most commentators seem to be expecting a rather higher figure. In London the figure is expected to be seven, including Newham. Extending it out to 2026/27 and more and more local authorities are reporting that they will no longer be able to meet their obligations within the available funding.

18.32. However, it is important to consider what would happen if the EFS application were not granted.

Section 114 of the 1988 Local Government and Housing Act

18.33. I have repeated an earlier table (15), for convenience.

Table 16

	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Total budget gap	78.3	41.0	32.0	151.3
<i>TA budget gap</i>	<i>52.4</i>	<i>30.5</i>	<i>23.2</i>	<i>106.1</i>
<i>All other budget gap</i>	<i>25.9</i>	<i>10.5</i>	<i>8.8</i>	<i>45.2</i>
Savings identified	(32.2)	(25.8)	(21.4)	(79.4)
<i>Surplus (if excluding TA)</i>	<i>(6.3)</i>	<i>(15.3)</i>	<i>(12.6)</i>	<i>(34.2)</i>

18.34. Looking at 2025/26 only (as the local authority budget process is, legally, essentially annual) there is a gap of £46m between the total savings identified and those required.

18.35. This could not be met entirely from available earmarked reserves.

18.36. If this was the final position and the EFS application was not approved then, as the Chief Finance Officer, I would be under a duty and an obligation to issue a notice under section 114 of the 1988 Local Government and Housing Act (a “section 114 notice”). The consequences of this are summarised below.

18.37. Council would be required to meet to consider that notice and take action as appropriate. That should include consideration of further options for savings. Other steps and interventions could also follow.

18.38. However, issuing a s114 notice does not mean that a council can then choose not to meet statutory obligations. In Newham’s situation, this therefore means that the gap would not be closed, as options to do so solely from discretionary services have not been identified and nor is it at all clear what such options could be.

18.39. In other words, issuing a s114 notice would not resolve the financial challenge on its own: some form of EFS would still be required.

18.40. In addition, the Section 25 Statement is drafted on the presumption that Government will find a solution towards dealing with (and accounting for) the accumulated Dedicated Schools Grant (DSG) deficit prior to the end of 2025/26, when the current statutory override is due to end. That is a financial risk of £12.7m for Newham. If a resolution to this is not forthcoming (in this financial year) then the reserves would be further reduced by this amount.

Section 25 of the Local Government Act 2003

18.41. The first duty under Section 25 of the Local Government Act 2003 is to comment on:

- *“the robustness of the estimates made for the purposes of the calculations”.*

18.42. To put this more plainly, the relevant question is whether Members can be reasonably confident that the budget they propose to set will not be materially overspent.

18.43. Clearly, it is impossible to give an absolute assurance in this regard. Things change, events happen and reasonable assumptions made before the start of the year may not correspond to actual events during the year.

18.44. However, there are good reasons to be confident that the budget proposed is soundly based. Historically, there have been four areas of material overspends, which are dealt with below. All other areas of the budget, based on historical experience, are unlikely to pose material overspends.

- Temporary Accommodation
- Adult Social Care
- Children’s Social Care
- Delivery of planned savings

18.45. Separately, it is important to note that the budget for 2025/26 retains a contingency of £4m and a contribution to reserves of £3m which is another form of contingency.

18.46. Temporary accommodation is the most significant financial pressure facing the Council, comprising as it does over £100m of the budget gap. Exempt Appendix F to the draft budget report set out the basis of this assumption. This provides the reassurance that this part of the budget is soundly based, even though of course the actual experience may turn out differently to those assumptions.

18.47. Section 7 of this report and Appendix B have set out the assumptions on social care. The key point here is that the budget proposed has treated the current year's overspend as systemic, i.e. that if no other action were taken next year's budget would be overspent by the same amount.

18.48. By correcting for this the budget for social care starts from a stronger base. In addition, growth has been allowed as follows:

- Adult social care: £20m, based on a 3% and 2% increase in the numbers requiring care as older adults and working age adults respectively, and an inflation allocation which matches the North East London network expectations for the care market.
- Children's social care: £10m, based on baselining budget to current demand and allowing for a 3.8% increase in placement numbers as per the trend over the last two years.

18.49. In 2024/25 to date 84% of the new savings for the year have been delivered. If there were no improvement and this performance continued into 2025/26, then it would follow that 16% of the new 2025/26 savings proposed in this report might not be delivered. That would equate to c.£3.2m and there is a contingency of £4.0m.

18.50. As regards the second obligation under section 25, to report on:

- *“the adequacy of the proposed financial reserves”*

18.51. The reserves are less than they ought to be. The Act does not define “adequate” save that it is, generally, in the judgement of the chief finance officer.

18.52. That minimum level of the general fund reserve is based on the formula of 5% of the net revenue budget. This would be approximately £21m. The general fund reserve was £11m as at 31 March 2024, with a budgeted contribution to reserves of £3m p.a. As the in-year overspend is being met from earmarked reserves, this means that the general fund reserve will be £14m as at 31 March 2025, £7m less than the recommended minimum level.

18.53. The general fund reserve is not the only reserve. Excluding reserves that are only “usable” for accounting purposes (such as school balances which belong to

schools and not the local authority) the significant reserves set aside against risk are as follows, showing the estimated balance as at 31 March 2025.

- Collection fund risk – £27m
- Capital financing risk – £11.6m

18.54. These reserves have reduced by £60m since 31 March 2024. Extremely careful budget management will be required to ensure that these reserves are not further depleted in 2025/26 and, arguably, they are already below the level they should be at. Certainly the reserve for capital financing risk is lower than it should be, given the scale of the housebuilding programme and the inherent risk in this.

18.55. In the context of seeking Exceptional Financial Support it is difficult to see how these reserves could reasonably be increased.

18.56. Members should therefore consider the budget as soundly based, but remember that events can turn out differently to reasonable estimates made. The margin for safety for dealing with significant events is less than it ought to be and the council would find it extremely difficult to react to a significant national or global crisis, such as another pandemic.

Legal Implications

18.57. The Council is required under Part 1, Chapter III of the Local Government and Finance Act 1992 (the 1992 Act) to set a council tax for the forthcoming year and its budget estimates. In accordance with Section 30(6) of the 1992 Act, the decision must be made before 11 March of the preceding year (i.e. by midnight on 10 March), but is not invalid merely because it is made on or after that date.

18.58. The “council tax requirement” calculated in accordance with sections 31A and 31 B of the 1992 Act is reflected in the report.

18.59. Each Member has a positive duty to ensure that the Council complies with its legal obligations, to set a lawfully balanced budget. In doing so, the Council’s prospective expenditure must not be likely to exceed its resources available to meet that expenditure.

18.60. The Chief Finance Officer has a legal duty 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. Council must consider the Chief Finance Officer’s advice in this regard, when determining whether the proposals should be approved.

18.61. The approval of the budget and calculation of council tax is a decision reserved to (Full) Council under Section 67(2)(b) of the 1992 Act. Should Council seek to reject or vary the budget in any material respect (in a way which is contrary to the Executive’s recommended budget), then the statutory process set out in Part 4.3 of the Constitution must be followed.

- 18.62. Section 52ZB of the 1992 Act (as amended) and schedule 5 of the Localism Act provide for a referendum to be held if an authority increases its basic amount of council tax in excess of a prescribed figure set in accordance with principles determined by the Secretary of State. However, the government has agreed a bespoke 4% additional council tax referendum principle for the London Borough of Newham and therefore the proposed increases in this report do not require a referendum.
- 18.63. When considering the flexible use of capital receipts, regard must be given to the guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003. The Guidance recommends that the Council produces a Flexible use of Capital Receipts Strategy (“the Strategy”) prior to the start of each financial year. The Strategy should set out details of the projects to be funded through flexible use of capital receipts and should be presented to Full Council for approval. It is a required condition that Local Authorities must send details of their planned use of the flexibility to the Secretary of State, in advance of this use for each financial year. However, the Strategy may be updated during the course of the year.
- 18.64. Sections 38 to 43 of the Localism Act 2011(the Act) set out the statutory provisions relating to certain aspects of the Council’s pay and reward regime. The Act requires the Council to prepare an annual pay policy statement and the Council is also required to have regard to statutory guidance issued. The pay policy statement must be approved by a resolution of Full Council before it comes into force and, thereafter, can only be amended by Council. By s39(3) the pay policy statement must be prepared and approved before the end of 31 March immediately preceding the financial year to which it relates.
- 18.65. Members should note that where the government has agreed to provide a local authority with Exceptional Financial Support, this has usually been provided in the form of a capitalisation direction, which would permit the Council to meet revenue costs through capital resources. The support is provided on an exceptional basis and on the condition the Council is subject to an external assurance review.
- 18.66. The Monitoring Officer’s detailed advice on setting the budget is attached at appendix L.
- 18.67. When setting the Council Tax, Council must have due regard to the impact of those decisions in accordance with the statutory public sector equality duty as set out below.

Equalities Implications

18.68. 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:

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

18.69. 'Protected characteristics' are: age, gender, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment. The Council also recognises socio-economic disadvantage, care experience and health and wellbeing status as additional characteristics.

18.70. Any budgetary decisions which subsequently need to be taken should be made in accordance with the duty set out above.

18.71. Due regard means giving proper and focussed consideration of the impact of the decision on meeting its equalities duties. The primary focus should be on any adverse equalities implications that will arise from a decision and how they can be avoided and / or how they are mitigated in the decisions. The amount of focus on the duties will vary with each decision and how far they adversely impact on protected characteristics.

18.72. Members should note that budget decisions on services form only an allocation of funds to a service or area; they do not constitute the final decision on service delivery. Where changes to service delivery are proposed by budgetary changes, a full equalities assessment will be undertaken before the final decision is made. It is to be noted that the Mayor and Cabinet have stated that for the purposes of the Budget setting process for 2025/26 and the MTF period enhanced diligence will be applied to saving proposals brought forward for consultation, engagement and approval.

Cumulative Equalities Impact Assessment

18.73. The need to do an equality impact assessment is determined through an online screening process¹. In total, 63 budget proposals were put through the equality impact assessment screening tool, and 28 full equalities impact assessments were submitted. The screenings and full EQIAs were analysed to generate a cumulative impact assessment.

¹ The screening tool determines whether the budget proposals require a full equality impact assessment and is based on legal requirements from the Equality Act 2010, and equality priorities for Newham.

- 18.74. The 2025/26 cumulative impact assessment (see Appendix I for full report) found that most savings proposals presented for the budget will have no or neutral implications on equalities (64%). The cumulative impact of the budget is therefore expected to be neutral to most residents with protected characteristics. This is largely because the bulk of savings relate to staff, resource and asset efficiencies and maximisation, rather than service reduction to frontline services.
- 18.75. However, it should be noted that there are high risk savings proposals that may have negative implications and there are specific protected characteristics that are expected to be impacted more by these proposals. The Council Tax rises, increase in fees and charges, withdrawal of Our Newham Money, reduction of Our Newham Work and the Council Tax reduction scheme are most likely to affect residents facing socio-economic disadvantage. Residents from ethnic minority backgrounds on low incomes are also disproportionately affected by the above savings proposals, as well as the reduction in cultural, heritage and race equality programmes, reducing our ability to foster good relations between different ethnic groups.
- 18.76. Growth proposals are expected to have mostly a neutral or positive impact. Much of the income raising measures relate to selling assets, increasing fees and charges or increasing rents (for voluntary sector organisations who hire community assets), which may have a negative impact on some residents or organisations on lower incomes. Council tax increases in combination with the withdrawal of Our Newham Money are likely to have an immediate and significant negative impact on socio-economically disadvantaged households. However, increased investment in temporary accommodation and housing, as well as targeted early intervention and support for children and families at risk, will have a positive impact.
- 18.77. While savings proposals will have low impact on our legal duty to give due regard to eliminate discrimination, victimisation, and harassment, overall, the savings proposals will see a greater negative impact on our legal duty to give due regard to advancing equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Some programmes focussed on promoting equality are at risk from reduced funding, such the TRID programme and the cultural events programme.
- 18.78. Mitigating actions have been considered for all proposals to reduce the negative implications, with the Council Tax Reduction Scheme still offering up to 80% relief to ensure those on lower-incomes or with disabilities are protected from Council Tax rises. The proposal to close Children's Centres has also been rolled back.
- 18.79. Officers responsible for budget savings are expected to monitor and evaluate the equality impacts as proposals are being implemented to understand the true impact, and to mitigate and reduce any negative impacts
- 18.80. As well as the cumulative impact assessment, initial equality impact assessments are being made available to the members, public and other stakeholders in order to inform decision making. Where required and available draft full impact assessments have been included in Appendix I.

18.81. It is up to decision-makers to balance the equality implications of all the proposals against other factors including the Council's difficult budgetary pressures. If decision-makers believe they need more information regarding the equality implications of a specific proposal before making a final decision on whether to approve a proposal, this should be indicated to lead officers.

18.82. Decision makers should note the analysis for some proposals is indicative at this stage. Once proposals are finalised, the likely equalities impacts will need to be reviewed considering any changes made or additional information that has come to light. Some proposals may have further cabinet papers produced over the financial year; following statutory consultations for example, where more in-depth equality implication reports must be presented.

Climate Implications

18.83. This report will not materially directly impact the Council's response to the Climate Emergency as iterated in its Just Transition Climate Action Plan, published in December 2023, but subsequent decisions on resource allocation could do so.

Appendix A Savings Summary and Detail

Directorate	Savings Ref	SAVING TITLE	Additional Info	SAVINGS			
				Revised Savings 2025/26	Revised Savings 2026/27	Revised Savings 2027/28	Total Revised Savings
				£'000	£'000	£'000	£'000
Corp	A1	Sell the Debden Centre, raising a capital receipt and reduce operating costs.		300	-	-	300
DIG	A2	Reduce the scope of Data Partner deliverables	Reduce the scope of Data Partner deliverables in this financial year, as some of the foundational work configuring our Azure Cloud tenancy will be completed by ICT Managed Service partner. Also explore opportunity for Microsoft funding to configure some of the initial requirements for the Enterprise Data Platform.	50	-	-	50
RES	A3	Extend the staff annual leave purchase scheme to 2 weeks (currently 1 week)		120	-	-	120
EST	A4	Digital advertising income – increased income target		150	-	-	150
EST	A5	Parks sports pitch's review		-	54	-	54
REP	A6	Cease Active Centre Activity		-	74	-	74
REP	A7	Increase in Community Centre income		10	20	20	50
REP	A8	Increase income at Town Halls		-	25	25	50

Cross Cutting	A9	Increase fees & charges by 20%	Increase fees and charges for all services where we have discretion to charge (excluding parking which will be treated separately). The saving shown is based on an assumption of an average 20% increase applied to all such charges, with an assumed implementation date of 1 January 2025. This will be benchmarked against inflation over the last 2-3 years to provide context.	3,000	1,000	1,000	5,000
CYPS	A10	Reduce the Enrichment budget. Scalable reduction of 25%		243	-	-	243
CYPS	A11	Youth Empowerment Efficiency		100	-	-	100
IEH	A12	Reduce subsidy of free Pest Control Service		43	-	-	43
REP	A13	Reduction of staff for the council's Volunteering Service		-	60	-	60
Corp	A14	End the provision of celebration lights and street decorations		200	-	-	200
RES	A15	Renegotiate trade union officer facility time		-	-	-	-
A&H	A16	Grant Maximisation & Resources	This saving is for £500k from reprofiling Better Care Fund ICB Minimum Contribution Uplift and £500k - Strategic Review of External Grants, such as Public Health and other Migrant Grants.	1,250	1,500	500	3,250

A&H	A17	Promoting Independence	<p>This MTFS proposal is based on applying our promoting independence approach, which supports people to access the right care and support at the right time, maximising their independence and ensuring services are value for money. These savings are based on applying this approach initially with specific cohorts of residents, but this will be embedded across all residents over the year. There is a high degree of confidence to deliver, demonstrated through the fact that Adults and Health are on fully on track to deliver the 24-25 invest to save proposals through our new and interim Promoting Independence Reviews team, and this model will be replicated in future years.</p>	3,185	2,990	2,800	8,975
A&H	A18	Short Term, Technology and Prevention	<p>Savings will be achieved through improved short term support when people need it -which is then scaled back when people are supported back to independence as far as possible. Examples of projects include an enhanced reablement approach, an optimised Discharge to Assess pathway, reviewing double-handed packages of care and the provision of low level equipment through our Trusted Assessors Programme. This MTFS also covers the greater use of technology to support people to remain at home and minimise formal care and support including assistive technology and also a strengthened approach to prevention to support us to prevent, reduce and delay needs from escalating including work to prevent falls. All opportunities for over-delivery in projects which are being delivered in 24-25 are being sought, however these may need to cover the shortfall linked to the delay in savings linked to the removal of the cap on care and review of sensory services.</p>	1,800	2,050	3,200	7,050

CYPS	A19	Combine commissioning and workforce development function with Adults and Health Directorate	Combine services with adults e.g. commissioning function and workforce development.	75	-	-	75
CYPS	A20	Further embedding of Newham Circles of Support Model by joining together the Assessment and Safeguarding & Interventions Service		230	-	-	230
DIG	A21	Data Engineer FTE Reduction	Delete 1 FTE Cloud Data Engineer post in the Data team from FY 25/26.	70	-	-	70
EST	A22	Savings to be realised due to a restructure in the Licensing and Registration Service		58	-	-	58
IEH	A23	Grant Maximisation and Service Efficiencies		340	-	-	340
IEH	A24	Planning Resource Reductions and Income generation		250	-	-	250
OS	A25	Reprocurement of mobile phone contract and device spend reduction.		300	-	-	300
REP	A26	Reduce Community Grant allocations		-	80	-	80
RES	A27	Reduce Climate Action Grant	Require an overhead contribution to be top-sliced from all grants that Climate Action successfully bid for and win.	20	-	-	20
RES	A28	Reduce subsidy for Dockside Diner		150	100	-	250
A&H	A29	Newham Living	Newham Living is a new approach to Supported Accommodation, where the Council own, leases or have influence over buildings. This influence is used to achieve high quality schemes which also have proven to be more cost efficient. The savings are achieved through commissioning at scale and achieving a lower unit cost, a focus on outcomes and supporting residents to achieve	300	300	400	1,000

			independence through step-down and optimising housing benefit income for housing related costs.				
CYPS	A30	Develop the specialist foster carer scheme and move children from residential to specialist foster carers	Develop a specialist foster carer scheme and move children from residential to specialist foster carers who are paid at a higher rate.	194	194	194	582
CYPS	A31	Review the specialist offer of interventions to adolescents	Review the specialist offer of interventions to adolescents at potential risk of exploitation and/or serious youth violence, and those who are at risk of Mental health Sections or have been sectioned to prevent these children from coming into care or return them home when they are already in care.	1,700	1,500	1,500	4,700
CYPS	A32	Supporting Parents of under one-year olds		120	235	-	355
CYPS	A33	The House Project. Promote independence for care leavers	Promote independence for 20 care leavers a year by moving them into their own independent accommodation early - The House Project.	186	310	370	866
IEH	A34	Victoria Street Newham Living Model	Victoria Street Newham Living Model - The use of 10 Victoria St to provide 110 units of accommodation to single vulnerable homelessness applicants, with use of the building for supported living in line with the Newham Living model for an interim period of 3 years plus the option to extend for one year.	15	738	-	753
MARK	A35	Pause production in 2024/25 of the Newham Magazine		40	-	-	40

RES	A36	Cease the provision of free tea and coffee at Dockside, and stop any catering for internal meetings		20	-	-	20
CYPS	A37	Streamline and Reduce Return Home Interview (RHI) Service by 50%		193	-	-	193
EST	A38	Parks and Green Spaces budget review	Circa total 10% reduction of Parks budget Actions to achieve: Green Flaggrowth revoked 39k Review 4 "Static" Parks Operative posts and East Ham Nature Reserve-development officer post.	67	-	-	67
Cross Cutting	A39	Programmes 1 and 2: Resident Access and Experience and Enabling Services efficiencies programme		5,000	5,000	3,000	13,000
Cross Cutting	A40	Programmes 3 to 7 of the Transformation Programme (Indicative Sums only)		-	5,000	5,000	10,000
TRANS	A41	BSMI Service Offer reduction	BSMI Service Offer reduction (staffing savings) - Resources will be heavily redirected to focus solely on core system support, basic application management, statutory reporting, and strategic performance reporting for critical services. This means directorates and services will receive a much-reduced offer from the centralised team. The cut of over one-third of the current team will significantly reduce capacity, leading to delays, and in some cases, failure to deliver service improvements and transformation initiatives. The impact will be felt both in terms of systems and data, slowing down and/or stopping progress on critical projects. Furthermore, there's a risk of double counting these savings, as some overlap with reductions planned under programme 4 (project 4.2) of our strategic transformation plan.	-	400	350	750

RES	B1	Rationalise the Voluntary Community Sector Estate	Rationalise the Voluntary Community Sector Estate to operating hubs, and redeploy surplus assets where underused or underperforming. The revenue saving estimated equates to the current annual subsidy provided to VCS sector.	-	100	100	200
RES	B2	Relocation of HQ and disposal of other operational assets	<p>1. Close Dockside to LBN use and then either let or sell, and reallocate office accommodation needs across other corporate buildings (or potentially Morgan House in Stratford). Revenue savings include operating costs after service charge recovery. Lost revenue is east wing rental income which would be lost if sold.</p> <p>2. Sell Old Town Hall, Stratford, or East Ham Town Hall. Revenue savings include operating costs and interest on capital required for essential refurbishment. Lost revenue includes rent and room bookings. Capital benefit is saved essential capital expenditure plus estimated sales proceeds.</p> <p>3. Commit to a target savings of say 20% operating maintenance costs through implementation of the asset strategy. Current budget is c£5m excluding Dockside and Stratford TH (see separate entries below) for corporate landlord and other municipal assets. Capital impact depends on value of released assets.</p>	500	1,000	1,000	2,500
RES	B3	Sale of Investment Properties	Sell out of borough Strategic Investments (Holland and Barrett, Burgh Road retail park, London Road Redhill and Quoara retail park), and reinvest £70m of capital borrowed at 2.7%-3% pa plus any profit into housing acquisitions. Revenue impact shows difference in interest payable on existing loan compared with new PWLB debt.	-	175	-	175

CORP	B4	Reducing the Council Tax Reduction Support available to residents	Reducing the Council Tax Reduction Support available to residents - reduce relief from 90% to 70%, and adjust the taper rate from 20% to 40%+ of earnings over the threshold among other changes too.	2,900	-	-	2,900
IEH	B5	Review of the Events, Culture and Heritage Budgets		687	-	-	687
IEH	B6	Review of Heritage, Archive and Local Studies resourcing and programme		-	-	-	-
EST	B7	Diesel surcharge: resident permit £50 per year		1,159	-	-	1,159
EST	B8	Diesel surcharge: business and industrial permits - £100 per year		181	-	-	181
EST	B9	Diesel surcharge: Short stay parking: on-street - £1 per hour		631	-	-	631
EST	B10	Emission-based charging – price reprofiling: short stay parking		497	-	-	497
EST	B11	Emission-based charging – price reprofiling: visitor permits		179	-	-	179
EST	B12	Healthy School Street Expansion - income		1,268	-	-	1,268

CYPS	B13	Redesign and reconfigure Children's Centre provision in the borough to achieve scalable budget reductions of between 33% to 75%		200	250	-	450
REP	B15	Library Review	Libraries Review inc stock	10	770	838	1,618
TRANS	B16	Review TRID Programme	The Tackling Racism, Inequality, and Disproportionality (TRID) programme will be reviewed and mainstreamed into the council's operations. Equalities work will be devolved to individual services, and a new Head of Equalities role will be created to provide strategic leadership across the council.	30	-	-	30
IEH	B17	IEH Asset Maximisation		100	100	-	200
IEH	B18	Cease PRS Projects Team activity		873	-	-	873
IEH	B19	Review Energy Efficiency and Empty Homes Team		487	-	-	487
IEH	B20	Review the Our Newham Money Service		989	-	-	989
REP	B21	Cease funding for the Voluntary Community and Faith Sector Infrastructure and Capacity Building		-	-	100	100
CYPS	B23	Family Group Conference saving.		126	-	-	126

Resources	C1	Identify additional percentage savings options beyond those being delivered through Transformation with assessment of their impacts (with comparisons to other boroughs' level of resources in these areas where possible), for further consideration.		300	-	-	300
Transformation	C2	Identify intermediate savings options, as not viable to take out teams wholesale.		600	-	-	600
Transformation	C3	Work up options for potential savings from centralising/corporatising change management resources.		50	50	-	100
DDaT	C4	Identify options for a savings target from renegotiation of the 80-90 ICT contracts coming up over the next few years as part of OneSource disaggregation		-	150	-	150

Marketing	C5	Identify options for savings across the council on all comms, marketing & policy spend and resources through greater corporate co-ordination and controls, including potential to make centralised budgets/resources the default.		60	-	-	60
CYPS	C6	Youth Empowerment Service Evolution		600	600	-	1,200
IEH	C7	Provide advice on options for using s106/CIL to support other council services, within current developer agreements, and for evolving approach to future agreements to enable this further.	For Dec Draft Budget (ie by 6 Dec)	-	1,000	1,000	2,000
GRAND TOTAL				32,206	25,825	21,397	79,428

MTFS REVENUE PROPOSAL

Proposal Title:	A1 RES Sell the Debden Centre, raising a capital receipt and reduce operating costs
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G8000B-Corporate Budgets	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:		Lead Officer and Post:	Annabel Bates Director of Inclusion & Achievement
Full Implementation Date:	01/04/2025	Cost Centre(s):	G11150-Debden House

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(£113) net income target - DH	(300)	0	0	(300)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	2	2			

How is the savings/growth calculated:
<p>Debden currently incurs a deficit of £200k pa i.e. the difference between income and expenditure before any exceptional costs . This excludes the cost of the capital for ongoing upkeep of the Grade II listed facility.</p> <p>Sale of the Debden Centre, would raise a capital receipt and reduce operating costs. The financial impact will be calculated more accurately as the detailed business case is developed and will ultimately be subject to the sale itself.</p>

Proposal Summary:

The proposal is to sell the Debden Centre but retain Fairplay House. Both centres are located outside of the borough and, while they share similar characteristics, serve different purposes. Debden is operated as campsite and events venue (with discounts for LBN residents), and Fairplay is well used by the borough's schools for pupil based exercises and activities.

Debden House and its grounds requires near-term capital investment, with an estimate of £500k in 2025/26 on essential compliance improvements (excluded from the savings estimate above), and potentially considerably more in the medium term to improve its commercial performance. There would also need to be investment in expanding the specialist skills of the council into the leisure and hospitality sector as this is not a core council competency (notwithstanding the commitment of the current on-site management team).

Revised Provision:

On 5th November 2024, Cabinet agreed that Debden House and Campsite be marketed to be sold, with a view to putting the property on the market in spring 2025 with the hope of concluding a sale towards the end of the summer 2025, allowing time for current activities to be wound down in a managed way and a reasonable period for staff consultation.

Delivery Risk and Mitigations:

Detailed in 5th November 2024 Cabinet report. This is a complex project and so careful project management are being put in place.

Resources and Implementation:

Specialist advisers would be engaged to manage the marketing and sale, as well as professional fees and similar, but these would be netted off capital receipts.

MTFS REVENUE PROPOSAL

Proposal Title:	A2 – DIG Reduce the scope of Data Partner deliverables
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3800B-Digital	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G3800C-Assistant Chief Exec - Digital	Lead Officer and Post:	Ikramul Haque – Head of Digital, Data & Digital Democracy
Full Implementation Date:	01/04/2025	Cost Centre(s):	G12200

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	1123	(50)			(50)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	15	0			0

How is the savings/growth calculated:
<p>Combine the Data foundation work scope with ICT managed service partner deliverables to reduce in -year spend.</p> <p>The Data Modernisation Programme scope included activity to configure our Microsoft Azure cloud tenancy to enable the development of the Enterprise Data platform. This configuration work will now be carried out by an ICT managed service partner commissioned through the ICT split programme and therefore has been de-scoped from the Data Modernisation programme, resulting in the in-year savings.</p>

Proposal Summary:

We will commission the ICT managed service partner to complete some of the foundational Azure Cloud configuration work initially in scope for the Data programme. This will result in one off in year savings from Data Modernisation Programme budget - represents approx. 16% reduction of data modernisation programme budget in FY 24/25

Revised Provision:

Risk and Mitigations:

There are no risks to the data modernisation programme as the activity required will still be delivered through the ICT managed service partner commissioned through the ICT split programme.

Resources and Implementation:

The resources required for the configuration activity will be provided by the ICT managed service partner and therefore there will be no implications to the work needed to be implemented for the Data Modernisation programme

MTFS REVENUE PROPOSAL

Proposal Title:	A3 RES Extend the staff annual leave purchase scheme to 2 weeks (currently 1 week)
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	All	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:	01/04/2025	Cost Centre(s):	All

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(120)			(120)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		n/a			n/a

How is the savings/growth calculated:	31 staff took advantage of the annual leave purchase scheme in 2023/24. By increasing the provision to 2 weeks to make it more attractive, and by publicising the scheme, we are likely to see an increase in the number of people.
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Proposal Summary:

The Council would also allow staff to purchase more annual leave than the current maximum of one week. For some employees this would be a valuable recruitment and retention device and would provide some measure of compensation against the other proposals which would have a negative impact on staff.

Revised Provision:

Greater ability to purchase annual leave

Delivery Risk and Mitigations:

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	A4 EST Digital advertising income – increased income target
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4262C-Environment and Sustainable Transport	Lead Officer and Post:	Lynsey Smith/Sarah Browne
Full Implementation Date:	01/04/2025	Cost Centre(s):	G16300.515040

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Income
Budget (£000)	(110)	(150)			(150)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
Dependent on successful contract procurement which is currently underway. Estimated contract signing date is Jan 2025 with a contract start date of March 2025, approximately 30 days post signing. The fee is calculated on a guaranteed income from the supplier for renting Newham space to use for advertising across the borough.

Further work will be undertaken as part of exploring ways to maximise income from across the council's assets.

Risk: If the procurement process is not successful or the agreed income is not delivered by the supplier/concessionaire the income will not be generated.

Proposal Summary:

The impact of this proposal will increase the funds available to reinvest in the borough to increase our advertising spaces which will in turn increase our future income.
This has no impact on statutory provisions
This will have no impact on staff reductions
This proposal is subject to completing a procurement process which is in progress and is due to be completed by early 2025 with an approximate contract start date of March 2025.

Revised Provision:

Service Continuity/Transformation: A new contract is being procured therefore no transformation or service continuity issues

Delivery Risk and Mitigations:

Risks

- If the procurement process is not successful or the agreed income is not delivered by the supplier/concessionaire, the income will not be generated.
- If the procurement process is delayed, full income target may not be achievable in the first year
- As the contract has not yet been awarded this income is still only indicative

Resources and Implementation:

Procurement is in progress, with support from Procurement services and Finance. E&ST Project Manager is managing and leading the procurement process.

To realise the full income in the first and subsequent years, the contract will need to be signed and begin by 31st March 2025

MTFS REVENUE PROPOSAL

Proposal Title:	A5 EST Parks sports pitches review
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3150C-Public Realm	Lead Officer and Post:	Louise Wilcox, Head of Parks and Green Assets
Full Implementation Date:	01/04/2026	Cost Centre(s):	G16112.64140

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	142		(54)		(54)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					0

How is the savings/growth calculated:
<p>The proposal will see the council cease to maintain three bowling greens situated in Parks (with bowling green user groups having to take responsibility for maintenance). This will provide a saving of £24,000 per year.</p> <p>The service will procure a new management arrangement for the operation and maintenance of the sports pitches situated at West Ham Memorial Recreation Ground. It is expected that this would reduce the existing pitch maintenance undertaken by the Council enabling a saving of £30,000 per year</p>

Proposal Summary:

The three bowls clubs situated within parks do not make any financial contribution to the Council. The total cost to the Parks Service of maintaining these greens is £24,000 annually. There will not be a reduction in staffing as existing resources will be redirected to other works activities within the service. There will be a reduction in lease costs associated with the vehicles and plant used to maintain the greens. Stakeholder engagement will be undertaken with the three bowls clubs who are currently using the council's greens together with the Bowls England and Sport England on future maintenance arrangements. A procurement exercise will be required to determine a new operational arrangement of the operation of the pitches at West Ham Memorial Recreation Ground.

Revised Provision:

Delivery Risk and Mitigations:

The three existing bowls clubs may be unable to cover the works and costs associated with bowling green maintenance and may cease to continue. The clubs will be supported to review their options to self-maintain their sites. Clubs may also wish to consider merging to one site which may be more feasible for them to maintain.

Resources and Implementation:

Procurement exercise will be required for West Ham Memorial Recreation Ground.

MTFS REVENUE PROPOSAL

Proposal Title:	A6 REP Cease Active Centre Activity
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan, Assistant Director of Resident Engagement and Participation
Full Implementation Date:	31/03/2026 01/04/2027	Cost Centre(s):	G08021-8

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	74	0	(74)	0	(74)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0	0	0	0	0

How is the savings/growth calculated:
<p>These are the activity costs for the active centres programme. There is no impact or dependency on any income streams or any other part of the Council's budget.</p>

<p>Proposal Summary:</p> <p>To discontinue council funding for the the Active Centre programme. This programme is a discretionary service Newham Council has provided for several years. It funds activities for older residents to meet and socialise in council premises and also in some third-sector-run premises and supports the 50 Steps to a Healthy Newham strategy. While the council will no longer be able to fund this specific programme, its goals of increasing contact and connection for older residents will be integrated in existing programmes (e.g. Get Active Get Healthy or funded from alternative sources. There are no staffing reductions No. procurement activity is required No requirements for contract renegotiations Engagement will be required with groups and regular attendees. However, no statutory consultation is required.</p>
<p>Revised Provision:</p> <p>Service Withdrawal: Where the council are withdrawing a service/closing a whole Service:</p> <ul style="list-style-type: none"> - Other council services do provide activity for older residents, and libraries and community centres will still provide some a ctivity for them. Attendees will also be directed to the Get Active Get Healthy activity programmed in libraries and community centres. - There will be Voluntary and Community sector opportunities that regular attendees may be signposted to There could be opportunities to apply for external grant funding to cover activities and projects for older people

<p>Delivery Risk and Mitigations:</p> <p>There is a risk will be that residents do not find alternative activities to attend and become at risk of isolation and loneliness but this will be mitigated through contact with attendees and signposting to other activities through the Joy Platform / replacing activities with free/low-cost activities such as coffee mornings.</p>

<p>Resources and Implementation:</p> <p>Minimal resources will be needed. Three months' notice to close down. Early communication to groups/attendees. Notification to providers that sessions will end. Library and Community Centre teams to signpost to other community activities and/or develop partnerships with VCS organisations to deliver activities in the library.</p>

MTFS REVENUE PROPOSAL

Proposal Title:	A7 REP Increase in Community Centre income
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Caroline Rae, Libraries and Community Assets Manager
Full Implementation Date:	01/04/2028	Cost Centre(s):	G08440, G08024 and G08028

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	NA – part of several CCs	(10)	(20)	(20)	(50)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	NA	NA	NA	NA	NA

How is the savings/growth calculated:
Based on 2 centres coming back to council control with an income of £25k per centre per annum (additional income estimate based on past similar experience).

Proposal Summary:

As part of the community space review, two identified community centres will be brought back into Council control and operated by REP. These properties are already under the corporate landlord, and the council is responsible for their upkeep, so there are minimal additional charges to operate them. A full business case on each centre will be part of any action taken.

The proposal supports various priorities, including Health and Wellbeing, Children & Young People and Your Neighbourhood.

The proposal does not affect the statutory provision

The impact will be on Resident Engagement and Participation

No staffing reductions

No required procurement activity

No contract negotiations, but S25 notices will be served illustrating the council's need for the property.

No engagement nor consultation is required.

Revised Provision:

- This is part of an ongoing review, and the model is already in place, with centres returning to council control, being operated by the council, and increasing the council's income (as reflected in previous MTFS income target increases).
- These centres will deliver improved community centre services, providing greater opportunities for more community organisations to benefit and for other council services to work in partnership in the delivery of services to vulnerable residents.
- All existing users of the centres will be encouraged to continue using the centres
- Other residents/groups will be welcome to use the centre

Delivery Risk and Mitigations:

- Legal proceedings could delay implementation. But the Council already has experience of doing this, from the ongoing review. The business cases are robust. As properties are already part of a corporate landlord, they should be compliant and safe to use.
- The poor condition of the buildings being returned may require some capital investment / H&S works. HRA has a capital allocation for community centre refurbishment where required. Properties are already part of the corporate landlord, which reduces the likelihood of increased building maintenance. Small increases in council utility costs have been accounted for.

Resources and Implementation:

No further resources are required to deliver the proposal – the Community Spaces Review is already underway and nearing the end of the process.

No feasibility work is required.

NKD is required to serve S25 notice and then implement a handover plan. A S25 notice is usually for 6 months.

MTFS REVENUE PROPOSAL

Proposal Title:	A8 REP Increase income at Town Halls
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Caroline Rae, Libraries and Community Assets Manager
Full Implementation Date:	01/04/2028	Cost Centre(s):	G13860 and G13870

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	515	0	0	(25)	(25)	(50)

Investment / Growth Required:	Current Budget 2024-25	Investment 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)		0	50	0	(50)	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	4	0	1	0	-1	0

How is the savings/growth calculated:
<p>Increase in income – an additional 25 days bookings per year at each Town Hall at an average of £1k per day. Growth – an SO2/PO1 position limited for two years @ approx. £50k, including on-costs.</p>

Proposal Summary:
<p>The operation of the Council's Town Halls has improved performance and delivery requirements since 2022, following a fall in use during the Covid-19 pandemic. While income has increased, there is further potential to be unlocked through a targeted marketing campaign and development of a regular external client base. There is also scope for the Council to bid for appropriate 'event' contracts to maximise income further, as part of a commercial approach to optimising use of the Council's estate assets. A detailed analysis of the current leasing arrangements for both Town Halls is underway to maximise income generation while the future of the Town Halls is determined as part of the Council's wider asset management strategy.</p> <p>The proposal does not affect statutory provisions; and supports income generation activity from civic buildings when they are not required for civic responsibilities. There are no staffing reductions but a temporary increase in staffing for 2 years to introduce a step-change in the reputation/promotion of the buildings.</p>
Revised Provision:
Ongoing enhanced performance and delivery outcomes, leading to increased bookings from external clients with corresponding increased income stream.

Delivery Risk and Mitigations:	Resources and Implementation:
<ul style="list-style-type: none"> Planned and unplanned maintenance and repairs of the Town Halls will impact on both the availability of space and the attractiveness of the offer to potential clients. There will be close liaison with Facilities Management to mitigate this. Areas of Stratford Town Hall are occupied on leases but often unused / minimally used – the use of space as offices impacts the income generation potential from those spaces and reduces the desirability of using Town Hall for private functions. The current space / rental agreement (including actual income received) will be reviewed to maximise bookable space and attractiveness. 	Recruitment for new members of staff with marketing/audience engagement experience.

MTFS REVENUE PROPOSAL

Proposal Title:	A9 RES Increase fees & charges by 20%
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Reference:	A9 (revised)	Proposal Type:	Service Efficiencies
Directorate:	G8000B-Corporate Budgets	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	All	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:	01/01/2025	Cost Centre(s):	All

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	25,000	(3,000)	(1,000)	(1,000)	(5,000)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					n/a

How is the savings/growth calculated:
On an assumed 20% increase in all fees and charges, excluding for parking and the commercial portfolio, where the council has discretion to set those fees locally.

Proposal Summary:
<p>All fees to increase by an average of 20% as set out above. (In practice Directors would adjust prices slightly, e.g. to preserve convenient pricing structures, such as rounded to the nearest 10p or similar). There would be discretion within departments to vary increases, with the average increase being 20% or close to that. Parking fees and the commercial rent income is excluded from this calculation as these are budgeted for separately.</p> <p>Since March 2022 UK inflation measured on the consumer price index (CPI) has been a cumulative 10.3%. In that time the council has lifted fees and charges to broadly match the general CPI but has not implemented real term increases.</p>
Revised Provision:
<p>Fees and charges for discretionary council services would be, on average, 20% more expensive.</p>

Delivery Risk and Mitigations:
<p>All residents would be affected to the extent that they use discretionary council services.</p> <p>The nature of those services is varied and initial screening has not identified any obvious equalities impacts for groups with protected characteristics. A fuller EQIA will be carried out before implementation.</p> <p>Increases in fees would tend to affect those on lower incomes more, although in some services there is a degree of protection against this for those in receipt of state benefits.</p>

Resources and Implementation:
<p>The project would require some internal resources but is not operationally difficult to implement</p>

MTFS REVENUE PROPOSAL

Proposal Title:	A10 CYP Reduce the Enrichment budget. Scalable reduction of 25%.
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing and Culture
Directorate Service:	G3650C-Inclusion & Achievement	Lead Officer and Post:	Annabel Bates, Director of Education and Inclusion
Full Implementation Date:	01/04/2025	Cost Centre(s):	G11911-The Enrichment Programme

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	970	(243)		0	(243)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
This is calculated by part deletion of the enrichment fund in the next school year.

Proposal Summary:			
<p>The Enrichment Programme funds a range of high-quality value for money culture enrichment activities for Newham's children and young people. In 2023-24 approximately 25,000 children and young people experienced Enrichment funded activities, most of the reach achieved through the School Music Grant funded activities. While options to take out this budget entirely were rejected, as it remains an important priority, it will be subject to savings of 25% by 2026/27 through the development of a revised approach to enrichment, heritage and cultural strategy programmes (including Cultural Passport).</p>			
Revised Provision:			
Area	Saving (£,000)	Impact	Proposed mitigation/future-proofing
Remove Secondary Theatre programme	62	Secondary school aged children and young people in Newham will no longer have the guarantee of a professional theatre experience.	Look at opportunity to reintroduce as a bidding model (as per primary offer) in future years, if additional funding is secured.
Reduce Primary Theatre budget	10	The primary model has changed this year to incorporate a differentiated approach, enabling schools to bid for theatre trips. The saving is borne of this improved approach, as it enables schools to benefit from group and/or school discounts.	Workshop with heads and other leaders in the Spring term to look at opportunities to align to curriculum offer – this will expand reach in terms of age groups and numbers.
Remove Arts & Culture grants	52	Remove opportunity for schools to bid for arts & culture projects. We will not remove the chess offer within this, given the proven impact and popularity.	Development of enrichment strategy (see overleaf) will enable us to deliver this via grant funding.
Lower upper limit of School Music Grants	25	Cap grant available to £6500 (down from £8300) so that all schools can still bid. There are 13 schools who bid for the full amount so this would impact on what they can deliver.	Scope to further expand this to support many more children and families if brought into enrichment strategy.
Reduce programme staffing from 1.4 to 1 FTE	30	Programme lead is retiring in March 25. While we lose considerable expertise when she leaves, we are training and supporting the programme coordinator to be able to oversee all aspects of the work.	The enrichment strategy would provide an opportunity for us to joining up resource and remove duplication of roles across CYPS.

Instrument purchase	64	Remove fund to purchase instruments for children, schools will need to fund via bidding process.	Expansion of the music offer via a year-round enrichment strategy will provide more access to instruments while in programmes. Support bidding process for children to have own instruments where possible.
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Delivery Risk and Mitigations:
As described above

Resources and Implementation:
None

MTFS REVENUE PROPOSAL

Proposal Title:	A11 CYP Youth Empowerment Efficiency
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing and Culture
Directorate Service:	G3135C-CYPS Clinical practice	Lead Officer and Post:	Dave Tapsell, Director of Clinical Practice
Full Implementation Date:	01/04/2025	Cost Centre(s):	G11200-Youth Empowerment Operation

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(100)	0	0	(100)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		2			

How is the savings/growth calculated:
The saving is based on wider efficiencies and a review of the staffing structure which will be delivered through managing vacant roles.

Proposal Summary:

Efficiencies to be found through refining how Youth Empowerment is delivered without reducing the existing offer as there has been an underspend in YES. This offer remains a priority as part of the Council's early intervention and preventative 'upstream' approach to support the offsetting of future higher costs in early help and statutory services. As with all services this will be subject to further savings proposal development for 2025/26 as part of streamlining and focussing, including exploring opportunities for more co-location of relevant council services.

Revised Provision:

The budget reduction can be managed without impacting quality.

Delivery Risk and Mitigations:

A reduction in personnel could have an impact in the number of children and young people that can be supported, but the refinement of the overall service model will mitigate this to seek to retain the level of coverage.

However, there would be a challenge in maintaining the offer with streamlined resourcing if there were to be a significant increase in demand, which will be kept under review.

Resources and Implementation:

To be implemented in-house by CYPS.

MTFS REVENUE PROPOSAL

Proposal Title:	A12 IEH Reduce subsidy of free Pest Control Service
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Councillor Amar Virdee – Cabinet Member for Housing Needs, Homelessness & Private Rented Sector
Directorate Service:	G3140C-Housing	Lead Officer and Post:	Bobby Arthur, Head of Housing Strategy and Partnerships
Full Implementation Date:	01/04/2025	Cost Centre(s):	G15210

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	89	(43)	0	0	(43)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
<p>Provision of a borough-wide free rat treatment service costs £80,700 per annum. The service is provided by the Council's wholly owned company, London Network for Pest Solutions (LNPS), through a contract running from 1st February 2022 on a 4+1 year contract award basis.</p> <p>Through allocating a proportion of the cost of the contract to the Housing Revenue Account and the Property Licencing Fund, this would lead to GF budget savings of £43,700 in 2025/26.</p>

Proposal Summary:

The current service provides all residents in the borough access to a free rat treatment service at no cost to the householder. It is part of a wider contract that covers comprehensive pest control services to council housing services, which are paid separately by the HRA as a landlord function. Demand for the rat control service averages at 900 cases per year, with each case needing at least 3 visits to control the infestation.

Other pest control services are subject to a charge. The free rat service has been provided to date on the grounds of

- public health significance – rats can transmit a range of diseases and are responsible for significant damage to buildings
- rat infestations can spread rapidly – if a householder does not treat the rodents, they can quickly infest neighbouring properties
- public revulsion upon the sight of these rodents foraging – significant reputational impacts
- reducing the need for enforcement – a free service reduces the need for investigations and the service of legal notice upon householders to carry out treatments.

If payment were apportioned in accordance with the tenure of homes in the borough, the Council's HRA could contribute £12,600 (representing 15.6% of homes in the borough therefore this proportion of the cost of service), and income from Property licencing fees could support the cost relating to private rented homes – 38.5% of households, so £31,100 pa. This is dependent on available funding.

The General Fund would then save £43,700 (50%) and result in £45,300 expenditure per annum.

In implementing this proposal we will explore ways of ensuring that any group of residents can only be considered to have paid once for the same service and seek to ensure that subsidy is primarily for the benefit of those residents with the least ability to pay.

Alternatives considered

The free rat treatment is an effective service that supports our public health priorities. Other councils have removed a free rat treatment service, and this will be explored as a means of delivering additional savings. If cancelled, residents would need to make their own arrangements for rat control and pay for this individually.

Revised Provision:

The service continues, with contributory funding from the Housing Revenue Account and Property Licencing ringfenced account

Delivery Risk and Mitigations:

The proposal generates a saving to the General Fund whilst maintaining this service, which provides an important public health benefit and manages risk in relation to rodents.

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	A13 REP Reduction of staff for the council's Volunteering Service.
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan, Assistant Director of Resident Engagement & Participation
Full Implementation Date:	31/03/2026	Cost Centre(s):	G08400

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	198	0	(60)	0	(60)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	3	0	1	0	1

How is the savings/growth calculated:
Deletion of one FTE by March 2026

<p>Proposal Summary:</p> <ul style="list-style-type: none"> - The Newham Volunteers Programme plays a key role in supporting the "People Powered Newham" corporate priority by widening participation, including brokering volunteers to help council services e.g Public Health and Family Hubs. It also aligns with the 50 Steps and Ageing Well s strategies. Since being transferred back to the Council in April 2022, the programme has built momentum in engaging volunteers to support various initiatives. Discontinuing this programme would reduce community engagement and potentially weaken support for these key strategies. - There are no statutory obligations tied to the delivery of the Volunteers Programme. There will be one staffing reduction as part of this proposal. - No statutory consultation is required at this stage. However, stakeholder engagement may be necessary to manage the transition and ensure that services impacted by the loss of volunteer support are aware of the changes.
<p>Revised Provision:</p> <ul style="list-style-type: none"> - The loss of one staff member will be managed to avoid a reduction in the client group supported, though will have some impact on the scale of support available e.g. fewer volunteer engagements and activities.

<p>Delivery Risk and Mitigations:</p> <p>The primary risk is a reduction in the Council's ability to engage volunteers for council and community initiatives. This will mean council teams and voluntary and community organisations will have to be more reliant on recruiting their own volunteers.</p>
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<p>Resources and Implementation:</p> <p>Implementation will be managed within the team.</p>
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MTFS REVENUE PROPOSAL

Proposal Title:	A14 RES End the provision of celebration lights and street decorations
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G8000B-Corporate Budgets	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G8300C-Corporate Items	Lead Officer and Post:	Andrew Ward, Director of Finance
Full Implementation Date:	Click or tap to enter a date. 01/04/25 (Action in 2024)	Cost Centre(s):	

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(200)			(200)

Investment Required:	Recurring Investment	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	Yes				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
Contingency Funding has previously been provisionally allocated to fund the provision of Celebration Lighting for the likes of Christmas and other celebrations throughout the year. The savings value represents the value of the notional allocation.

Proposal Summary:

This proposal will have a visible impact on the street scene in affected areas of the borough at the relevant times of year around key celebration dates i.e. Eid and Christmas. It was implemented in winter 2024. Despite short lead-in, sponsorship was secured to enable the provision of Christmas trees in Canning Town and East Ham. Further opportunities like this will be explored for the future.

Revised Provision:

There are examples in other boroughs that have reduced this provision where local businesses and/or community groups have stepped in to fund the ongoing provision of celebration lighting/decoration with the Council providing the necessary regulatory support to enable this.

Risk and Mitigations:

This will reduce the General fund contingency by £200k as it is unbudgeted.

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	A16 A&H – Grant Maximisation and Resources
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Reference:	A16 (Revised)	Proposal Type:	Grants Substitution
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Neil Wilson Cabinet member for Health and Adult Social Care
Directorate Service:	Adult Social Care and Public Health	Lead Officer and Post:	Charlotte Taylor, Director for Improvement, Change and Control Claire Greszczuk, Assistant Director, Public Health
Full Implementation Date:	01/04/2025	Cost Centre(s):	BCF £0.5m (All Staffing Budgets across A&H) PH Grant £0.5m - G02950

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(1,250)	(1,500)	(500)	(3,250)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	N/A	0	0	0	0

How is the savings/growth calculated:
<p>£500k – Re-profiling Better Care Fund ICB Minimum Contribution Uplift</p> <p>£500k - Strategic Review of External Grants , such as Public Health and other Migrant Grants</p>

Proposal Summary:
<p>Better Care Fund: Maximisation of external ring-fenced funding from the Better Care Fund (BCF), a Government grant to support the local integration of health and social care systems. Outcomes against the Better Care Fund will not be affected and will still be achieved.</p> <p>This saving for the MTFS of £0.5m will be included as part of the grant allocation from BCF, within the CCG minimum contribution increase – annually this equates to approx. 5.6%, enabling key frontline Adults and Health services to be protected with this funding.</p> <p>Strategic Review of External Grants: Public Health and other Public Health related grants, such as Ukraine Support, migrant/Asylum Dispersal, Health Inequalities Fund etc are aligned to priorities outlined in the updated Health and Wellbeing Strategy, <i>50 Steps to a Healthier Newham</i>.</p>
Revised Provision:
All grant related activity will need be aligned to activities the council supports, that can be supported as eligible expenditure as part the eligibility criteria and grant conditions.

Delivery Risk and Mitigations:
The grant may reduce – which will impact the delivery and would require a review of existing allocations of the grant.

Resources and Implementation:
N/A

MTFS REVENUE PROPOSAL

Proposal Title:	A17 A&H Promoting Independence
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Reference:	A17 (revised)	Proposal Type:	Service Transformation
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Neil Wilson Cabinet member for Health and Adult Social Care
Directorate Service:	G3010C-Commissioning, Health & Social Care	Lead Officer and Post:	Jason Strelitz
Full Implementation Date:	01/04/2025	Cost Centre(s):	G02550

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(3,185)	(2,990)	(2,800)	(8,975)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	N/A	0	0	0	0

How is the savings/growth calculated:
<p>This proposal is based on applying our promoting independence approach, which supports people to access the right care and support at the right time, maximising their independence and ensuring services are value for money. These savings are based on applying this approach initially with specific cohorts of residents, but this will be embedded across all residents over the years. Further work since October has enabled us better to estimate the impacts of implementation over the MTFS period.</p> <p>This proposal is predicated on frontline practitioners (social workers and occupational therapists) and project resource in order to achieve the full year impacts.</p>

Proposal Summary:

This proposal is to continue with the application of our promoting independence approach, which supports people to access the right care and support at the right time, maximising their independence and ensuring services are value for money. Our approach is person-centred and strengths-based, and conversations take place with the individual as part of an assessment or review, to determine what support is required to help them live an independent life within the community and understand what is important to them. This will review care packages to ensure that all residents receiving care and support are being supported in a strengths-based way, that maximises their independence, seeks to prevent, reduce and delay the need for any further care and support and fully utilises technology.

This work will include:

- Ensuring that we take a strengths-based approach to promoting the independence of our residents, working with them to support them to remain in their own homes and communities for as long as possible
- Ensuring that residents with care and support needs have the opportunity to utilise a Direct Payment to arrange their care and support, which provides greater choice and control over the services and support they receive
- Ensuring that we are maximising the use of equipment and technology to support independence
- Ensuring that all social care placements for residents with a Learning Disability are high quality and deliver value for money
- Ensuring that the appropriate funding mechanisms are in place, including Continuing Healthcare
- Ensuring that we have robust arrangements with regards to Section 117 reviews
- Ensuring that every review seeks to promote the independence of our residents, taking a holistic and strengths-based approach

This work further embeds our Well Newham Strengths Based approach to practice.

Operational Social Work and Occupational Therapy staff are critical to achieving these savings.

Revised Provision:

This will further embed our strengths-based approach to practice and the delivery of our vision to support people to live independently within their communities for as long as possible. Residents will be supported, in accordance with our Well Newham Strengths Based Approach, to utilise a range of preventative support and maximise the use of technology in order to promote their independence. We will continue to work to ensure that placements are high quality and value for money.

Delivery Risk and Mitigations:

- 1) Risk that we are unable to make this level of savings
 - Mitigation: A strengths-based, holistic and personalised approach to reviewing packages of care will be taken, which seeks to promote independence. These reviews will be closely monitored.

Resources and Implementation:

- Operational frontline practitioners (social workers, occupational therapists) resource is required to deliver this work.
- Project resource to support the further embedding of a strengths-based approach to practice as well as supporting the teams to monitor and track delivery.

MTFS REVENUE PROPOSAL

Proposal Title:	A18 A&H Short Term, Technology and Prevention
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Reference:	A18 (Revised)	Proposal Type:	Service Transformation
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Neil Wilson Cabinet member for Health and Adult Social Care
Directorate Service:	G3010C-Commissioning, Health & Social Care	Lead Officer and Post:	Simon Reid, Director of Commissioning
Full Implementation Date:	01/04/2025	Cost Centre(s):	G02550

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(1,800)	(2,050)	(3,200)	(7,050)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	N/A	0	0	0	0

How is the savings/growth calculated:
<p>This proposal is to continue with the application of our promoting independence approach, which supports people to access the right care and support at the right time, maximising their independence and ensuring services are value for money. This proposal focuses on ensuring that our residents are able to access preventative and short-term support to support them to retain or regain independence and continue to live an independent and happy life in our communities.</p> <p>MTFS savings are aligned to the review and optimisation of the areas outlined below:</p> <ul style="list-style-type: none"> • Assistive Technology • ILSS Trusted Assessor Model • OT Double Handed Care Reviews • Prevention Strategies

- Greater Alignment with CYPS
- Improvement and Optimisation Reablement and Pathways
- Improvement and Optimisation D2A model

Further work since October has enabled us better to estimate the impacts of implementation over the MTFS period.

There is funding in the Capital pipeline aligned with investment in Assistive Technology, required to make the savings in this area.

Proposal Summary:

This proposal is to continue with the application of our promoting independence approach, which supports people to access the right care and support at the right time, maximising their independence and ensuring services are value for money. This proposal focuses on ensuring that our residents are able to access preventative and short-term support to support them to retain or regain independence and continue to live an independent and happy life in our communities. Our approach is person-centred and strengths-based, and conversations take place with the individual as part of an assessment or review, to determine what support is required to help them live an independent life within the community and understand what is important to them. This will review care packages to ensure that all residents receiving care and support are being supported in a strengths-based way, that maximises their independence, seeks to prevent, reduce and delay the need for any further care and support and fully utilises technology.

MTFS savings are aligned to the review and optimisation of the areas outlined below to support our residents to promote their independence and prevent their needs from escalating.

This work will include:

- Ensuring that we take a strengths-based approach to promoting the independence of our residents, working with them to support them to remain in their own homes and communities for as long as possible
- Ensuring that we are maximising the use of equipment and technology to support independence
- Ensuring that we review those residents who receive double handed care, often following a stay in hospital, in a timely way to ensure that they have the appropriate equipment and care and support to support them to regain independence
- Ensuring that we maximise our Trusted Assessor model, including our partners who are able to fulfil this function, to ensure that residents are assessed in a timely manner for low level equipment and that this is provided quickly, enabling independent living
- Ensuring that we are implementing a range of prevention strategies to support our residents to live as independently as possible and prevent, reduce and delay care and support needs.
- Working collaboratively with our colleagues in Children's Services
- Improving and optimising our Reablement offer and aligned pathways, to support residents to regain skills and independence to support them to live independently
- Improving and optimising our Discharge to Assess model following a stay in hospital

This work further embeds our strengths-based approach to practice and commitment to supporting residents to promote their independence.

Operational Social Work and Occupational Therapy staff are critical to achieving these savings. Project management support is also required in order to review, develop and embed new pathways, as well as to develop our new approach to assistive technology.

Revised Provision:

This will further embed our strengths-based approach to practice and the delivery of our vision to support people to live independently within their communities for as long as possible. Residents will be supported, in accordance with our Strengths Based Approach, to utilise a range of preventative support and maximise the use of equipment in order to promote their independence. This will continue our work to undertake reviews of individuals with Double Handed Care (DHC) who are currently waiting for an OT assisting and moving review, to ensure the appropriate equipment is in place and promote their independence.

In reviewing, improving and optimising pathways, this work is likely to lead to new models of service delivery, in order to deliver better outcomes for our residents.

Delivery Risk and Mitigations:

- 1) Risk that we are unable to make this level of savings
 - Mitigation: A strengths-based, holistic and personalised approach to working with our residents will be taken, which seeks to promote independence, ensuring that residents can access preventative and short-term support services. These reviews will be closely monitored. Similar areas have successfully delivered savings in the past.

Resources and Implementation:

- Operational staffing (social workers, occupational therapists) resource is required to deliver this work.
- Project management support is also required in order to review, develop and embed new pathways, as well as to support the development and embedding of new approaches to practice e.g. assistive technology, strengths-based approaches.
- Commissioning resource required in order to continue to embed the Trusted Assessor role with our providers and to lead work on Assistive Technology.

MTFS REVENUE PROPOSAL

Proposal Title:	A19 IEH Combine commissioning and workforce development function with Adults and Health Directorate
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Directorate:	G3000B-Children and Young People	Proposal Type:	Service Transformation
Directorate Service:	G3550C-CYPS Improvement & Change	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Full Implementation Date:	01/04/2025	Lead Officer and Post:	Laura Eden – Corporate Director of Children and Young People Jason Strelitz – Corporate Director of Adults & Health
		Cost Centre(s):	

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(75)	0	0	(75)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		0.5			

How is the savings/growth calculated:
This is deletion of 0.5 of the Director of Commissioning and Universal Services post which is currently vacant.

Proposal Summary:
The proposal is to delete half of a vacant post and restructure the Directorate Management Team (DMT) of the Children & Young People's Services.

Revised Provision:

£75k could be saved from reallocation of services within the rest of DMT and the layer below offering honoraria for now whilst consideration is given to joining some functions with Adults & Health or permanent changes offering an increase in salary for Tier 4 staff.

Delivery Risk and Mitigations:

Risks

Reduction to commissioning senior management oversight may impact on strategic planning and in turn transformation that leads to savings

Mitigation

The post responsibilities to be redistributed to other managers

Resources and Implementation:

none

MTFS REVENUE PROPOSAL

Proposal Title:	A20 CYPS Further embedding of Newham Circles of Support Model by joining together the Assessment and Safeguarding & Interventions Service
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan Director of Early Help & Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	G03500 / G03530 / G03970

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	11,423	(230)	0	0	(230)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:	Service restructure.
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Proposal Summary:

The proposal is a three-part restructure that transforms our social care delivery based on the social care reforms. It includes additional workers in the early help service to support families early and to prevent them requiring statutory intervention. The key changes that are further described in turn are:

1. Reducing the numbers of families that require a statutory Social Work Service by increasing Early Help capacity.
2. Bringing together Assessments and Intervention Services into a single service.
3. Transforming our model to support Disabled Children & Young People (DCYPS).
4. Transforming our model of supporting children with No Recourse to Public Funds (NRPF)

In this restructure no procurement or contract negotiation is required. Individual staff engagements have taken place to ensure that they are aware of the changes and are able to contribute to the new delivery model. Staff have been through a formal consultation, which ended on 06th of October 24.

The future establishment will cost £230k less than the current budgeted establishment. The saving will mainly be achieved through reducing management layers and adding Social Care Officer roles at a lower grade. This saving will be delivered from 2025/26. This new re-structure will also reduce reliance on agency spend and remove 6 supernumerary posts. The supernumerary posts were created to address increasing caseloads which was unbudgeted, the removal of the posts will help address the overspend. This model will have financial benefits set out in the financial benefits section further on in this paper.

Revised Provision:

This business case supports Newham's transformation journey to reimagine the service we offer to the children and families of Newham and to further embed the Newham Circles of Support practice model. This is being managed as part of a single restructure to protect staff and optimise opportunities for staff who might be displaced as part of the restructure. The proposal is as follows:

1. Early Help Service**Rationale**

To support families early and to prevent them requiring higher cost intervention within statutory services, we are proposing to convert 4 social work post/ social work manager post to early help practitioner posts and increase our early help workforce by a further 4 workers. The cost for 4 workers on PO1 will be £200,800.

2. Assessments and Interventions**Rationale**

The new model proposes an integration of Assessment and Safeguarding & Intervention Services, which enables families the opportunity to have a single social worker throughout their journey from the point of referral to children social care. The proposal is to move to a more streamlined structure, which is

- Four service areas
- 18 teams including DCYPS
- The post of assistant team managers will be deleted.
- There will be 16 weeks duty allowing workers time to complete their intervention with families before returning to duty to support new families.

3. Disabled Children & Young People’s Services

Rationale

Our families have expressed that having a child with a disability does not always necessitate the involvement of a social worker unless there are safeguarding concerns. Instead, they feel they would benefit from help and support from the council to provide information on services and the range of support and advice available. In the proposed model, there will be two teams dedicated to Disabled Children’s & Young People’s services, specifically working with children who require a child in need plan, are supported by a child protection plan or are in care. The children that have a care package but do not require ongoing social work intervention, will continue to have access to information and advice via a dedicated information line, which will be managed by a Family Support Worker (FSW).

4. No Recourse to Public Funds (NRPF)

Rationale

The No Recourse to Public Funds Service (NRPF), which was established in 2015, works mainly with destitute families, who have no immigration status, and no recourse to public funds. Whilst there is a need to maintain a specialist NRPF & IH Service, a new model of service delivery team made up of predominantly **6 Project Workers** and supported by a Qualified Social Work Manager is proposed.

This aligns itself to the change in policy introduced by Working Together to Safeguarding Children 2023 – where the function of undertaking s17 assessments no longer lies solely with Social Workers, but can also be performed by a lead practitioner, such as a Project Worker.

Delivery Risk and Mitigations:

Risks

- The proposed model is a significant change and there is a risk that if the system is not managed effectively, staff may leave and/or caseloads will be ineffectively managed.
- Uncertainty in staff reactions to the change process may increase agency pressure.
- There is the risk of greater pressure on Early Help Services which has limited capacity and revenue funding.

Mitigations

- There will be an increase staffing in early help services by x4 workers to support families early rather than progressing them for statutory intervention.
- The part year saving in 2024/25 will be used to support staff in this transition to the new model. This includes putting in place a Practice Development Social Worker post for a minimum period of 16 weeks and a temporary support structure for ASYE (Assessed and Supported Year in Employment) to manage caseload numbers whilst ASYEs develop into the roles as social workers.

Resources and Implementation:

Following engagement sessions with staff, formal consultation in accordance with the Council’s Change Management procedures has been undertaken, including regular meetings with the Trade Unions.

Given the significance of the proposed changes, a formal 45-day consultation was undertaken until 06th October 2024.

There is an extensive training programme devised for the staff to support them with the transition. The new service went live on 20th January 2025.

MTFS REVENUE PROPOSAL

Proposal Title:	A21 DIG Delete 1 FTE Cloud Data Engineer post in the Data team from FY 25/26
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3800B-Digital	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G3800C-Assistant Chief Exec - Digital	Lead Officer and Post:	Ikramul Haque – Head of Digital, Data & Digital Democracy
Full Implementation Date:	01/04/2025	Cost Centre(s):	G12200

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	1123	(70)			(70)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	15	1			1

How is the savings/growth calculated:
Reduction of 1 FTE – Data Engineer role

Proposal Summary:

The Data Modernisation Programme currently consists of two Data Engineers to deliver the programme work and maintain the Data platforms once implemented. It is anticipated that 1 FTE Data Engineer will be re-joining Newham from OneSource as a result of the ICT services returning to their home boroughs, therefore a reduction of 1FTE can be made from the current team.

Revised Provision:

- There will be no significant impact on programme delivery following the reduction of 1FTE from the Data team, as it is anticipated that the work required will be delivered by the resource coming into the team following the ICT Split programme.

Risk and Mitigations:

There will be no significant risks to the programme following the reduction of the post.

Resources and Implementation:

N/A – the post is currently vacant and therefore there will be no associated costs

MTFS REVENUE PROPOSAL

Proposal Title:	A22 EST Savings to be realised due to a restructure in the Licensing and Registration Service
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Amar Virdee Cabinet member for Community Safety and Crime
Directorate Service:	G4330C-Licensing & Regulation	Lead Officer and Post:	Sheila Roberts, Director of Licensing and Regulation
Full Implementation Date:	01/04/2025	Cost Centre(s):	G09710.611000

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	2,177	(58)			(58)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	8	1			

How is the savings/growth calculated:
Increasing the reduction of posts resulting from the restructure of Licensing & Registration Service, from 1 to 2 in total, with the deletion of one PO7 post in addition to the existing plan to delete one Director post.

<p>Proposal Summary:</p> <p>As a result of a service review, the post of Food Safety Manager (PO7) will be deleted with the responsibilities amalgamated into the current role of Health and Safety Enforcement Manager. This will still meet the FSA mandatory qualification requirement. Note that the post to be deleted is currently vacant.</p> <p>No loss in statutory duties will result from this restructure. No impact on strategic priorities or manifesto commitments. There will be additional duties for the officers at the AD level.</p> <p>Consultation exercise will take place with all affected posts, informal consultation with the Service has already commenced.</p>	
<p>Revised Provision:</p> <ul style="list-style-type: none"> • Some reduction in capacity and expertise. • The new model has been designed to ensure the retention of professional competencies and qualifications as required by the service's regulators, e.g. Food Standards Agency, HSE, Human Tissue Authority, General Register Office, Sports Ground Safety Authority. Now within the reviewed JDs • Benefits may include closer alignment with the strategic aims of the Community Safety Service via the Community Safety Partnership. • No impact on client groups. • Service will continue statutory duty risk-based delivery service (subject to other budgetary decisions) • Regeneration of the borough and on-going churn of business may affect performance but not directly related to this decision. 	
<p>Delivery Risk and Mitigations:</p> <ul style="list-style-type: none"> • Minimal direct risk to delivery in the absence of other negative impacts on budget. • Mitigation via a review of reporting lines and review of JD. 	<p>Resources and Implementation:</p> <ul style="list-style-type: none"> • HR support for consultation, job evaluation and recruitment to new/re-evaluated posts. • First wave of consultation (director) has taken place. Completion November 2024. • Completion on second wave by December 2024. • Implementation March 2025. • New model in place 1st April 2025.

MTFS REVENUE PROPOSAL

Proposal Title:	A23 IEH Grant Maximisation and Service Efficiencies.
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE, Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3080C-Community Wealth Building	Lead Officer and Post:	Darren Mackin, Director of Community Wealth Building
Full Implementation Date:	01/04/2025	Cost Centre(s):	G13120

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(340)	0	0	(340)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0				0

How is the savings/growth calculated:
<p>The saving is calculated by removing 100% of the budget allocation allowed for in the 2025/26 budget in the following three areas:</p> <ul style="list-style-type: none"> • £240k Community Wealth Building maximising of recharges with non-general fund services • £50k Consultancy budget allocated for the Corporate Director • £50k Advertising and Marketing budget allocated for the Corporate Director

<p>Proposal Summary:</p> <p>In our ongoing efforts to optimise financial resources and ensure the sustainability of projects, we propose a strategic approach to maximise the residual budgets from grant funding. By effectively utilising these residual funds, we aim to reduce our reliance on General Fund resources and enhance our financial stability. Additionally, we have identified significant savings opportunities in consultancy services and advertising and marketing expenditures.</p> <p>Maximising Residual Budgets from Grant Funding: The service has successfully secured various grants over the past year. However, a portion of these funds remains unutilised. By implementing a systematic review and reallocation process, we can maximise the use of these residual budgets. This approach will allow us to fund additional projects and initiatives without drawing from our General Fund sources. By leveraging these residual funds, we can ensure that our financial resources are utilised efficiently and effectively.</p> <p>Savings in Consultancy Services: Consultancy services have been an ad-hoc area of expenditure in the budget previously. To achieve cost savings, we propose a thorough evaluation of our current consultancy engagements. By reducing the frequency of consultancy services, and exploring in-house expertise, we can significantly reduce these costs. This approach will not only save money but also enable the development of internal capabilities within our service.</p> <p>Reducing Advertising and Marketing Expenditures: Advertising and marketing are essential components of our outreach and engagement strategies. However, we have identified opportunities to streamline these activities and achieve cost savings. Additionally, we will explore partnerships and collaborations with other organisations to share marketing costs and enhance our reach.</p>
<p>Revised Provision:</p> <p>By maximising the residual budgets from grant funding and implementing cost-saving measures in consultancy services and advertising and marketing, we can achieve financial savings. These strategies will enable us to allocate resources more efficiently, reduce our reliance on general fund sources, and ensure the sustainability of our projects and initiatives.</p>

<p>Delivery Risk and Mitigations:</p> <p>The risk of delivery of these savings is relatively low, however, changes to services in future may impact the ability to recharge.</p> <p>Similarly, if the grant funding sources reduce or cease then further expenditure reductions would be required to offset this proposal.</p>

<p>Resources and Implementation:</p> <p>Finance to lead the review of recharges and allocated appropriately to the grants in line with grant conditions.</p>

MTFS REVENUE PROPOSAL

Proposal Title:	A24 IEH Planning Resource Reductions and Income generation
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing and Culture
Directorate Service:	G3081C-Chief Planning Officer	Lead Officer and Post:	Jane Custance, Director of Planning & Development
Full Implementation Date:	01/04/2025	Cost Centre(s):	G13100

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(250)	0	0	(250)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
<p>The proposals would be broadly split between increase in fees and charges for planning services and service efficiencies. A service improvement plan will be produced to examine improvements to systems and processes in order to reduce costs and inefficient processes.</p> <p>The savings proposals are calculated as follows:</p> <ul style="list-style-type: none"> • £110k increase in national planning application charges • £50k pre-application fees Increase

- £50k cost of vacant post
- £40K Crown Storage - the intention is to destroy the boxes

All figures are estimates and are conservative. Based on Government proposals to double householder fee income and the number of householder applications received last financial year this would generate an additional £110k pa. Other national fee increases are proposed, but at the moment there is no further information available. Pre-application fees have been increased and we estimate an additional £50k of income pa. New discretionary fees are proposed; however, these haven't been fully worked up and forecasts prepared.

Proposal Summary:

This proposal is to increase the fees and charges and has no impact to the strategic priorities/manifesto commitments of the Council and does not alter patterns of statutory provision.

Service improvement plans and re-design would focus on the processes, systems and structures in place to meet a complex and growing demand for planning services. Any proposal to increase fee income would be generated alongside service plans to ensure that the service can work within its statutory framework whilst also meeting expectations of customers.

The proposal is broken down into 3 areas:

Fee Increases:

- Increase existing discretionary fees and charges
- New fees were introduced in Nov 2024, and fee increases were made of 5% to Cats, D, E and F of pre-app fees.
- This would likely increase overall pre-application income by around £50k.
- Introduce new fees and charges – short term and long term
- Intention to introduce new fees and charges however these still need to be developed.
- Government is increasing statutory planning application fees – current timeframe is unknown
- Household applications increased based on last year's activity could generate additional £110k+

Staffing:

- Freeze recruitment to vacant post (27725.Planner) in Planning Enforcement team. Implication will be inability to carry out enforcement function to the level that would be possible if the team were fully staffed. There is no mitigation.
- Proposal is to freeze the vacancy for the current financial year, and the following one-year period (2025-26), to be reviewed in future financial years taking into account potential additional work pressures from transfer of LLDC planning powers (including Planning Enforcement) back to LBN.
- No FTE reductions are noted above, as this is a freeze to recruit proposal, rather than permanent loss of any FTE positions.

Storage

- Currently store circa 38000 boxes of planning records at a cost of £40k per annum.
- Destroy planning records that are currently stored with Crown Storage.
- Planning records within the boxes have already been scanned. The intention is to carry out a sample of information (1%) within the boxes and make sure that important records have been scanned and are stored on Uniform (ldox). This would cost £200 for recall of boxes.
- The sample boxes would be checked by existing staff.

- If the sample exercise shows that scanned records are adequate the boxes would be destroyed with the costs as follows.
- Box destruction @ £1.4625 x 3,848 boxes £5,627.70
- Box HC @ £1.0450 x 3,848 boxes £4,021.16
- Total cost exc vat £9,648.86

The proposals will be managed by the Development Management service.

Revised Provision:

A service improvement plan will be developed to work out these implications.

Development Management is a statutory service and cannot be withdrawn.

Delivery Risk and Mitigations:

Inadequate staff resource to review charges and unduly high charges will deter people from using the service. The mitigation is to benchmark fees from other councils and monitor take up of service and review if necessary

Inability to offer discretionary services that are fee generating e.g. pre-application advice.

Service reduction – potential to fail to meet statutory deadlines. This could result in requests for return of planning fees as a result of the national planning guarantee.

Destruction of records that may be required. Mitigation is sampling of records as referred to above

Resources and Implementation:

Project manager to develop and deliver service improvement plan

Require additional staff resource to develop the charges and implement

MTFS REVENUE PROPOSAL

Proposal Title:	A25 OS Reprourement of mobile phone contract and device spend reduction.
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Reference:		Proposal Type:	Service Transformation
Directorate:	G5000B-oneSource - Non Shared	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G5060C-ICT Services	Lead Officer and Post:	Amit Shanker Assistant Chief Exec & Digital Officer
Full Implementation Date:		Cost Centre(s):	G22120 & G22070

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	1041	(300)			(300)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	NA	NA	NA	NA	NA

How is the savings/growth calculated:
The new mobile phone contract will deliver lower unit costs for both line rental data bundles. The current device refresh budget is predicated on staff receiving a new laptop on average every four years – this will be extended to every five years.

Proposal Summary:

There are no staffing reductions associated with this proposal. Nor is there any impact on the Council delivering its statutory obligations. Procurement activity regarding the new mobile phone contract is already underway and there is a call off contract in place for devices.

Revised Provision:

There is no impact to residents associated with the implementation of this proposal.

Risk and Mitigations:

The main risk associated with this proposal relates to potential inefficiencies experienced by staff as a result of operating with older kit. Furthermore, there is a risk that the aged nature of our device estate might adversely impact on the tender results returned as part of the procurement exercise currently being undertaken to on-board a managed service partner to deliver some of the Council's ICT services. It is difficult to quantify either of these risks.

Resources and Implementation:

There are no additional resources required to implement this proposal.

MTFS REVENUE PROPOSAL

Proposal Title:	A26 REP Reduce Community Grant allocations.
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan Asst. Director Resident Engagement and Participation
Full Implementation Date:	31/03/2027	Cost Centre(s):	G54040

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	160	0	(80)	0	(80)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0	0	0	0	0

How is the savings/growth calculated:
Discontinue the allocated budget for the Community Grants Programme.

<p>Proposal Summary:</p> <p>By March 2027, to discontinue the Community Grant Programme.</p> <p>Discontinuing the Community Grants Programme will not affect any statutory obligations as there are none relating to this budget. However, it may impact the Council's ability to engage and support voluntary organisations in the community. This year, the programme has been used for the Neighbourhood Small Grants Programme and in previous years for initiatives like Warm Havens and local celebrations, such as the King's Coronation. Removing this support could reduce community participation in such events and the ability of voluntary organisations to contribute to resident engagement activities.</p> <p>No staffing reductions are associated with this proposal. The Grants Officer post was deleted in a previous savings exercise, and there is currently no dedicated staff to administer the grants. No procurement activity is required for the discontinuation of this programme. No contract renegotiations are necessary.</p> <p>No statutory consultation is required. However, communicating the programme's discontinuation to voluntary organisations and community stakeholders will be undertaken to manage expectations and clarify the future availability of support.</p>
<p>Revised Provision:</p> <p>The discontinuation of the grants will reduce the Council's overall capacity to financially support the needs of diverse community groups. Some community-led activities may seek alternative funding sources, such as the People Powered Places programme, though that requires a shift in culture and approach from applicants. The expectation that communities will apply for funding through alternative programmes like People Powered Places may foster some resilience, but this is dependent on their capacity to adapt.</p> <p>The Council will continue to support residents and community engagement, through both the Resident Engagement & Participation Team and other community engagement capacity in individual services, but the specific support through the grants programme will no longer be available. The client group may need to seek funding through other channels, but the scope of direct support will be reduced.</p> <p>While it has met a local need for community-driven events and projects, it is not a statutory requirement. Other councils have withdrawn similar grant programmes. In these cases, communities have had to adapt by seeking alternative funding or scaling down their activities. Adaptation varies, but often, communities have turned to alternative funding sources or reduced the scope of their projects. In some instances, partnerships with other organisations have helped bridge the gap.</p>

<p>Delivery Risk and Mitigations:</p> <ul style="list-style-type: none"> Loss of this grant funding could reduce the Council's convening influence with voluntary, community and faith sector (VCFS)'s engagement in local celebrations and ability to provide small-scale support for emerging and local priorities. The Council will continue to administer external grants (e.g. from Aspers, Tate & Lyle) on behalf of organisations in the borough, acting as a broker for funding opportunities outside the Council. We will also encourage community groups to shift towards applying for People Powered Places (PPP) funding as an alternative source of support.

<p>Resources and Implementation:</p> <p>No resources are required for implementation. The programme will completely cease providing grants from March 2027.</p>
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MTFS REVENUE PROPOSAL

Proposal Title:	A27 RES Climate Action Grant Overhead Contributions
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	Climate Action	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:		Cost Centre(s):	G40100

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	n/a	(20)			(20)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	n/a				n/a

How is the savings/growth calculated:
Estimated figure for management overhead allowance in grants secured by Climate Action Team

Proposal Summary:
With the push for Net Zero, the Climate Action team have been pro-active in securing external funding from a variety of funding bodies to fund activities towards the council's goals. Some of these grants will include an element to cover overheads, which will be used to offset some of the costs of the team.

Revised Provision:

No change

Delivery Risk and Mitigations:

Not all grants provide an allowance for overheads. The potential to maximise allowances for overheads and other costs will continue to be explored in bids for future grants.

Resources and Implementation:

No additional resources would be required to deliver this

MTFS REVENUE PROPOSAL

Proposal Title:	A28 RES Reduce subsidyfor Dockside Diner
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G4000C-Resources	Lead Officer and Post:	Andrew Ward – AD Finance
Full Implementation Date:	Phased in	Cost Centre(s):	G06280

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	250	(150)	(100)		(250)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0				0

How is the savings/growth calculated:
Budget for Dockside Diner subsidy paid to provider which is wholly owned by LBN.

Proposal Summary:
Reduce Subsidy over 2 years to zero. This should be manageable by improvements in business model, plus more staff in Dockside resulting from new Council operating model should generate significantly more business.

Revised Provision:

Dockside is occupied by other tenants apart from LBN, part of the lease agreement is provision of a canteen service. Since Covid with the reduction of footfall this has been subsidised but as more staff come back into the office as a result of the Councils new operating model this should be reduced accordingly.

Risk and Mitigations:

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Resources and Implementation:

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MTFS REVENUE PROPOSAL

Proposal Title:	A29 A&H Newham Living
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Reference:		Proposal Type:	Service Transformation
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Neil Wilson Cabinet member for Health and Adult Social Care
Directorate Service:	G3010C-Commissioning, Health & Social Care	Lead Officer and Post:	Simon Reid, Director of Integration and Commissioning
Full Implementation Date:	01/04/2025	Cost Centre(s):	G02550

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(300)	(300)	(400)	(1,000)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	N/A	0	0	0	0

How is the savings/growth calculated:
Business cases for Newham Living projects used to calculate savings. Staff salary and on-costs provide savings for post being taken over by extra care facility provider.

Proposal Summary:
<p>Newham Living is a new approach to Supported Accommodation, made possible in locations where the Council owns, leases or has influence over buildings. This influence is used to achieve high quality schemes which also have proven to be more cost efficient through:</p> <ul style="list-style-type: none"> - commissioning at scale for consistent needs, which enables us to achieve a lower unit cost (when benchmarked against market costs at that time) - outcomes-focused approaches in which residents are supported to move through a pathway towards independence (move on or step down) which reduces overall care costs while supporting people to live as well and independently as they are able - optimising the housing benefit income to cover housing-related costs <p>NB The Victoria Street Newham Living scheme is covered in a separate proforma (A34).</p> <p>An additional £173k of savings due to an extra care facility provider taking over the costs of health and wellbeing workers previously funded by the council is included in this.</p>
Revised Provision:
See above.

Delivery Risk and Mitigations:
<ul style="list-style-type: none"> • Securing suitable properties. Various opportunities being explored. • Future changes to housing benefit rules by Government. Tracking Government announcements and making the case for the success of this sort of innovative model to help mitigate against changes that would undermine it.

Resources and Implementation:
Programme being developed and rolled out within existing capacity, including close collaboration with Finance & Procurement.

MTFS REVENUE PROPOSAL

Proposal Title:	A30 CYP Develop the specialist foster carer scheme and move children from residential to specialist foster carers
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Reference:		Proposal Type:	Service Transformation
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan, Acting Director of Early Help and Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	G03240

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(194)	(194)	(194)	(582)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	60	60	60	180

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
Average cost of residential placement that a child would move from into specialist fostering is £4,718 per week (source possible step downs July 24) Cost avoidance is £3,669 per week. Assumes one specialist placement per year for three years. Assumes 100% occupancy.

<p>Proposal Summary:</p> <p>The number of children coming into care is rising and the needs of these young people are becoming more complex. There has been an increase in the number of children and young people placed in specialist fostering homes from 124 placements in 2021 to 190 placements in 2023 (as calculated by weekly costs of placements). The vast majority (92%) of these placements are placed with external fostering agencies which cost more than internal foster carers.</p>
<p>Revised Provision:</p> <p>This proposal is to pilot an in-house Specialist Step-Down Fostering Offer, where the cohort is well-defined and offers the greatest return on investment. In developing this offer, other local authority's offers were reviewed and benchmarked.</p> <p>It is anticipated that a new Specialist Fostering Offer will enable Newham to target and recruit a new segment of in-house foster carers with the added benefit of offering additional and timelier step-down options from residential settings and the associated cost avoidance savings.</p> <p>A workshop with internal stakeholders was also held, although consultation with Foster Carers has not been extended yet to avoid raising expectations. Benchmarking with other local authorities highlight that Newham is the only local authority out of those involved in the Regional Fostering Recruitment Hub without an in-house Specialist offer.</p>

<p>Delivery Risk and Mitigations:</p> <p>Risk</p> <ul style="list-style-type: none"> Newly approved foster carers maybe appropriate to work with young people diverting from residential care but may not be a good match for those who have been in residential placement for some time. Unable to attract, recruit and retain Specialist Foster Carers Lag between recruitment and cost of maintaining open Specialist Foster Carer until match and step down is in place Carer's unable to take on a child for a significant period whilst receiving payments. Financial cost savings cannot be fully realised due to specialist fostering vacancy used for cost avoidance. There will be additional costs in relation to specific advertisement to promote the scheme and this may require an increased marketing budget. Placements won't be occupied at 100% occupancy <p>Mitigations</p> <ul style="list-style-type: none"> Careful matching and transitional planning, informed by best practice Thorough assessment of Specialist foster carers Trial approach with least 'entrenched' young people Decisions will always be based on assessment and in the best interest of the child. Targeted approach to recruitment. Test offer with smaller audience before wide scale promotion and advertisement. 	<p>Resources and Implementation:</p> <p>One fostering specialist post costing 60k to recruit and support specialist foster carers</p>
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- Benchmarking and learning from other authorities and agencies.
- Monitoring through Fostering Transformation Board.
- Early identification of children.
- Early matching whilst assessment is underway and approval is likely.
- Retention payment/Use of Specialist Carers on emergency basis until match is completed and included in terms and conditions.
- Clear communication of expectations in recruitment and assessment of carers.
- Review clause included in terms and conditions if carer has been vacant for 6 months or more.
- Learning from Fostering Innovation step-down partnership.
- Close communication with the social work team, early identification of children
- Involvement of Clinical Team from the beginning
- Engagement with the young person
- Audit and learning to review why some step-downs are not successful
- Clear articulation of transition model



MTFS REVENUE PROPOSAL

Proposal Title:	A31 CYP Review the specialist offer of interventions to adolescents
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Reference:		Proposal Type:	Service Transformation
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan Director of Early Help & Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	G03230 / G03240

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(1,700)	(1,500)	(1,500)	(4,700)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	570	0	0	570

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
<p>Reducing numbers placed in residential homes by three per year – reductions happen in first quarter (phased 1 per month) of each year and the reduction is maintained, average unit cost including provision for contact with family is £8,199 per week (source month 5 average residential unit costs 24/25), alternative care provision calculated at £2,200 per week.</p> <p>Reducing numbers coming into care by ten per year – reductions happen in first six months (phased) of each year, average unit cost including provision for contact with family is £1,681 per week (source actual of activity of children supported by Edge of Care Team July 2024)</p>

The growth is based on eight new posts – six PO5s (includes £5k Recruitment and Retention as social worker posts) and two PO3s

Proposal Summary:

The proposal is to establish a time-limited and targeted Integrated Edge of Care Team aimed at delivering high-intensity support to two key groups of young people:

1. Young people on the edge of complex care and exploitation
2. Children in Care who require wraparound services to support reunification, independent living or requiring lower cost family-based placements.

The overarching goals are to:

- Improve outcomes for vulnerable young people affected by significant complexity and exploitation, by addressing their complex needs through targeted intervention.
- Reduce the financial burden on the Council by preventing entry into care and addressing the root causes of their issues affording them to live with their families, return to their families, be placed in lower cost placements, safely.
- To offer targeted intensive support to children who are residing in high-cost specialist residential placements to either move them to family environment such as foster placements or reunify them back to their families.

This proposal requires an investment £570k to recruit a multi-disciplinary team to intensively support young people to stay at home, return home or move to a less costly placement based on their needs. There are no staff reduction, procurement activity or statutory consultation required.

Revised Provision:

Investing in early intervention and high-intensity support will prevent young people from escalating into high-cost placements such as:

- Residential care
- Secure welfare placements or remand
- Emergency foster care

Preventing a small number of high-cost cases / placements can result in significant savings. A key part of the Teams mandate will be tracking the cost-effectiveness of its interventions, with a focus on reducing the reliance on expensive placements and services.

Expected Outcomes

Improved Outcomes for Young People

- Reduction in care entry rates: Monitor how many young people identified as being on the edge of care avoid entering the system due to IYST interventions.
- Reduction in placement breakdowns: For young people already in care, track whether the teams wraparound services prevent placement breakdowns and the need for more expensive services.
- Improved education and employment outcomes: Track school attendance, educational attainment, and employment status for young people involved with the team, aiming for improved life outcomes.
- Mental health and well-being improvements: Use standardised tools (e.g., Strengths and Difficulties Questionnaire, SDQ) to assess improvements in mental health and emotional well-being.
- Family stability: Measure improvements in family relationships and reductions in family breakdowns through feedback from family support interventions.

Cost Savings and Efficiencies

- Lower numbers of young people entering costly placements, such as residential care or secure welfare placements.

- Lower the number of children requiring high-cost placement by offering bespoke targeted intervention to enable them to reside in a lower cost placement, which meets their needs.
- Reduced pressure on emergency services, police, and health services.
- Long-term savings through early intervention, preventing the escalation of issues that require more intensive and expensive interventions later.

We have begun to pilot the team, none of the reunified children over the first 3 months of team have come back into care and savings are between 150 and 250k per month.

Delivery Risk and Mitigations:

Risks

- Delay in recruitment of specialist staff may lead to delay in intervention commencing, which may impact on delivery of saving.
- Due to the complexity of our children's needs, full MTFS saving may not be achieved within the required timescale
- The team would need to be in place by 1 April and actively making a difference or the savings / cost avoidance will not be achieved.

Mitigation

- Clear recruitment plan will be in place to recruit the workers as soon as the proposal has been approved.
- Discussions have taken place about using creative ways in recruiting specialist workers. Liaising with wider partners such as CAMHS to recruit specialist workers.
- The team will offer a rapid-response service for young people experiencing immediate crises.
- Preventing small number of these high-cost cases can result in significant savings.

Resources and Implementation:

Resources

Recruitment of the following staff:

- Specialist Edge of Care Worker x 6 at P05 costing - £450k
 - Edge of Care and Exploitation worker x 2 at the top of P03 costing - £120k
- Total - £570k

Implementation

- Consultation and Stakeholder Engagement
- Engage with key stakeholders, including social care services, youth justice teams, education, the police, mental health services and youth empowerment. This will ensure that the team reflects local needs and builds on existing services. We will also need to engage with local grass root voluntary and community sectors organisations.
- Team Development
- Recruit and train the multidisciplinary team, ensuring they have a shared understanding of our practice model, youth engagement, and early intervention techniques.
- Pilot and Evaluation
- Measure the effectiveness of the team in improving outcomes and reducing costs, with a focus on tracking the impact of early interventions on care entry, reducing the number of children in residential placements and financial savings.

MTFS REVENUE PROPOSAL

Proposal Title:	A32 CYP Supporting parents of under one-year olds
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan Director of Early Help & Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	G03230 & G03240

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(120)	(235)	0	(355)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	103	0	0	103

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:	Based on evidence from recent intervention practice approach, cost avoidance can be applied 9 months after intervention is in the place. This will result in a reduction of 8 young children coming into care. Cost avoided based on average placement cost of babies in care during 2024/25. Investment based on two PO1 posts.
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Proposal Summary:

As an invest to save initiative, develop a service to:

- Reduce the number of pregnancies resulting in babies being removed into care.
- Reduce the number of children taken into care and reduce the need for mother and baby high-cost placements or foster placements for babies.
- Support women at risk of repeated removal of children into care, to take more control of their lives and address their multiple unmet needs and difficulties. Benefits other services such as adults, housing, probation, police, health
- Support the women to take an 18-month 'pause' in pregnancy – so that the women and services can focus on addressing the women's needs, and as a result break a cycle of repeat pregnancies that result in children being removed and taken into care.
- Improve outcomes for the women regarding their health and wellbeing, housing situation, employment and skills, financial position and personal and social resilience – many of the women are 'care-experienced'.
- Avoid current and future costs through:
 - A reduction in repeat child removals involving substantial placement, legal, administrative, management, parenting assessment and social work time within CYPs.
 - A shift from the use of unplanned services and crisis care to planned use of services by the women requiring support.

Revised Provision:

The new service will work with women who have experienced, or are at risk of, repeated pregnancies that result in children needing to be removed from their care. The new service will be set up to address an identified gap in provision for women following the completion of court proceedings and child removal. We have already identified women who may benefit from such provision.

The new service will be delivered in-house through CSC and based on the national Pause model.

Pause is a national evidence-based programme that work with women who have experienced, or are at risk of, repeated pregnancies that result in children needing to be removed from their care. The trauma-informed relationship-based intervention provides an effective means of establishing positive changes in women's lives, meeting longstanding unmet health and welfare needs and addressing significant histories of trauma and adversity, including the loss of children into care and adoption. As a result of working towards improved outcomes and taking a pause in pregnancy, the programme helps breaks the cycle of repeat pregnancies that result in further babies being taken into care.

The most recent national evaluation of the Pause approach calculates that in local authorities where the approach was implemented the number of infants entering care was reduced by an average of 14 per year per local authority. Our estimate of 8 is very conservative so the delivery of savings is worst case scenario.

The Newham approach will be bespoke and tailored to the needs of local women and our local demographics. The approach of the service will be based on our systemic and relational model. The team will provide 1:1 intensive wrap around support tailored to women's specific needs and support them to access other services e.g. domestic and sexual violence, substance misuse and health including mental health, adult social care, housing, work and learning. Interventions are planned to last between 18 up to 24 months to address multiple/complex needs.

The service in Newham would need to be established first, accruing upfront costs, before the full impact could be expected to be seen. We have existing management and staff knowledge and experience of running a Pause service previously which would benefit a quick set up of the service. It is estimated that by employing a similar approach we could conservatively reduce on average 8 children entering in our care in Newham per year over a 2-year period. The impact of the service would support our aim to safely reduce the numbers of children who enter the care system as one of our strategic priorities through enhanced prevention and providing help earlier to families. This service is intended to complement our enhanced edge of care offer.

Delivery Risk and Mitigations:
<p>Costs avoided will accrue over time, sustaining the service will be necessary to contribute to a reduction in future budgetary pressures and impact on wider outcomes and reduce inequalities.</p> <p>In addition to contributing to reducing the short-term pressure on the CYPS placements and staffing budget the potential of the service is to reduce short-term and longer-term demand and pressure on the wider system including a reduction in future Council (housing and adult social care) and NHS spend.</p>

Resources and Implementation:
<p>2.0 FTE dedicated Support Workers (PO1) would be required.</p> <p>Staffing is the largest service cost. If the staffing costs are reduced, this will mean that either the number of women the service can work with will need to reduce which in turn reduces the impact of the service and cost avoidance, or the caseload will need to increase, which would impact upon the quality and impact of the service.</p> <p>Our plan is to repurpose an existing role for 3 months with aim of starting the service in Q4 2024/25.</p> <p>Recruitment for the roles would commence in Q4 2024/25 with the plan for the workers to start working with women in April 25.</p> <p>It is anticipated that the impact of the service would start to be seen in Q3 2025/26.</p> <p>A small project resource will be required to support business planning for and mobilisation, implementation of the service. Line management support will be provided within the existing structure. Monitoring and evaluation of the service will be undertaken through BAU processes.</p>

MTFS REVENUE PROPOSAL

Proposal Title:	A33 CYP The House Project. Promote independence for care leavers
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Reference:		Proposal Type:	Service Transformation
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan, Acting Director of Early Help and Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	G03250 / G03401

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(186)	(310)	(370)	(866)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	120	120	0	240

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
Costs avoided by moving a care leaver from commissioned shared accommodation to independent accommodation are £208 per week, (based on refurbishment of Oxlo Road). Assuming full year impact and 90% voids. Total Saving £419k.
Costs avoided by moving a care leaver from commissioned 24-hour semi-independent accommodation to in-house semi-independent accommodation are £450 per week (based on refurbishment of Clova Road). Clova will achieve £150k of savings assuming partial occupancy in April and full occupancy in May, building works are estimated to be completed in Feb 26. Assumes 90% voids. Total Saving £168k.
Both Oxlo House and Clova Road projects have been agreed by Cabinet. Remaining amount of £279k to be achieved through House project.

<p>Proposal Summary:</p> <p>There is a national shortage of supply in the housing market leading to exceptional pressures on local authorities like Newham to explore all possible options to cater for growing pressures on Homelessness and the Council's finances.</p> <p>There are currently 130 care leavers in need of accommodation, aged between 21 to 25, who do not currently have access to social or market rented housing. As a result, these young people remain in supported accommodation with direct support that they may no longer need and with accommodation costs in excess of the one bed Local Housing Allowance rate. There is a projected overspend of over £800k for care leaver accommodation and support services in 2024-2025. Care leavers are not financially independent by age 21 as we are not able to meet our duty to support them to find affordable safe accommodation.</p>
<p>Revised Provision:</p> <p>The proposals are as follows:</p> <ol style="list-style-type: none"> 1. Reduce placement cost by moving 43 care leavers to Oxlo House 2. Reduce placement cost by moving 8 care leavers Clova Road

<p>Delivery Risk and Mitigations:</p> <p>Risk</p> <ul style="list-style-type: none"> • That the acquisitions and works for Oxlo House and Clova Road are not completed in line with the proposed timeline • There is a risk that the net cost savings to the Council assumed on care leavers and temporary accommodation is not achieved because families in high-cost emergency accommodation do not meet the eligibility criteria to be moved into these units. • There is a risk that units in Oxlo House become surplus to use because of a reduced demand for care leavers, temporary and emergency accommodation. • Void rate is higher than 90% • Potential for acquisition of Oxlo to be blocked or significantly delayed due to Barking and Dagenham planning constraints. <p>Mitigation</p> <ul style="list-style-type: none"> • There is currently an extremely high demand for temporary accommodation so it is unlikely that this will be the case in the short to medium term. • There are high number of care leavers waiting for their own independent accommodation. Therefore, matching care leaver to Oxlo House and Clova Road accommodations would not be difficult.

<p>Resources and Implementation:</p> <p>Oxlo House is nearing completion. However, there has been a significant delay in obtaining planning permission from LB Barking and Dagenham.</p> <p>Clova Road will become available once the work has been completed next year (exact timescale is not available).</p>
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MTFS REVENUE PROPOSAL

Proposal Title:	A34 Victoria Street Newham Living Model
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Councillor Amar Virdee, Cabinet member for Housing Needs, Homelessness and Private Rented Sector
Directorate Service:	G3140C-Housing	Lead Officer and Post:	Candida Thompson, Assistant Director of Housing Options & Supply
Full Implementation Date:	01/04/2025	Cost Centre(s):	G15950

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(15)	(738)	0	(753)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
<p>The report presented at Cabinet in May 2024 showed that the estimated base case scenario suggests cost avoidance of £1.5m over three years.</p> <p>Cost avoidance estimates are based on average costs of temporary accommodation using modelling from December 2023, with approximately 100 individuals supported. The revenue impact of the proposal is set out below:</p>

Newham Living – Victoria Street	Year 1 (Gradual Occupancy)	Year 2*	Year 3*	Avg.
Total Units	212	212	212	212
No. Units Occupied (Full Year)	83	110	110	100
%	39.1	51.8	51.8	47.2
Revenue				Total
One-off Revenue Costs: Sink Fund	(550)	0	0	(550)
Gross Rental Income	2,242	2,989	2,989	8,220
Building Service Costs	(787)	(1,050)	(1,050)	(2,887)
Provisions (e.g. Voids)	(146)	(194)	(194)	(534)
Support	(1,500)	(1,500)	(1,500)	(1,500)
Sub-Total	(550)	0	0	0
Cost Avoidance (Temporary Accommodation)	565	753	753	2,071
Net Revenue	15	753	753	1,521

Proposal Summary:

The scheme is for the use of 10 Victoria Street to provide 110 units of accommodation to single vulnerable homelessness applicants, with use of the building for supported living in line with the Newham Living model for an interim period of 3 years plus the option to extend for one year subject to relevant approvals in line with the Council's scheme of delegation. At this point the site will be redeveloped as per the recommended demolish and rebuild option agreed by Cabinet in December 2023.

It will transform an existing Council asset, which would otherwise be empty and accruing expenses for security and council tax, for the purpose of supported accommodation in the discharge of its homelessness duties, thereby creating significant cost avoidance by avoiding the requirement to place those applicants in TA at cost to the council. The Newham Living Supported Accommodation model has been developed to improve outcomes for residents who are amongst the most vulnerable in our communities; enhance their lived experience as they are supported by the Council; and provide viable saving options for the Council. As part of the Council's transformation agenda, the H&ASC service and Housing directorate and Children and Young People services have worked to scope out additional ways to add value and provide savings across the Council; particularly given the high-cost pressures facing these service areas. Existing use of assets through an interim approach use can bring in additional income and reduce costs for the Council, while ensuring that any long-term vision for an asset in line with wider corporate strategies can be developed in parallel.

The support for these schemes will be procured through the Supported Accommodation Dynamic Purchase Vehicle. A high-quality supported accommodation provider will be identified through a procurement exercise. The building would be leased to the provider for the period of the contract on a commercial basis, with a break clause to allow for early termination in line with the support contract terms and conditions. The vision is to provide additional wrap around support for residents within the building to develop skills and independence, for example managing money, food security, cooking on a budget. The aim is to enable residents to sustain their move back to independence once ready. The contract will be awarded on a MEAT (most economically advantageous tender basis), 20% Price, 70% Quality weighting for tender evaluation and 10% Social Value is proposed.

The proposal meets the Council’s strategic priorities and commitments in several areas. Newham Council’s Homelessness and Rough Sleeping Strategy 2021 -2026 sets out an intelligence-led, public health approach to tackling homelessness, and improving access to, and the quality of, housing within the borough. Several of the key priorities within the strategy are aligned with the outcomes of the 10 Victoria Street project, such as: “Newham Council will improve access to better housing that meets the needs of residents by maximising opportunities and supply in the borough and creating inclusive pathways out of homelessness” and “The Council will aim to reduce current use of temporary accommodation to shift our service focus from reactive short-term stability towards long-term proactive prevention”.

Building a Fairer Newham is the Council’s corporate plan. The plan recognises the complexities facing Newham’s residents and that there are deep rooted inequalities worsened by the cost-of-living crisis, including those associated with homelessness. Inclusive economy - to support residents in hard times. Homes for our residents - in the form of 122 new homes for single people, families and households needing wheelchair accessible homes. 50 steps strategy – promoting health through housing: Prevent homelessness and promote the health of people living in low quality or insecure accommodation.

The proposal does not affect delivery of statutory provision and does not require staffing reductions.

Revised Provision:

The proposal will deliver a new model of service delivery for single vulnerable people threatened with homelessness. Over the past several months, the Council’s Health and Adult Social Care service (H&ASC) has been developing an innovative approach to supported accommodation called Newham Living. The Newham Living Supported Accommodation model has been developed to improve outcomes for residents who are amongst the most vulnerable in our communities; enhance their lived experience as they are supported by the Council; and provide viable saving options for the Council. As part of the Council’s transformation agenda, the H&ASC, Housing and Children and Young People have worked to scope out additional ways to add value and provide savings across the Council; particularly given the high-cost pressures facing these service areas. This includes accommodation for single vulnerable people threatened with homelessness to prevent their homelessness and provide them with the required support to move on to living independently. As well as the benefit of TA cost avoidance, this model provides greater support to vulnerable residents, encourages independence and resilience, and provides a more coherent service offer to single vulnerable people from diverse groups. This will not replace current service provision but will be complementary to it.

N.B. this is in addition to the savings set out in the associated Newham Living Pro Forma A29.

Delivery Risk and Mitigations:

Possible risks are:

That there is no provider interest to run the scheme through the procurement (although there has been significant provider interest through the market engagement to date)

Cladding removal is delayed and affects the start date/restricts the use of the building and potential numbers housed.

Restricted move-on opportunities restrict the flow of residents through the building. To mitigate this, we have offered to align incentives for move on with those given to PRS landlords, and to aid with options and advice through the

Resources and Implementation:

A&H Commissioning resources are aligned to the procurement.

Procurement capacity has been secured until March 2025

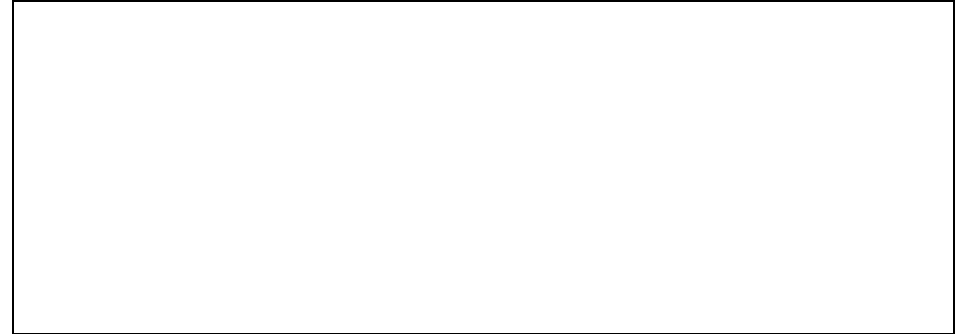
Head of terms are in draft stage and once ready the procurement can commence. The aim is to be live in April. It may take a few months to scale up to full occupancy

HPAS service, as well as the residents being provided with tenancy sustainment and life skills during their stay.

The scale of the mobilisation requires a longer lead-in delaying the start. We are working to identify possible nominations as early as possible ready for the start of the scheme. And provide multiple viewings/open days for prospective residents.

Residents decline the Victoria St offer leading to voids. We aim to have a 'waiting list' or replacement nominations.

For each month of delay, there will be c£62,750 reduction in savings.



MTFS REVENUE PROPOSAL

Proposal Title:	A35 MAR Pause production in 2024/25 of the Newham Magazine.
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3700B-Marketing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G4206C-Policy & Communications	Lead Officer and Post:	James Partis, Assistant Chief Executive – Chief Transformation Officer
Full Implementation Date:	01/10/2023	Cost Centre(s):	G06070

Financial Impact:	Current Budget 2023-24	Savings/Income 2025-26	Savings/Income FTE 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	46	(40)	0	0	(40)

Investment Required:	Recurring Investment	Investment 2025-26	Investment FTE 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A	0	0	0		

Proposal Summary:
Pause Newham magazine, so no further editions this financial year. Budget saving £40k.
Some in-year cost avoidance on pausing production of the Newham Magazine, noting that this is not intended as a permanent saving though options will be developed for an alternative funding model to cover future costs.
Revised Provision:
As above

Risk and Mitigations:

Loss of a means of communicating with residents, particularly those who do not use social media/sign up for emails. Mitigate through seeking to increase sign-up for e-bulletin and more engaging communications campaigns more widely.

Resources and Implementation:

N/a

MTFS REVENUE PROPOSAL

Proposal Title:	A36 RES Cease the provision of free tea and coffee at Dockside and stop any catering for internal meetings
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G5040C-Asset Management	Lead Officer and Post:	Suraya Ali, Head of Facilities Management
Full Implementation Date:	01/04/2025	Cost Centre(s):	G02204 for Dockside

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	20	(20)			(20)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	N/A				

How is the savings/growth calculated:
Estimate of annual costs based on information from the accounting system.

Proposal Summary:

Stop providing tea and coffee for staff in Dockside. This facility is not provided in any other council building so although it would be a loss to Dockside staff it would be fairer in the round. Officers can either utilise the cafeteria where refreshments can be purchased or provide their own and use the kitchen facilities on each floor to obtain hot water.

Revised Provision:

None

Risk and Mitigations:

n/a

Resources and Implementation:

n/a

MTFS REVENUE PROPOSAL

Proposal Title:	A37 CYP Streamline Return Home Interview (RHI) and Intensive Provision service by 50%.
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3650C-Inclusion & Achievement	Lead Officer and Post:	Dave Tapsell Director of Clinical Practice
Full Implementation Date:	01/04/2025	Cost Centre(s):	G11220-Youth Empowerment Return Home Interview

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(193)	0	0	(193)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		3			3

How is the savings/growth calculated:
Saving achieved through streamlining of intensive provision as part of improving impact of the Return Home Interview (RHI) service through deletion of 3 FTE posts over full year plus programme costs.

<p>Proposal Summary:</p> <p>Streamlining through removal of intensive provision will allow the service to fulfil its statutory duty only as it will focus on the important frontline RHI element, which is in statutory guidance and a core part of the Council's approach to Youth Safety and safeguarding. The current intensive element will be absorbed into existing Youth Empowerment Service Provision. Presently, the RHI provision meets the national standard of offering all young people that meet the criteria a RHI within 72 hours.</p>
<p>Revised Provision:</p> <p>Service streamlining may mean that the national standard currently met is reduced, and where possible this will be mitigated. Mitigations will also require children social care workers to step into this important area of work as it relates to these young people who present with safeguarding issues. This will be developed further as part of children service transformation.</p>

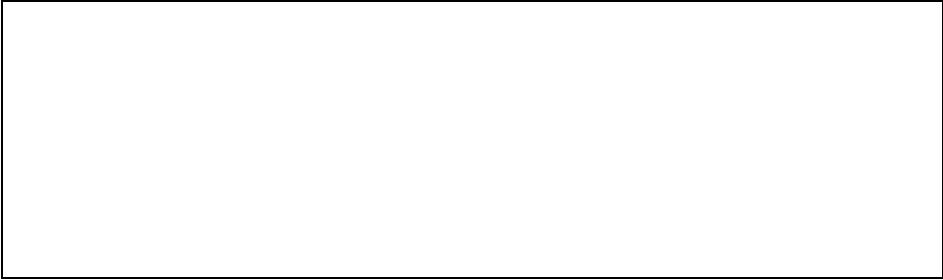
<p>Delivery Risk and Mitigations:</p> <p>Reduced follow-up may lead to higher chances of young people reoffending or falling back into risky behaviours or potentially missing signs of abuse or neglect, which is why closer working with children services will be required to work closely with the youth empowerment service so that they support mitigating all of these risks.</p> <p>Without adequate interviews, interventions may be less targeted and effective, failing to address underlying issues.</p> <p>Remaining staff may experience increased workloads, potentially leading to burnout and reduced service quality and poor staff retention. Increasing costs in the longer term.</p> <p>With fewer staff there will be fewer interviews, the quality and quantity of data on young people's needs and outcomes might decline.</p> <p><u>Potential mitigation.</u></p> <p>Children services will be required to work closely with the youth empowerment service so that they support mitigating all these risks.</p> <p>Develop better collaboration with partner agencies such as health, education and the police.</p> <p>The use of more Targeted Interventions, focussing on the children and young people we are most concerned about.</p>
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<p>Resources and Implementation:</p> <p>Reducing service so no additional resources needed</p>

Provide additional training and resources to help staff manage the increased workload and maintain service quality.

Keep stakeholders informed about changes and how the council plans to mitigate potential negative impacts.

The Procedures require local authorities to offer a Return Home Interview within 3 days, we are measuring on completion within 3 days which is good practice and responds quickly however this service requirement could be reduced.



MTFS REVENUE PROPOSAL

Proposal Title:	A38 EST Parks and Green Spaces budget review
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3150C-Public Realm	Lead Officer and Post:	Louise Wilcox, Head of Parks and Green assets
Full Implementation Date:	01/04/2025	Cost Centre(s):	G16112.611000 (£39k) and G08019.611000 (£28k)

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(67)			(67)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0.5	0.5			0.5

How is the savings/growth calculated:
<p>£28,000 salary saving from deletion of 0.5 FTE post at East Ham Nature Reserve. £39,000 saving from not seeking Green Flag accreditation and reducing overtime spend on staff maintaining those parks.</p>

Proposal Summary:
<p>The proposal will see the Council withdrawing from entering the annual Green Flag Accreditation Scheme and reviewing the day-to-day management of East Ham Nature Reserve to achieve financial savings. There are no impacts on statutory services.</p> <p>There will be a reduction of 0.5 FTE at East Ham Nature Reserve achieving a saving of £28,000.00.</p> <p>A £39,000 saving will be achieved through not paying the fees associated with Green Flag accreditation and reducing overtime directed to the current 6 Green Flag accredited parks.</p> <p>The Corporate Plan committed to achieving at least 10 Green Flag Award status parks and open spaces by May 2026 will not now be delivered.</p> <p>There is no requirement for statutory consultation.</p>
Revised Provision:
<p>The Green Flag Award scheme is a national initiative that landowners choose to participate in. This proposal will see Newham cease to enter the awards in 2025.</p> <p>Static and mobile teams maintaining the Borough's Parks and Open Spaces will be unchanged. Park users will not see a difference in the standards delivered within the current 6 locations that have achieved Green Flag Award standard. At East Ham Nature Reserve a volunteer offer will continue to be supported by the Parks and Green Spaces Service.</p>

Delivery Risk and Mitigations:
<p>Reputational risk due to not delivering the Green Flag award commitment stated within the Corporate Plan.</p>

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	A41 TRANS BSMI Service Offer reduction (staffing reduction)
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3900B-Transformation	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3900C-Assistant Chief Exec - Transformation	Lead Officer and Post:	Nohaila Alavi, Assistant Director Corporate Transformation and BSMI
Full Implementation Date:	26/03/2028	Cost Centre(s):	G12210

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	2,858		(400)	(350)	(750)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	50		8	7	15

How is the savings/growth calculated:
The proposed reduction of 15 FTEs from the current 50 is expected to generate the planned savings, subject to deductions for any redundancy and pension costs.

Proposal Summary:
<p>The BSMI service plays a crucial role in supporting the Council's core operations, including system support, performance reporting, and statutory compliance. Having already delivered £360k in savings, this proposal offers a further £700k. With the addition of these new savings, the total savings delivered by the BSMI team will amount to over £1m, representing almost one-third of the original budget allocated when the service was established in 2022.</p> <p>Achieving the £750k in savings will require a comprehensive BSMI service redesign, involving a refresh of the core operating model and a reduction in the service offer provided to the wider organisation. Since the BSMI budget is primarily comprised of staffing costs, these cuts will result in a reduction of 12-15 FTE positions, impacting almost all directorates and services across the organisation.</p>
Revised Provision:
<ul style="list-style-type: none"> • The Council will experience a significantly reduced offer from the BSMI service, focusing primarily on essential functions. • Resources will be concentrated on core system support, application management, statutory reporting, and strategic performance reporting and insights for critical services only. • The broader data, intelligence, and systems support required for future service improvements and redesign will no longer be part of the core service offer. • This reduction in capacity will slow the pace of systems recommissioning and improvements, potentially affecting service delivery and the overall resident experience.

Risk and Mitigations:	Resources and Implementation:
<p>Key risks include the reduction of the BSMI service offer to directorates, particularly in areas such as data, intelligence, and systems support for future service improvements and redesign. There is also a significant risk of losing talent and institutional knowledge due to staff redundancies or voluntary departures during the restructure.</p> <p>Additionally, a reduction in resources poses a risk to the delivery of the Council's Transformation Plan, which is critical for achieving council-wide savings and improvements. Any gaps in resource may hinder the ability to deliver key projects and initiatives within the plan, jeopardising both savings targets and overall service improvements.</p> <p>Finally, reduced staffing may negatively impact the Council's ability to maintain tight performance tracking and oversight across Corporate Plan delivery, the LGA Action Plan, and the Transformation Plan, potentially weakening accountability and progress monitoring.</p> <p>Mitigations will include retention strategies for key staff, prioritising essential services, and exploring opportunities for automation or alternative resources to address potential resource gaps.</p>	<p>½ FTE Project Manager to support the discovery, redesign of operating model, delivery of restructure and implementing the new structure.</p> <p>Discovery: Spring/ Summer 2025 New Operating Model Proposals: Summer 2025 Launch of Restructure: Autumn 2025 Final Structure: Winter 2025 Implementation: Spring 2026</p>

MTFS REVENUE PROPOSAL

Proposal Title:	B1 RES Rationalise the Voluntary Community Sector Estate
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	Commercial Property	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:		Cost Centre(s):	All

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)			(100)	(100)	(200)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					n/a

How is the savings/growth calculated:
Sum of the current budget.

Proposal Summary:
Removal of the current subsidy for the voluntary and community sectors such that all council property would be let at the reasonable market rate.

Revised Provision:

The assets would still be available for community usage, but at a higher cost.

Delivery Risk and Mitigations:

The proposal is not managerially complex to deliver

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	B2 RES Relocation of HQ and disposal of other operational assets
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G5040C-Asset Management	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:		Cost Centre(s):	TBC

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)		(500)	(1,000)	(1,000)	(2,500)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					n/a

How is the savings/growth calculated:
These are calculated as the relevant proportion of the appropriate budgets. Substantial capital receipts would also be achieved but these are not detailed here for reasons of commercial confidentiality.

Proposal Summary:
<p>Savings to the council's operational and administrative estate, summarised as follows:</p> <ol style="list-style-type: none"> 1. Relocation of the HQ function from Dockside, which would then either be disposed of for a capital receipt or leased for income, according to the most advantageous option at the time 2. Disposal of one of the two town halls, in order to rationalise the estate with the surplus site either being disposed of for a capital receipt, housing or leased for income, according to the most advantageous option at the time 3. Reduce the other operational estate (i.e. all operational buildings excluding the above and the Folkestone and Bridge Road depots) by 20%
Revised Provision:
<p>The aim is to achieve lower cost provision of operational sites with capital freed up to invest in remaining sites, e.g. an opportunity to implement a "fewer but better" asset strategy</p>

Delivery Risk and Mitigations:	Resources and Implementation:
<ul style="list-style-type: none"> • Significant timing risks, which have been mitigated by profiling the savings over the later part of the MTFS period • Significant commercial risks • Relocating the political and administrative HQ functions would be a complex operational project to deliver • Savings in 2025/26 will require decisions to close buildings during the next six months, which may be disruptive for affected services and may require an accelerated governance process. 	<p>Property and Commercial expertise to manage. Project management resources for planning and ensuring effective delivery of relocation(s) etc. These will be factored into the business cases to support final decisions.</p>

MTFS REVENUE PROPOSAL

Proposal Title:	B3 RES Sale of Investment Properties
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:		Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:		Cost Centre(s):	All

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)			(175)		(175)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)					

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					n/a

How is the savings/growth calculated:
The difference between reduced debt charges and the commercial income from the portfolio.

Proposal Summary:

To dispose of the commercial investments portfolio, which was acquired prior to 2018. This currently produces an income for the council, net of fees, but there are commercial risks in holding such assets, such as lettings, voids and the possibility of a downgrade to the asset value. There is also a potential upside to the asset, e.g. rents could rise above inflation or similar.

The capital receipts from the sale would be used in place of new borrowing, thus reducing the budgeted cost of that by more than the loss of income, generating the saving.

Revised Provision:

The council would no longer hold the commercial assets but services would be unaffected.

Delivery Risk and Mitigations:

- Significant timing risks, which have been mitigated by profiling the savings over the later part of the MTFS period.
- Significant commercial risks.

Resources and Implementation:

The project would require some internal resources but would principally be handled by external advisers, for example legal and real estate/property.

MTFS REVENUE PROPOSAL

Proposal Title:	B4 CORP Reducing the Council Tax Reduction Support available to residents
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Reference:	B4 (revised)	Proposal Type:	Service Efficiencies
Directorate:	G8000B-Corporate Budgets	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	Collection Fund	Lead Officer and Post:	Conrad Hall, Corporate Director of Resources
Full Implementation Date:		Cost Centre(s):	All

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	17,298	(2,900)			(2,900)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	n/a	n/a			n/a

How is the savings/growth calculated:
<p>The cost of Newham's Council Tax Support Scheme for working-age households is £17,298k in 2024/25.</p> <p>Any reduction to the maximum level of Council Tax liability could be scaled. Broadly every ten-percentage point change (e.g. from 90% to 80%) would increase council tax liability by approximately £2,200k per year, of which 74% of the benefit would accrue to the London Borough of Newham; £1,628k.</p>

The other proposed changes; increasing the taper rate, reducing the capital limit to £6,000, amending the non-dependent reductions, as well as a reduction in working age caseload as per current trends would increase the saving figure to the estimated £2,900k.

The revised budget saving is therefore a reduction in the region of £2.9m or 17% of the total budget, based on reducing the maximum level of reduction to 80%. This could be varied subject to the outcome of the consultation.

Proposal Summary:

At present the Newham's Council Tax Support (CTS) scheme provides a maximum reduction of 90% on liability on council tax bills, according to the financial circumstances of the resident. The initial proposal, and the basis of the consultation, was to change Newham's level to 70% but the Draft Budget Report proposes that this is now changed to 80%.

Most other East London boroughs do not provide so much support and so the change would bring Newham more into line with them:

Borough	Maximum Council Tax Reduction
Barking & Dagenham	85%
Enfield	50%
Redbridge	65%*
Waltham Forest	85%
Havering	75%

*For Disabled Residents 85% relief applies.

Whilst these changes will financially impact residents, the proposed changes would bring the basis of support within Newham's scheme closer to a level comparable to those in other outer London Boroughs. For example, increasing the minimum contribution to 20% would still provide greater support than London Borough of Redbridge with a minimum contribution of 35% for those on the basic rate of DWP means tested benefits and does not award support of less than £10 per week, or London Borough of Enfield which has a minimum contribution of 50% for 2024/25.

A full consultation process with residents and interested parties is required before any changes could be made to the CTR scheme. This started following the October Budget Review Report the final decision would be made in February 2024 and will take into account the findings of the consultation and the equalities impact assessment. Clearly, the proposal would disproportionately impact those households with lower incomes, and those with protected characteristics who are over-represented in the lower income cohort. Any adverse equalities impact would have to be weighed against the significant financial saving and contextualised by comparative information from other London boroughs.

More technical changes are also proposed for the “taper” rate. The taper rate is the degree to which income is disregarded when calculating the reduction in liability; the higher the taper rate the more an increase in residents’ income results in a reduction to the amount by which their council tax bill is reduced.

Revised Provision:

This proposal would directly reduce the disposable income of recipient households. At present, households at subsistence level incomes and living in a B and D property would pay just 10% of their council tax bill, or £172.43 annually. If this proposal were adopted, they would pay 20 % of their council tax (£344.86 annually), an increase of £172.43 annually (2024/25 prices) or £3.31 each week.

Delivery Risk and Mitigations:

- Greatest risk to delivery is collection of the increased liability for affected households; the collection rate for CTR households in 23/24 was 77.4% so increased impairment in Collection Fund would be needed.
- Affected households could be supported through income maximisation and budgeting advice activities. In addition, recovery and enforcement activity could be minimised to avoid escalation of debt resulting from non-payment.

Resources and Implementation:

- Consultation with precepting authorities and residents
- Significant staff resources required given the substantial impact

MTFS REVENUE PROPOSAL

Proposal Title:	B5 IEH Review of the Events, Culture and Heritage Budgets
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Reference:	B5 (Revised)	Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Darren Mackin, Director of Community Wealth Building
Full Implementation Date:	01/04/2025	Cost Centre(s):	G08401, G08570

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	1,374	(687)	0	0	(687)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	4	TBC	0	0	TBC

How is the savings/growth calculated:
<p>This proposal provides an update to proposals previously put forward to reflect the wider impact to Culture-related activities:</p> <p>These included:</p> <ul style="list-style-type: none"> • B05 - Deletion of the annual programme and staffing and income target. • B06 - Reduction of the Heritage Service programming, including one officer, by March 2025 • Deletion of the Cultural Strategy Growth budget and one fixed-term officer (1FTE).

The revised proposal combines the above proposals and other culture related activities and sets out a plan to review all culture activity whilst still achieving savings.

The options to consider include:

Options	Proposal	Impact
Options 1 – 100%	Cease all general fund contribution to these services by fully reducing cost and/or identifying alternative funding sources	Increased risk of delivery within timescales and impact to other funding sources
Option 2 – 50%	Reduce the general fund contribution by 50% to these services by reducing cost and/or identifying alternative funding sources	Recommended option by combining activities and identifying efficiencies and other ways for delivery (reduced saving of £187k)
Option 3 – 25%	Reduce the general fund contribution by 25% to these services by reducing cost and/or identifying alternative funding sources	Least impact however reduces the savings significantly (£530k)

Proposal Summary:

Newham has benefited in recent years from significant external investment into the cultural and creative sectors. It has been an area of focus for National Lottery Heritage and a priority place by Arts Council England. The 'Building Newham's Creative Futures' Strategy sets out the Council's aims to build on this investment. The plan sets out how the borough will become a centre for culture, with a clear ambition for how creative industries will create opportunities for Newham, aligned with the ambitious corporate plan 'Building a Fairer Newham'. Alongside the strategy the Council also has some statutory obligations to provide an archive service and has a long running programme of community events.

The budgets listed in this proposal are currently managed in different areas of the organisation but are broadly delivering the activity described above. Under these proposals the remaining budget from these existing areas would be combined and create one budget from which events, heritage and cultural strategy activity could be commissioned to ensure the council:

- Meets statutory duties in relation to archives
- Ensure resource is in place to lead on the development and then operation of new heritage centre in Canning Town
- Can provide match funding to enable in ward investment (e.g national heritage, arts council)
- Can deliver a core civic events programme
- Supports delivery of key cultural strategy priorities

A reduction in these budgets would clearly mean that the Council would have to do less of these activities than it currently providing. This reduction would have an impact on the ability of the Council to deliver corporate plan priorities around widening participation as well as the cultural strategy. It would also be more challenging to attract inward investment either through having less budget to invest as match funding or staff to develop and maintain relationships with partners. The Council currently provides an extensive events programme to mark important national and civic occasions such as Remembrance Sunday, Civic Awards, and Holocaust Memorial Day. Without that resource, these important events may not be delivered in the way they have been in the past or at all. Some of these saving could be achieved through investment in the digitalisation of the borough archive.

Revised Provision:

- It is likely there would be a smaller events programme that is focused on fewer key civic events
- With a reduced ability to match fund wider investment into the cultural and creative sector in the borough could be at risk and therefore there could be a reduction in overall activity in this space
- There is an opportunity for increased cooperation and coordination across other council events and participation activity so it is more clearly aligned with strategic goals meaning some of the aims of the cultural strategy and events programme can be delivered

Delivery Risk and Mitigations:

Risks include:

- Reduced delivery of the Council's cultural and cultural strategy
- Risk to the existing National Lottery Heritage Funded Heritage Centre project – could be seen by the funder that the Council is not committed to culture and heritage and may impact the delivery phase application in August 2025
- Risk to the Heritage Centre project in terms of loss of continuity of leadership in the Arts, Heritage and Events Manager who holds the relationship with Heritage Fund
- Reputational risk in terms of negative feedback from residents on the lack of events, especially during the month-long celebrations
- Reputational risk in not marking key events such as Remembrance Sunday and Holocaust Memorial Day
- Breakdown of relationships with funders and sector leading to a loss of external investment
- Losing Place of Deposit status

Resources and Implementation:

Resources required:

- HR support for the consultation
- Minimum for consultation period due to under 20 officers
- Redundancy budget
- September 2024 – start of consultation
- November 2024 – end of consultation
- November 2024 – notice period

MTFS REVENUE PROPOSAL

Proposal Title:	B7 EST Diesel surcharge: resident permit £50 per year
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:	01/04/2025	Cost Centre(s):	G09680.517640

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(9,156)	(1,159)			(1,159)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	10	(10)		0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is this saving/growth calculated					
2023/24 - actuals		2025/26 - income modelling			
Number of diesel vehicles holding resident permits in 2023/24	Income generated from diesel surcharge in 2023/24	Proposed surcharge per year	Annualised impact on number of parking permits	Modelled permits for diesel vehicles - 25/26	Modelled income - 25/26
28,978	£-	£50	-20%	23,182	£1,159,120
				Difference	£1,159,120

Proposal Summary:
<p>Summary: It is proposed that a £50 per year surcharge be introduced for all diesel vehicles holding resident permits, to support efforts to improve local air quality.</p> <p>Background Newham's air quality is amongst the poorest in London. One in seven of Newham's population are exposed to levels of Nitrogen dioxide (NO₂) that is above the UK limit value for human health. On average, Newham residents are also exposed to a level of airborne particulate matter (PM_{2.5}) that is 35% greater than the World Health Organisation guidelines. 7.5% of deaths in Newham are attributable to particulate air pollution (source: Public Health England).</p> <p>Diesel vehicles are widely known to contribute to poor air quality, as a result of producing NO₂ and PM, and as a result, reducing the number of miles driven on Newham's roads by diesel vehicles is central to improving air quality. Despite this causal connection, Newham Council has historically not set higher charges for diesel vehicles, which has been proven in other boroughs to hasten their replacement with less polluting vehicles.</p> <p>Benchmarking Parking recently conducted a benchmarking exercise of its fees and charges against neighbouring boroughs, in order to help determine where there were opportunities to revise pricing to better support the Council's objectives of improving air quality and reducing the borough's contribution to climate change.</p> <p>One aspect that was reviewed was the use of diesel surcharges for resident permits. The analysis found that 5 of the 8 neighbouring boroughs already have a diesel surcharge. Of the five boroughs that operate a surcharge, the annual charge ranged from £73 a year to £250 a year, with the average charge being £138.50.</p>

	Diesel surcharge?	
Hackney	£	250
Islington	£	220
Lewisham	£	75
Barking	£	75
Tower Hamlets	£	73
Greenwich		No
Waltham Forest		No
Redbridge		No

Impact on users

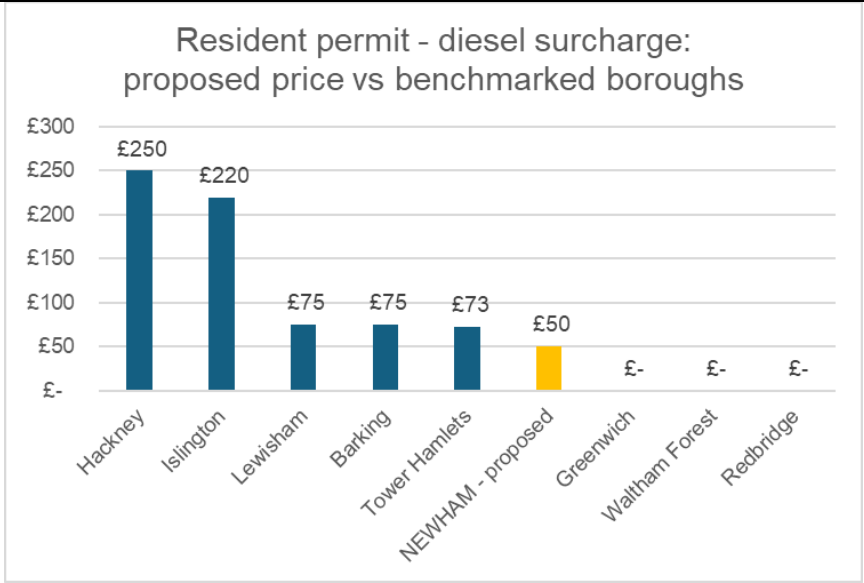
In 2023/24, 28,978 residents obtained a resident parking permit for a diesel vehicle. This equates to 22% of all permits bought in the financial year.

The introduction of a diesel surcharge would put owners of diesel vehicles on notice that over the years ahead, the cost of continuing to drive a diesel vehicle in Newham would increase at a faster rate than drivers of other vehicles, which would accelerate a trend that is already taking place in the UK, as drivers transition away from diesel to other vehicles, following the Volkswagen emissions scandal, and a growing scientific understanding of the impact on air quality of diesel engines. Officers believe that the introduction of a diesel surcharge will see a reduction in resident permits issued to diesel vehicles of between 5-15% versus 2023/24 levels, as drivers respond to the new prices.

These changes would occur as drivers of diesel vehicles respond to the new pricing, through greater use of alternative forms of transport, such as walking, cycling and public transport. Officers have also highlighted that the surcharge may lead to a slight increase the number of drivers who choose to park without buying a session.

Sole trader businesses operating vans from home are more likely to be impacted as a higher percentage of vans are diesel powered than private cars. However, the impact will be mitigated by the fact that the introductory charge of £50 is comparatively low, and that vehicles undertaking deliveries are covered by a statutory exemption for loading and unloading, which is permitted in most bays across Newham, at no charge.

It should also be noted that feedback from other local authorities that have operated with a diesel surcharge for some time is that the level of charge proposed is unlikely to create significant obstacles for drivers of diesel vehicles, and that the vast majority will continue to comply with the requirement to purchase a permit.



Alternative options:

The experience of other local authorities is that in order to really accelerate the pace at which drivers move away from diesel vehicles, a charge north of £150 a year is necessary. If Cabinet were keen to deliver a shift away from diesel over a shorter timescale, some alternative options have been laid out below. However, it's important to make clear that the direction of travel in the UK is away from diesel vehicles, and as such, the financial implications of a diesel surcharge is likely to be a decline in revenue as drivers respond to the pricing signals by switching to other vehicles that incur a lower fee.

Diesel surcharge options	Number of diesel vehicles	Annualised impact on number of parking sessions by band	Modelled sessions - 25/26	Modelled income - 25/26
£ 50.00	28,978	-20%	23,182	£ 1,159,120.00
£ 75.00	28,978	-23%	22,313	£ 1,673,479.50
£ 100.00	28,978	-25%	21,734	£ 2,173,350.00
£ 150.00	28,978	-30%	20,285	£ 3,042,690.00

NB: Parking income can only be used for a limited number of purposes, including highways maintenance, schools transport, and Newham's contribution to the Freedom pass scheme.

Revised Provision:

This proposal will not see any significant changes in the existing provision of service delivery - this is simply an additional charge that will be levied on diesel vehicles.

Risk and Mitigations:

The introduction of a diesel surcharge is designed to deliver improvements in air quality and CO2 emissions, by creating a pricing incentive that will encourage drivers of diesel vehicles to use their vehicle less, and to transition away from diesel vehicles in the medium term. As a result, the number of cashless parking sessions bought by drivers of diesel vehicles will reduce following the introduction of the surcharge.

Modelling used to develop these proposals has presumed that the number of sessions bought by drivers of diesel vehicles will decline by 20% in 2025/26 vs a baseline of 2023/24, as a result of the introduction of the diesel surcharge, and UK-wide trends – which this proposal is seeking to accelerate in Newham – of a transition away from diesel vehicles, to electric and hybrid petrol models.

Resources and Implementation:

Resources required: It is estimated that this change will require £10k of capital upfront costs, which are required to deliver the following:

- Update to parking signage where prices are advertised
- Project resource (pro-rated) to deliver pricing changes, and associated communications.

MTFS REVENUE PROPOSAL

Proposal Title:	B8 EST Diesel surcharge: business and industrial permits - £100 per year
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:		Cost Centre(s):	G09680.517460

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(9,156)	(181)			(181)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	10	(10)		0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is this saving/growth calculated

2023/24 - actuals		2025/26 - income modelling			
Number of diesel vehicles holding business or industrial permits in 2023/24	Income generated from diesel surcharge in 2023/24	Proposed surcharge per year	Annualised impact on number of parking permits	Modelled permits for diesel vehicles - 25/26	Modelled income - 25/26
2,262	£-	£100	-20%	1,810	£180,960
				Difference	£180,960

Proposal Summary:

Summary: It is proposed that a £100 per year surcharge be introduced for all diesel vehicles holding business and industrial permits, to support efforts to improve local air quality.

Background

Newham's air quality is amongst the poorest in London. One in seven of Newham's population are exposed to levels of Nitrogen dioxide (NO₂) that is above the UK limit value for human health. On average, Newham residents are also exposed to a level of airborne particulate matter (PM_{2.5}) that is 35% greater than the World Health Organisation guidelines. 7.5% of deaths in Newham are attributable to particulate air pollution (source: Public Health England).

Diesel vehicles are widely known to contribute to poor air quality, because of producing NO₂ and PM, and as a result, reducing the number of miles driven on Newham's roads by diesel vehicles is central to improving air quality. Despite this causal connection, Newham Council has historically not set higher charges for diesel vehicles, which has been proven in other boroughs to hasten their replacement with less polluting vehicles.

Benchmarking

Parking recently conducted a benchmarking exercise of its fees and charges against neighbouring boroughs, to help determine where there were opportunities to revise pricing to better support the Council's objectives of improving air quality and reducing the borough's contribution to climate change.

One aspect that was reviewed was the use of diesel surcharges for business and industrial permits. The analysis found that 4 of the 8 neighbouring boroughs already have a diesel surcharge. Of the five boroughs that operate a surcharge, the annual charge ranged from £74 a year to £250 a year, with the average charge being £148.50.

	Diesel surcharge	
Hackney	£	250
Islington	£	220
Lewisham	£	50
Tower Hamlets	£	74
Greenwich	£	-
Waltham Forest	£	-
Redbridge	£	-
Barking	£	-

Impact on users

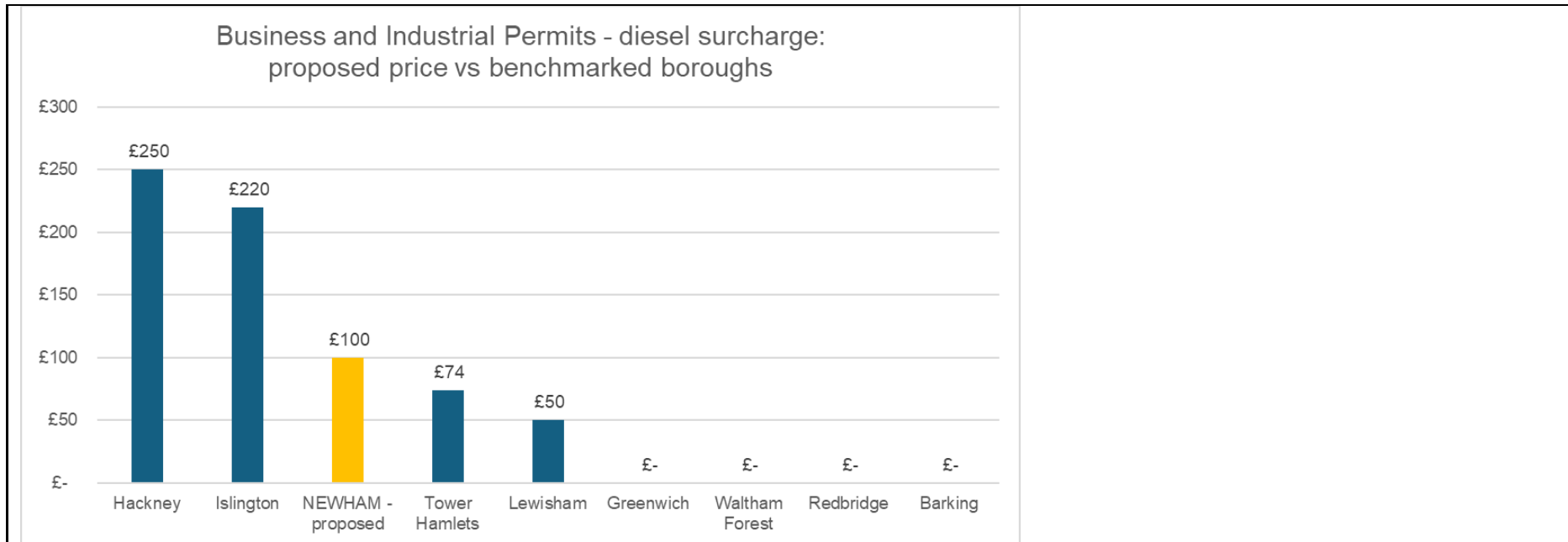
In 2023/24, 2,207 business permits, and 55 industrial permits, were obtained for a diesel vehicle. This equates to 37% of all business permits bought in the financial year.

The introduction of a diesel surcharge would put businesses operating diesel vehicles on notice that, over the years ahead, the cost of continuing to drive a diesel vehicle in Newham would increase at a faster rate than drivers of other vehicles. This would accelerate a trend that is already taking place in the UK, as drivers transition away from diesel to other vehicles, following the Volkswagen emissions scandal, and a growing scientific understanding of the impact on air quality of diesel engines. Officers believe that the introduction of a diesel surcharge will see a reduction in business permits issued to diesel vehicles of between 5-15% versus 2023/24 levels, as drivers respond to the new prices.

These changes would occur as drivers of diesel vehicles respond to the new pricing, through shifting to electric and hybrid-fuelled vehicles, and greater use of alternative forms of transport, such as walking, cycling and public transport, where vehicles have previously been used for attending meetings. Officers have also highlighted that the surcharge may lead to a slight increase in the number of drivers who choose to park without buying a session.

Sole trader businesses operating vans from home, and small businesses, are more likely to be impacted as a higher percentage of vans are diesel powered than private cars. However, the impact will be mitigated by the fact that the introductory charge of £100 is comparatively low, and that vehicles undertaking deliveries are covered by a statutory exemption for loading and unloading, which is permitted in most bays across Newham, at no charge.

It should also be noted that feedback from other local authorities that have operated with a diesel surcharge for some time is that the level of charge proposed is unlikely to create significant obstacles for drivers of diesel vehicles, and that the vast majority will continue to comply with the requirement to purchase a permit.

**Alternative options:**

The experience of other local authorities is that in order to really accelerate the pace at which drivers move away from diesel vehicles, a charge north of £150 a year is necessary. If Cabinet were keen to deliver a shift away from diesel over a differing timescale, some alternative options have been laid out below. However, it's important to make clear that the direction of travel in the UK is away from diesel vehicles, and as such, the financial implications of a diesel surcharge is likely to be a decline in revenue as businesses respond to the pricing signals by switching to other vehicles that incur a lower fee.

Diesel surcharge options	Number of diesel vehicles	Annualised impact on number of parking sessions by band	Modelled sessions - 25/26	Modelled income - 25/26
£ 50.00	2,262	-10%	2,036	£ 101,790.00
£ 75.00	2,262	-15%	1,923	£ 144,202.50
£ 100.00	2,262	-20%	1,810	£ 180,960.00
£ 150.00	2,262	-25%	1,697	£ 254,475.00

NB: Parking income can only be used for a limited number of purposes, including highways maintenance, schools transport, and Newham's contribution to the Freedom pass scheme.

Revised Provision:

This proposal will not see any significant changes in the existing provision of service delivery - this is simply an additional charge that will be levied on diesel vehicles.

Risk and Mitigations:

The introduction of a diesel surcharge is designed to deliver improvements in air quality and CO2 emissions, by creating a pricing incentive that will encourage drivers of diesel vehicles to use their vehicle less, and to transition away from diesel vehicles in the medium term. As a result, the number of cashless parking sessions bought by drivers of diesel vehicles will reduce following the introduction of the surcharge.

Modelling used to develop these proposals has presumed that the number of sessions bought by drivers of diesel vehicles will decline by 20% in 2025/26 vs a baseline of 2023/24, as a result of the introduction of the diesel surcharge, and UK-wide trends – which this proposal is seeking to accelerate in Newham – of a transition away from diesel vehicles, to electric and hybrid petrol models.

Resources and Implementation:

Resources required: It is estimated that this change will require £10k of capital upfront costs, which are required to deliver the following:

- Update to parking signage where prices are advertised
- Project resource (pro-rated) to deliver pricing changes, and associated communications.

MTFS REVENUE PROPOSAL

Proposal Title:	B9 EST Diesel surcharge: Short stay parking: on-street - £1 per hour
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:		Cost Centre(s):	G09670.516200

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(4,151)	(631)			(631)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	10	(10)		0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated								
	2023/24 - actuals			2025/26 - income modelling				
	Number of sessions bought by band in 2023/24 all diesel vehicle	Av duration of sessions bought (hours)	Income generated from sessions bought by band in 2023/24	Proposed surcharge per hour	Annualised impact on number of parking sessions byband	Annualised impact on session duration	Modelled sessions - 25/26	Modelled income - 25/26
All diesel vehicle sessions	312,879	3.6	£-	£1	-30%	-20%	219,015	£630,764.06
							Difference	£630,764.06

Proposal Summary:
<p>Summary: It is proposed that a £1 per hour surcharge be introduced for all on-street cashless parking sessions, to support efforts to improve local air quality.</p> <p>Background Newham's air quality is amongst the poorest in London. One in seven of Newham's population are exposed to levels of Nitrogen dioxide (NO₂) that is above the UK limit value for human health. On average, Newham residents are also exposed to a level of airborne particulate matter (PM_{2.5}) that is 35% greater than the World Health Organisation guidelines. 7.5% of deaths in Newham are attributable to particulate air pollution (source: Public Health England).</p> <p>Diesel vehicles are widely known to contribute to poor air quality, because of producing NO₂ and PM, and as a result, reducing the number of miles driven on Newham's roads by diesel vehicles is central to improving air quality. Despite this causal connection, Newham Council has historically not set higher charges for diesel vehicles, to encourage a reduction in their usage.</p> <p>Benchmarking Parking recently conducted a benchmarking exercise of its fees and charges against neighbouring boroughs, to help determine where there were opportunities to revise pricing to better support the Council's objectives of improving air quality and reducing the borough's contribution to climate change.</p> <p>One aspect that was reviewed was the use of diesel surcharges for short stay parking sessions. The analysis found that 4 of the 8 neighbouring boroughs already have a diesel surcharge, with hourly surcharges ranging from £2 per hour to £7.50 per hour</p>

	Diesel surcharge?
Lewisham	Yes - £2.15 per hour
Hackney	Yes - £2 per hour surcharge
Tower Hamlets	Yes - £2.15- £4 per hour (surcharge is 150% of standard price)
Islington	£7.50 per hour
Greenwich	No
Waltham Forest	No
Redbridge	No
Barking	No

Impact on users

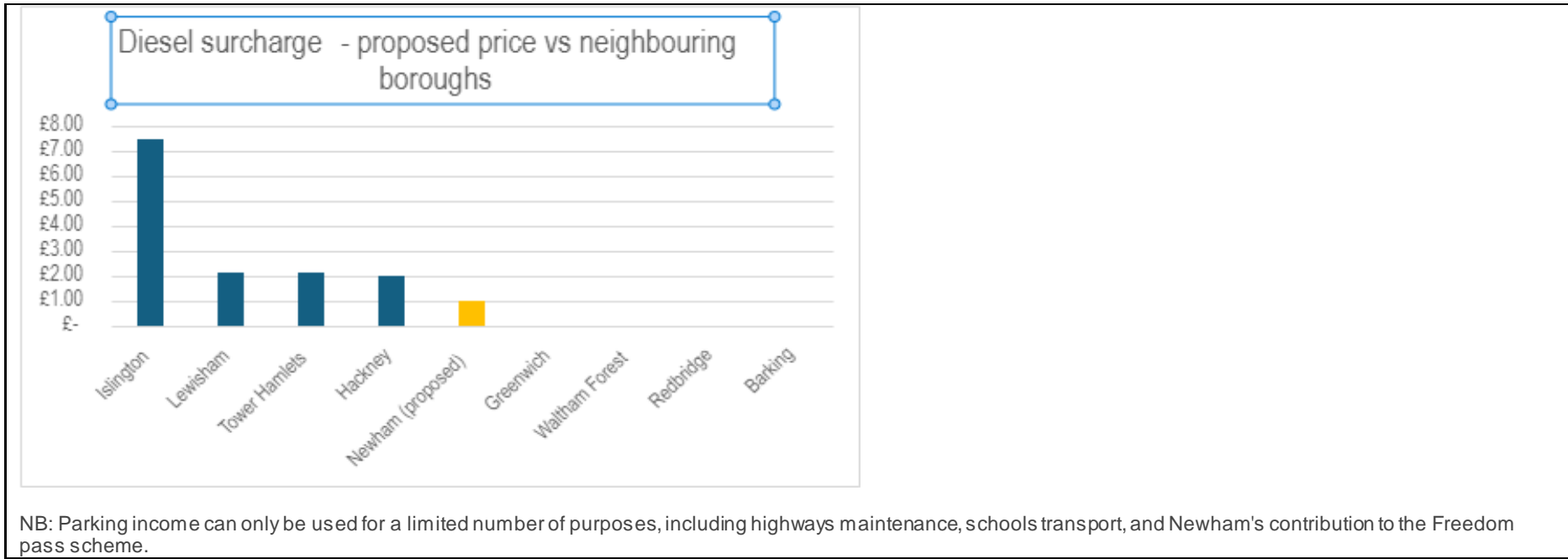
In 2023/24, 312,879 cashless parking sessions were bought by drivers of diesel vehicles. This equates to 34% of all cashless sessions bought in the financial year.

Users of short stay parking respond faster to changes in parking charges than permit holders, and officers believe that the introduction of a diesel surcharge will see a reduction in short stay parking sessions from diesel drivers of between 10-30% versus 2023/24 levels, as drivers respond to the new hourly charge.

These changes would occur as drivers of diesel vehicles respond to the new pricing, through greater use of alternative forms of transport, such as walking, cycling and public transport. Officers have also highlighted that the surcharge may lead to a slight increase the number of drivers who choose to park without buying a session.

Businesses operating vans are more likely to be impacted as a higher percentage of vans are diesel powered than private cars. However, the impact will be mitigated by the fact that vehicles undertaking deliveries are covered by a statutory exemption for loading and unloading, which is permitted in most bays across Newham, at no charge.

It should also be noted that feedback from other local authorities that have operated with a diesel surcharge for some time is that the level of charge proposed is unlikely to create significant obstacles for drivers of diesel vehicles, and that the vast majority will continue to comply with the requirement to pay to park in cashless parking bays.



Revised Provision:

This proposal will not see any significant changes in the existing provision of service delivery - this is simply an additional charge that will be levied on diesel vehicles.

Risk and Mitigations:

The introduction of a diesel surcharge is designed to deliver improvements in air quality and CO2 emissions, by creating a pricing incentive that will encourage drivers of diesel vehicles to use their vehicle less, and to transition away from diesel vehicles in the medium term. As a result, the number of cashless parking sessions bought by drivers of diesel vehicles will reduce following the introduction of the surcharge.

Modelling used to develop these proposals has presumed that the number of sessions bought by drivers of diesel vehicles will decline by 30% in 2025/26, and that the average duration of each session will reduce by 20% vs a baseline of 2023/24, as a result of the introduction of the diesel surcharge, and UK-wide trends – which this proposal is seeking to accelerate in Newham – of a transition away from diesel vehicles, to electric and hybrid petrol models.

Resources and Implementation:

Resources required: It is estimated that this change will require £10k of capital upfront costs, which are required to deliver the following:

- Update to parking signage where prices are advertised
- Project resource (pro-rated) to deliver pricing changes, and associated communications.

MTFS REVENUE PROPOSAL

Proposal Title:	B10 EST Emission-based charging – price reprofiling: short stay parking
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:		Cost Centre(s):	G09670.516200

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(4,151)	(497)			(497)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	10	(10)		0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:								
	On-street cashless parking - 2023/24 actuals			2025/26 - income modelling				
	Current prices	Number of sessions bought by band in 2023/24	Income generated from sessions bought by band in 2023/24	Proposed prices per hour	% change in pricing vs current prices	Annualised impact on number of parking sessions by band	Modelled sessions - 25/26	Modelled income - 25/26
Tier 1: 0-50g/km, or 1-900cc	£2.59	86,046	£339,881.70	£2.00	-23%	10%	94,651	288,703

Tier 2: 51-110g/km, or 901-1399cc	£2.66	152,813	£617,364.52	£2.90	9%	-5%	145,172	639,413
Tier 3: 111-170g/km, or 1400-1850cc	£2.78	529,181	£2,243,727.44	£3.80	37%	-16%	444,512	2,576,251
Tier 4: 171-225g/km, or 1851-2500cc	£2.91	125,862	£557,568.66	£4.70	62%	-20%	100,690	720,432
Tier 5: 226g/km+, or 2501cc+	£3.04	17,349	£80,152.38	£5.60	84%	-25%	13,012	110,737
		911,251.00	£3,838,694.70				798,036	£4,335,536.13
							Difference	£496,841.43
							Income growth (%)	12.94%

Proposal Summary:

Summary: It is proposed that the per hour cost of on-street cashless parking sessions in Newham (which varies by only 45p per hour for the least and most polluting vehicles) be reprofiled to strengthen the financial incentives for drivers to opt for the lowest polluting vehicle they can, to support efforts to improve local air quality.

Prices would range from £2 per hour for low emitting vehicles to £5.60 per hour for the most polluting, with discounted parking for longer stays replaced with a standardised per hour charge. Over half of all users would pay £3.80 per hour

Background

Newham's air quality is amongst the poorest in London. One in seven of Newham's population are exposed to levels of Nitrogen dioxide (NO₂) that is above the UK limit value for human health. On average, Newham residents are also exposed to a level of airborne particulate matter (PM_{2.5}) that is 35% greater than the World Health Organisation guidelines. 7.5% of deaths in Newham are attributable to particulate air pollution (source: Public Health England).

Vehicles are widely known to contribute to poor air quality, because of producing NO₂ and PM, and as a result, reducing the number of miles driven on Newham's roads is central to improving air quality.

In addition, Newham has made a commitment to playing its part in tackling the climate emergency, by reducing CO₂ emissions. According to the UK government's own figures, transport has been the largest emitting sector in the UK since 2016, and in 2020 was responsible for 24% of all UK greenhouse gas emissions. While significant progress has been made nationally in decarbonising some sectors in recent decades, such as energy, greenhouse gas emissions from transport have remained relatively static.

While Newham Council introduced the principle of emissions-based charges for short stay parking in 2023, the difference in the charges levied on electric vehicles (£2.59 per hour) and the most polluting vehicles (£3.04 per hour) is only 45p, which provides insufficient incentive for drivers of higher polluting vehicles to make greener choices, either by walking, cycling and using public transport more, or by moving to a lower emitting vehicle.

Benchmarking

Parking recently conducted a benchmarking exercise of its fees and charges against neighbouring boroughs, in order to help determine where there were opportunities to revise pricing to better support the council's objectives of improving air quality, and reducing the borough's contribution to climate change.

One aspect that was reviewed was the use of emissions-based charges for short stay parking sessions. The analysis found that 6 of the 7 neighbouring boroughs benchmarked had emissions-based charging in place for short stay parking, with the average charge for the lowest emitting vehicles being £2.18 per hour, and the highest emitting vehicles being charged £4.36 per hour – 100% higher than the lowest fee.

In contrast, the difference between Newham's highest and lowest bands is only 17%.

Proposed pricing

Under the proposals for consideration, the difference between the highest and lowest bands would be increased, with drivers of vehicles emitting 50g/km of CO₂ seeing a reduction in their per hour charge, while drivers of higher polluting vehicles would see an increase, with drivers of the most polluting vehicles seeing the largest price rise in percentage terms.

Alongside these changes, the per hour price would be standardised, to remove the incentive that discounted parking for longer stays currently offers, which discourages turnover of spaces, which is important in town centres.

Under these proposals:

- Drivers of low emitting vehicles would see a 59p per hour saving (-23%).
- Drivers of mid-sized vehicles would see a £1.02 per hour increase (37%)
- Drivers of high polluting vehicles would see a £2.56 per hour increase (84%)

The table below provides detail on how the proposed prices compare to current charges, as well as the average charges of benchmarked local authorities.

	Current prices	User profile		Proposed pricing - Standardised per hour rate - 90p gap between each band	Analysis of proposals versus current prices		Analysis of proposals versus benchmarked local authorities	
		Number of sessions bought per year per band	Percentage of all cashless sessions		Change (£) vs Current	Change (%) vs Current	Benchmarked average (£p/h)	Diff vs benchmark (£p/h)
Tier 1: 0-50g/km, or 1-900cc	£ 2.59	86,046	9%	£ 2.00	-£ 0.59	-23%	£ 2.18	-£
Tier 2: 51-110g/km, or 901-1399cc	£ 2.66	152,813	17%	£ 2.90	£ 0.24	9%	£ 3.16	-£
Tier 3: 111-170g/km, or 1400-1850cc	£ 2.78	529,181	58%	£ 3.80	£ 1.02	37%	£ 4.13	-£
Tier 4: 171-225g/km, or 1851-2500cc	£ 2.91	125,862	14%	£ 4.70	£ 1.79	62%	£ 5.11	-£
Tier 5: 226g/km+, or 2501cc +	£ 3.04	17,349	2%	£ 5.60	£ 2.56	84%	£ 6.08	-£

Impact on users

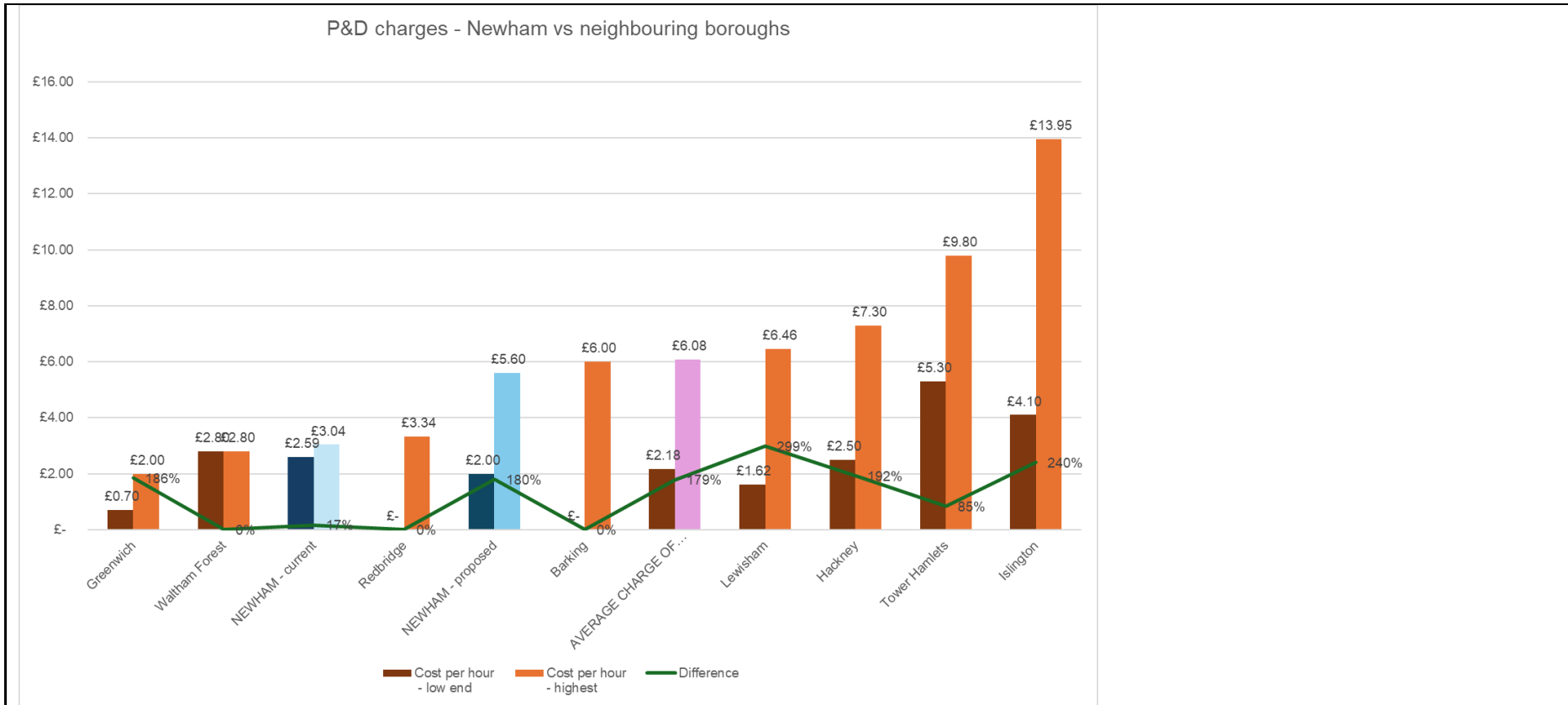
In 2023/24, 911,251 cashless parking sessions were bought by drivers in Newham.

Users of short stay parking respond faster to changes in parking charges than permit holders, and officers believe that the reprofiling of emissions based charges will influence session numbers, with growth in sessions bought by lower emitting vehicles, and a reduction in the volume of sessions bought by medium to large emitting vehicles, as drivers respond to the new hourly charge.

It is anticipated that most of the reduction in demand from drivers of higher polluting vehicles will be because of drivers of diesel vehicles response to the new pricing, through greater use of alternative forms of transport, such as walking, cycling and public transport. Officers have also highlighted that the increase in prices, particularly in tiers 4 and 5 may lead to a slight increase the number of drivers who choose to park without buying a session, which will be mitigated through enforcement patrols and vehicle checks.

Businesses operating vans are more likely to be impacted as a higher percentage of vans fall into categories 4 and 5 than private cars. However, the impact will be mitigated by the fact that vehicles undertaking deliveries are covered by a statutory exemption for loading and unloading, which is permitted in most bays across Newham, at no charge. In addition, businesses in Newham can apply for Business Permits, which provide the holder with the ability to park across the borough.

It should also be noted that feedback from other local authorities that have operate similar emissions-based charging regimes as is proposed in this paper have seen little pushback, and that these changes are not anticipated to generate significant opposition.



NB: Parking income can only be used for a limited number of purposes, including highways maintenance, schools transport, and Newham's contribution to the Freedom pass scheme.

Revised Provision:

This proposal will not see any significant changes in the existing provision of service delivery - this is simply an additional charge that will be levied on diesel vehicles.

Risk and Mitigations:

The introduction of reprofiled emission-based charging is designed to deliver improvements in air quality and CO2 emissions, by creating pricing incentives that will encourage drivers of higher polluting vehicles to use their vehicle less, and to transition away from fossil-fuelled vehicles in the medium term. As a result,

Resources and Implementation:

Resources required: It is estimated that this change will require £10k of capital upfront costs, which are required to deliver the following:
 - Update to parking signage where prices are advertised

the number of cashless parking sessions bought by drivers of medium to high polluting vehicles is expected to reduce following these changes.

Modelling used to develop these proposals has presumed that the number of sessions bought by drivers of medium to high polluting vehicles will decline by 16-25% in 2025/26, as a result of the introduction of these new price points, together with UK-wide trends – which this proposal is seeking to accelerate in Newham – of the transition to electric and hybrid petrol models.

- Project resource (pro-rated) to deliver pricing changes, and associated communications.

MTFS REVENUE PROPOSAL

Proposal Title:	B11 EST Emission-based charging – price reprofiling: visitor permits
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:		Cost Centre(s):	G09680.517460

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(9,156)	(179)			(179)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	10	(10)		0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:								
	6-hour permits - 2023/24 actuals			2-hour visitor permit: 2025/26 - income modelling				
	Current prices	No. of sessions bought in 2023/24	Income from sessions bought in 2023/24	Proposed price	% change in pricing vs current	Modelled impact on no. of parking sessions	Modelled sessions - 25/26	Modelled income - 25/26
Tier 1: 0-50g/km, or 1-900cc	£1.56	31,529	£ 49,185.24	£1.00	-36%	-30%	22,070	£22,070.30
Tier 2: 51-110g/km, or 901-1399cc	£1.59	86,827	£ 138,054.93	£1.50	-6%	-45%	47,755	£71,632.28
Tier 3: 111-170g/km, or 1400-1850cc	£1.67	349,790	£ 584,149.30	£2.00	20%	-55%	157,406	£314,811.00
Tier 4: 171-225g/km, or 1851-2500cc	£1.75	110,179	£ 192,813.25	£2.50	43%	-60%	44,072	£110,179.00
Tier 5: 226g/km+, or 2501cc+	£1.82	22,416	£ 40,797.12	£3.00	65%	-70%	6,725	£20,174.40
		600,741	1,005,000				278,027	£538,867
							Difference	£ (466,133)
							Income growth (%)	-46%
	12 hour permits - 2023/24 actuals			One-calendar day visitor permit: 2025/26 - income modelling				
	Current prices	No. of sessions bought in 2023/24	Income from sessions bought in 2023/24	Proposed price	% change in pricing vs current	Modelled impact on no. of parking sessions	Modelled sessions - 25/26	Modelled income - 25/26
Tier 1: 0-50g/km, or 1-900cc	£3.90	8,033	£31,328.70	£3.80	-3%	60%	12,853	£48,840.64
Tier 2: 51-110g/km, or 901-1399cc	£4.00	24,058	£96,232.00	£4.80	20%	50%	36,087	£73,217.60
Tier 3: 111-170g/km, or 1400-1850cc	£4.19	97,954	£410,427.26	£5.80	38%	40%	137,136	£795,386.48
Tier 4: 171-225g/km, or 1851-2500cc	£4.38	31,250	£136,875.00	£6.80	55%	30%	40,625	£276,250.00
Tier 5: 226g/km+, or 2501cc+	£4.57	5,434	£24,833.38	£7.80	71%	20%	6,521	£50,862.24
		166,729	£699,696				233,221	£1,344,557

							Difference	£644,861
							Income growth (%)	92%
Net impact of changes on income (all visitor permits)								£178,727.76

Proposal Summary:

Summary: It is proposed that Newham's current visitor permit options rationalised, by replacing the current product range (6-hour / 12-hour / 24-hour) with a 2-hour and one-calendar-day visitor permit. This will simplify the product range, and - through reprofiling the charges - strengthen the financial incentives for drivers to opt for alternative methods of transport, to support efforts to improve local air quality.

- For a 2-hour visitor permit, prices would range from £1 for low emitting vehicles (50p per hour) to £3 for the most polluting (£1.50 per hour). Over half of all users would pay £2 (£1 per hour).
- For a one-calendar day visitor permit, prices would range from £3.80 per day for low emitting vehicles to £7.80 for the most polluting. Over half of all users would pay £5.80 a day.

Background

Newham's air quality is amongst the poorest in London. One in seven of Newham's population are exposed to levels of Nitrogen dioxide (NO₂) that is above the UK limit value for human health. On average, Newham residents are also exposed to a level of airborne particulate matter (PM_{2.5}) that is 35% greater than the World Health Organisation guidelines. 7.5% of deaths in Newham are attributable to particulate air pollution (source: Public Health England).

Vehicles are widely known to contribute to poor air quality, because of producing NO₂ and PM, and as a result, reducing the number of miles driven on Newham's roads is central to improving air quality.

In addition, Newham has made a commitment to playing its part in tackling the climate emergency, by reducing CO₂ emissions. According to the UK government's own figures, transport has been the largest emitting sector in the UK since 2016, and in 2020 was responsible for 24% of all UK greenhouse gas emissions. While significant progress has been made nationally in decarbonising some sectors in recent decades, such as energy, greenhouse gas emissions from transport have remained relatively static.

While Newham Council introduced the principle of emissions-based charges for visitor permits in 2023, the difference in the charges levied on electric vehicles and the most polluting vehicles only differs by 14%, which provides insufficient incentive for drivers of higher polluting vehicles to make greener choices, either by walking, cycling and using public transport more, or by moving to a lower emitting vehicle.

Current charges

Emissions Tier	Charge for 6 hour visitor permit	Charge for 12 hour visitor permit	Charge for 24 hour visitor permit
Tier 1: 0-50g/km, or 1-900cc	£ 1.56	£ 3.90	£ 6.49
Tier 2: 51-110g/km, or 901-1399cc	£ 1.59	£ 4.00	£ 6.65
Tier 3: 111-170g/km, or 1400-1850cc	£ 1.67	£ 4.19	£ 6.97
Tier 4: 171-225g/km, or 1851-2500cc	£ 1.75	£ 4.38	£ 7.29
Tier 5: 226g/km+, or 2501cc +	£ 1.82	£ 4.57	£ 7.60

Benchmarking

Parking recently conducted a benchmarking exercise of its fees and charges against neighbouring boroughs, to help determine where there were opportunities to revise pricing to better support the Council's objectives of improving air quality and reducing the borough's contribution to climate change.

One aspect that was reviewed was the use of emissions-based charges for visitor permits.

Short duration visitor permits - The analysis found that 4 of the neighbouring boroughs benchmarked had emissions-based charging in place for visitor permits, with the average charge for the lowest emitting vehicles being 84p per hour, and the highest emitting vehicles being charged £1.55 per hour – 116% higher than the lowest fee.

In contrast, the difference between Newham's highest and lowest bands is only 4p per hour, or 17%.

One day visitor permits - The analysis found that 3 of the 8 neighbouring boroughs benchmarked had emissions-based charging in place for one-day visitor permits, with the average charge for the lowest emitting vehicles being £5.23 per day, and the highest emitting vehicles being charged £8.07 per day – 54% higher than the lowest fee.

In contrast, the difference between Newham's highest and lowest bands is only £1.11, or 17%.

Rationale for rationalising product range and pricing

Newham has for many years offered three visitor permit durations – a 6-hour, 12-hour and 24-hour.

Sales data shows that the six-hour voucher is by far the most popular with residents. The primary reason for this is historical anomalies in the charges for visitor permits.

Analysis has shown that across all parking zones in Newham, it's cheaper to park using a combination of 6-hour visitor permits than to use 12- or 24-hour permits – as a result, 6-hour visitor permits (76% of all sales) vastly outsell 12-hour (21% of sales) and 24-hour (2% of sales). This means that the 'effective' cost of all day parking across the majority of Newham is about half the comparable cost of benchmarked boroughs.

Typical duration of operational hours per day	Number of parking zones operating these hours in Newham	Cheapest way to pay for all day parking	Cost of all day parking
2 hours	2	1 x 6 hour visitor permit	£1.56 - 1.82
4 hours	2	1 x 6 hour visitor permit	£1.56 - 1.82
8 hours	3	2 x 6 hour visitor permit	£3.12 - 3.64
9 - 9.5 hours	2	2 x 6 hour visitor permit	£3.12 - 3.64
10.5 hours	19	2 x 6 hour visitor permit	£3.12 - 3.64
13-14 hours	2	3 x 6 hour visitor permit	£4.68 - 5.46

In contrast, many other boroughs offer only two visitor permits – an all-day option for residents who need to cater for all-day visitors, such as workmen, and a short duration option (typically ranging from 30 mins to 2 hours) to cater for shorter visits.

Proposed pricing

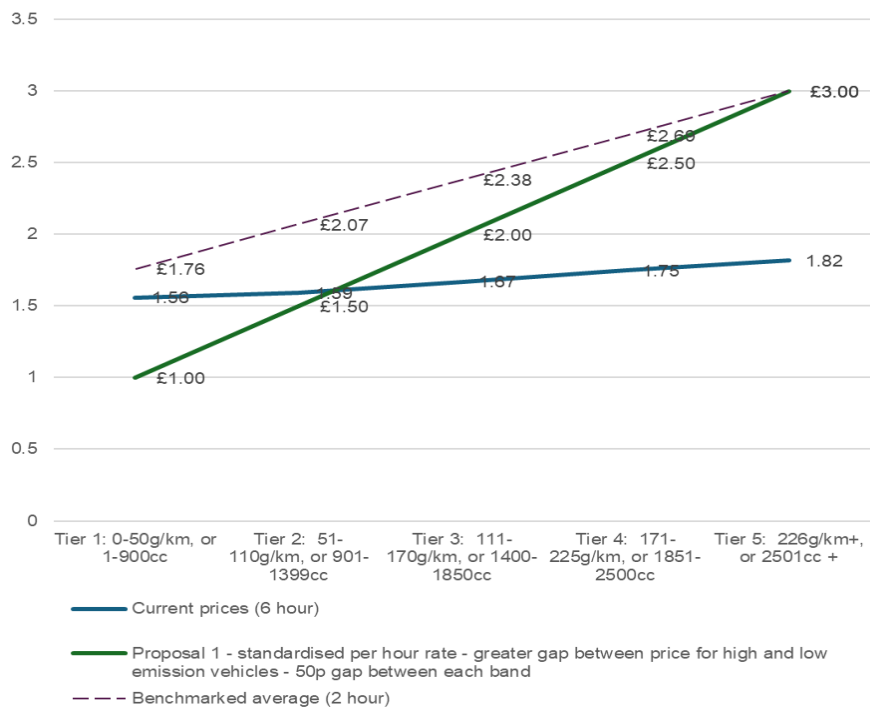
Under the proposals for consideration, it is proposed that Newham's current visitor permit options rationalised, by replacing the current product range (6-hour / 12-hour / 24-hour) with a 2-hour and one-calendar-day visitor permit.

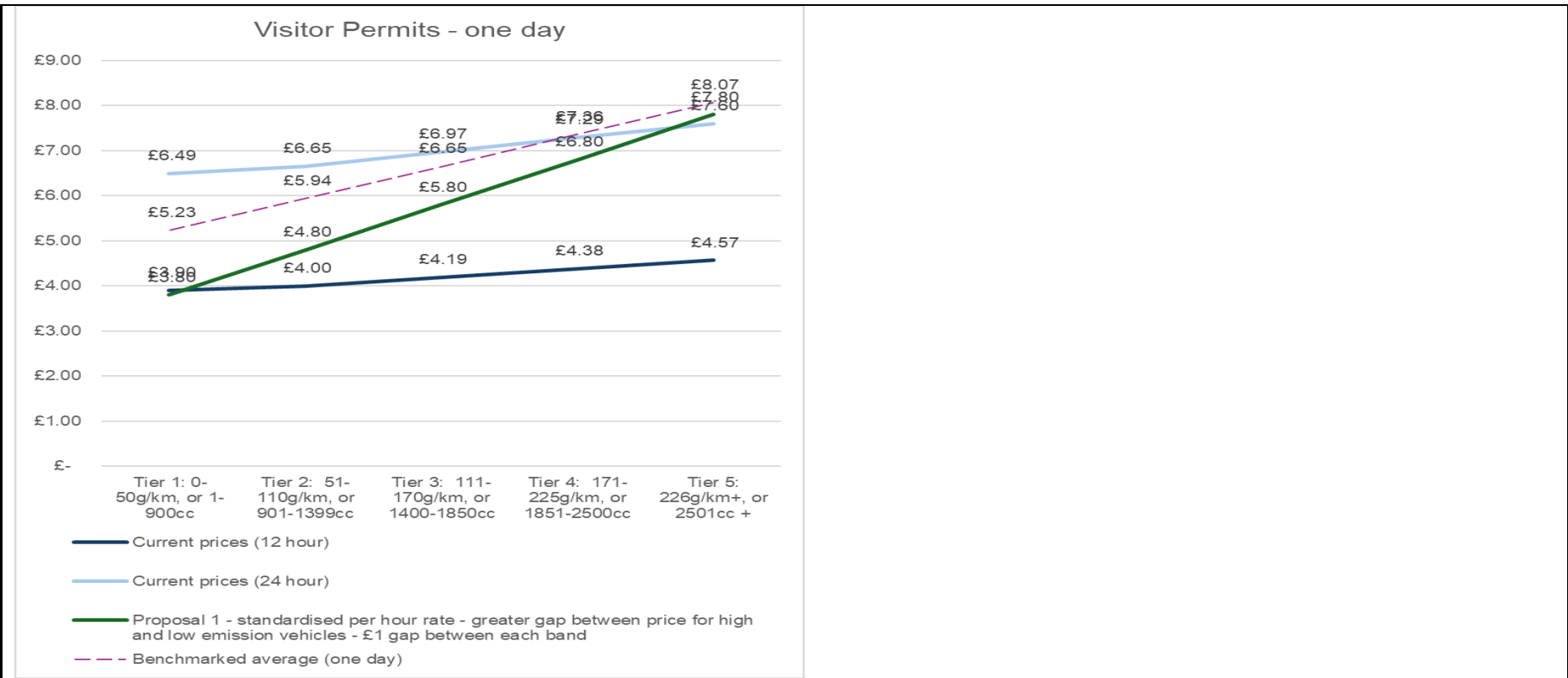
This will simplify the product range, and - through reprofiling the charges - strengthen the financial incentives for drivers to opt for alternative methods of transport, to support efforts to improve local air quality, and reduce CO2 emissions.

For a 2-hour visitor permit, prices would range from £1 for low emitting vehicles (50p per hour) to £3 for the most polluting (£1.50p/h). Over half of all users would pay £2 (£1p/h).

For a one-day visitor permit, prices would range from £3.80 for low emitting vehicles to £7.80 for the most polluting. Over half of all users would pay £5.80 a day.

Visitor Permits - short duration





The table below provides detail on how the proposed prices compare to current charges, as well as the average charges of benchmarked local authorities.

2 hour voucher	Current prices (6 hour visitor permit)	User profile		Proposed pricing - £1 starting rate - 50p gap between each band	current prices		Analysis of proposals versus benchmarked ave	
		Number of sessions bought per year per band	Percentage of all cashless sessions		Change (£) vs Current	Change (%) vs Current	Benchmarked average (£p/h)	Diff vs benchmarked ave
Tier 1: 0-50g/km, or 1-900cc	£ 1.56	31,529	5%	£ 1.00	-£ 0.56	-36%	£ 1.68	-£
Tier 2: 51-110g/km, or 901-1399cc	£ 1.59	86,827	14%	£ 1.50	-£ 0.09	-6%	£ 2.04	-£
Tier 3: 111-170g/km, or 1400-1850cc	£ 1.67	349,790	58%	£ 2.00	£ 0.33	20%	£ 2.39	-£
Tier 4: 171-225g/km, or 1851-2500cc	£ 1.75	110,179	18%	£ 2.50	£ 0.75	43%	£ 2.75	-£
Tier 5: 226g/km+, or 2501cc +	£ 1.82	22,416	4%	£ 3.00	£ 1.18	65%	£ 3.10	-£

One-calendar day voucher	Current prices (12 hour visitor permit)	User profile		Proposed pricing - £3.80 starting rate - £1 gap between each band	current prices		Analysis of proposals versus benchmarked ave	
		Number of sessions bought per year per band	Percentage of all cashless sessions		Change (£) vs Current	Change (%) vs Current	Benchmarked average (£p/h)	Diff vs benchmarked ave
Tier 1: 0-50g/km, or 1-900cc	£ 3.90	8,033	5%	£ 3.80	-£ 0.10	-3%	£ 5.23	-£
Tier 2: 51-110g/km, or 901-1399cc	£ 4.00	24,058	14%	£ 4.80	£ 0.80	20%	£ 5.94	-£
Tier 3: 111-170g/km, or 1400-1850cc	£ 4.19	97,954	59%	£ 5.80	£ 1.61	38%	£ 6.65	-£
Tier 4: 171-225g/km, or 1851-2500cc	£ 4.38	31,250	19%	£ 6.80	£ 2.42	55%	£ 7.36	-£
Tier 5: 226g/km+, or 2501cc +	£ 4.57	5,434	3%	£ 7.80	£ 3.23	71%	£ 8.07	-£

Impact on users

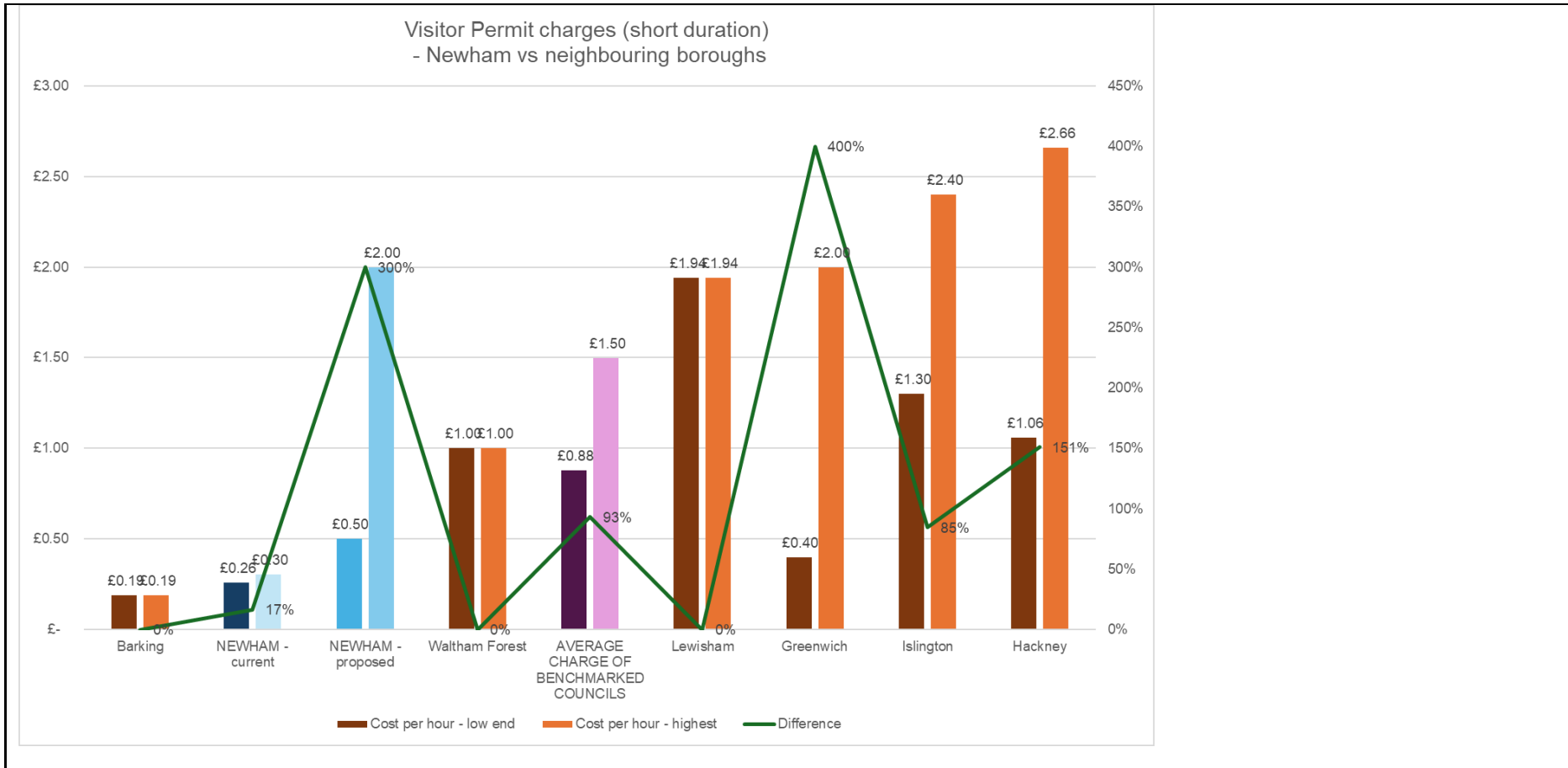
In 2023/24, approximately 800,000 visitor permits were purchased and used by residents on behalf of their visitors.

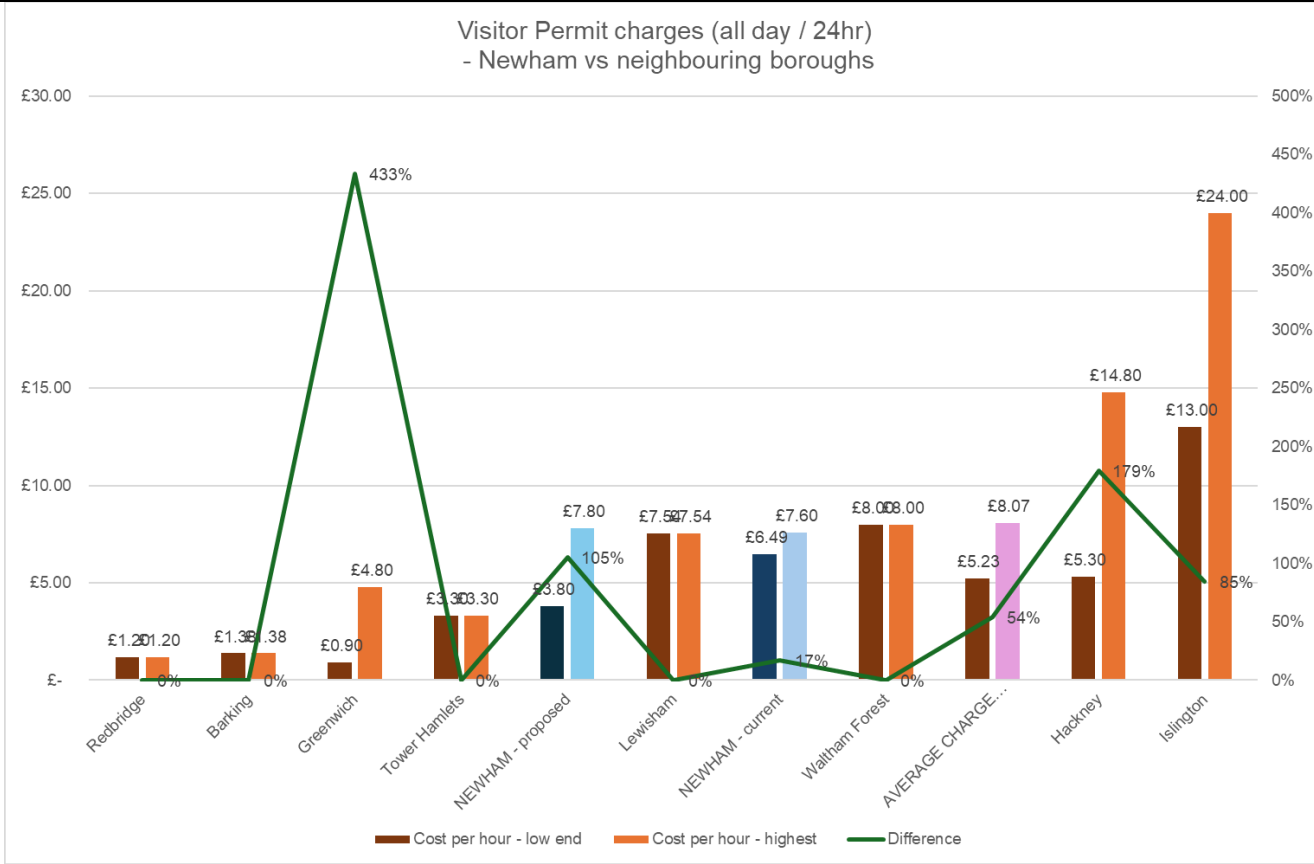
Users of short stay parking options, such as visitor permits, respond faster to changes in parking charges than permit holders, and officers believe that the reprofiling of emissions based charges, together with the rationalisation of the product range, will influence session numbers, with growth in sessions bought by lower emitting vehicles, and a reduction in the volume of sessions bought by medium to large emitting vehicles, as residents respond to the new charges.

It is anticipated that most of the reduction in demand from drivers of higher polluting vehicles will be because of drivers of diesel vehicles responding to the new pricing, through greater use of alternative forms of transport, such as walking, cycling and public transport. Officers have also highlighted that the increase in prices, particularly in tiers 4 and 5 may lead to a slight increase the number of drivers who choose to park without buying a session, which will be mitigated through enforcement patrols and vehicle checks.

The most significant changes would be in relation to the types of visitor permits bought, as residents would rapidly move from using combinations of 6-hour vouchers, to one-calendar-day vouchers to cater for all day parking.

Typical duration of operational hours per day	Number of parking zones operating these hours in Newham	Cheapest way to pay for all day parking	Cost of all day parking
2 hours	2	1 x 2 hour visitor permit	£1 - £4
4 hours	2	2 x 2 hour visitor permit	£2 - £8
8 hours	3	1 x one-day visitor permit	£3.80 - £7.80
9 - 9.5 hours	2	1 x one-day visitor permit	£3.80 - £7.80
10.5 hours	19	1 x one-day visitor permit	£3.80 - £7.80
13-14 hours	2	1 x one-day visitor permit	£3.80 - £7.80





NB: Parking income can only be used for a limited number of purposes, including highways maintenance, schools transport, and Newham's contribution to the Freedom pass scheme.

Revised Provision:

If this proposal is agreed, the provision of visitor vouchers will change.

At present, Newham offers 3 types of visitor permits – 6-hour, 12-hour, and 24-hour. The volume of sales of each in 23/24 are as follows:

- 6-hour – 600,742 (76% of all sales)
- 12-hour – 166,728 (21% of all sales)
- 24-hour – 16,519 (2% of all sales)

Once implemented, the product range will be streamlined, with residents being offered:

- 2-hour visitor permits
- One-calendar day visitor permits

Risk and Mitigations:

The introduction of reprofiled emission-based charging is designed to deliver improvements in air quality and CO2 emissions, by creating pricing incentives that will encourage drivers of higher polluting vehicles to use their vehicle less, and move to using public transport or active travel, such as walking or cycling. As a result, the number of visitor permit sessions bought by drivers of medium to high polluting vehicles is expected to reduce following these changes.

It's important to highlight that the changes proposed to the product range and charges are significant, and that it will take 12 months following the introduction of these changes to understand how sales trends will vary in response.

The modelling used to develop these proposals has used conservative assumptions around what these changes may look like, but the level of confidence associated with these estimates is low.

Resources and Implementation:

Resources required: It is estimated that this change will require £10k of capital upfront costs, which are required to deliver the following:

- Update to parking signage where prices are advertised
- Project resource (pro-rated) to deliver pricing changes, and associated communications.

MTFS REVENUE PROPOSAL

Proposal Title:	B12 EST Healthy School Street Expansion - income
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Reference:		Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Michael Benn, Assistant Director, Traffic and Parking
Full Implementation Date:		Cost Centre(s):	G09670.517480

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	(25,958)	(1,268)			(1,268)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	1,143	1,057			1,057

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:		
		2025/26
Expenditure	Staffing - CCTV Operatives	£75,000
	Staffing - Correspondence and Debt Recovery Officers	£220,000
	Supplies - Printing	£54,000
	3rd party - TEC debt registration costs	£140,000

	3rd party - London Councils appeals costs	£30,000
	CCTV maintenance	£238,000
	CCTV vandalism repair	£300,000
Income	Modelled income	£1,417,500
	... less vandalism outages	£150,000
Summary	Expenditure	£1,057,000
	INCOME	£1,267,500
	TOTAL NET	£210,500

Proposal Summary:

In Q3 2024, phase 5 of Newham's HealthySchool Streets (HSS) programme is being rolled out, with 10 schools launching in late September, and a further 11 provisionally earmarked to go live before the end of the financial year.

These schemes are being rolled out to deliver on the Mayor's Manifesto commitment, and to ensure that children and their families can walk to school safely, and to improve air quality around the borough's schools.

While Parking does not set targets around PCN income, it is necessary to enforce the HSS through CCTV cameras, which will lead to an increase in PCN numbers, as some drivers choose not to comply with the schemes.

Using data from existing school streets, Parking has looked at the potential income from the 10 schemes that are certain to launch.

The calculations above are based around a mature scheme, in order to ensure that there is a good level of confidence that the net income levels can be maintained in future years, as drivers become more familiar with the schemes, and compliance improves.

The calculations also factor in the increased costs associated with the issuance of more PCNs, which include PCN printing, debt registration costs, and the ongoing maintenance of each camera.

Parking has also factored in additional costs associated with vandalism, which unfortunately has become all too commonplace, particularly since the expansion of the ULEZ scheme, and which has affected a number of HSS in Newham. For example, in August, Gallions School saw three lampposts cut down, which means that the scheme will be out of operation for a number of months – this is the third time this scheme has been attacked. In addition, the issuance of more PCNs requires more capacity to handle PCN disputes, which provide income protection.

The net impact of this is estimated to be £210,500 in 2025/26.

Revised Provision:

This proposal will not see any significant changes in the existing provision of service delivery - this is simply an expansion of the existing Healthy School Streets programme, which is now well established in the borough.

Risk and Mitigations:

The most significant risk attached to the delivery of this income lies in the potential vandalism of cameras, which would both prevent penalty charge notices being issued, and necessitate expensive remedial repairs.

Until each of the schemes is launched, it's very challenging to mitigate the risk of vandalism, as level and type of vandalism varies significantly from location to location. Furthermore, the cost of mitigating the potential for vandalism at the launch stage would be disproportionate with the likelihood of the risk – it is instead more cost effective to introduce mitigations, such as reinforced columns, once a problem with vandalism has been identified.

Nevertheless, the income growth put forward provides some allowance for cameras to be offline to ensure that this savings commitment can be delivered.

Resources and Implementation:

Resources required: None - the project resource to expand the Healthy School Streets programme is already in place, and the resourcing required to handle the increased level of PCNs that will result from these schemes going live – which will be funded from PCN income - is already in train.

Implementation: 10 Healthy School Streets are due to go live in early October 2024, after a 2-week period of warning notices, to warn drivers that enforcement is commencing.

MTFS REVENUE PROPOSAL

[SEE BELOW FOR GUIDANCE ON HOW TO COMPLETE THE FORM]

Proposal Title:	B13 CYP Redesign and reconfigure Children's Centre provision in the borough to achieve scalable budget reductions of between 33% to 75%.
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Directorate:	B13 (revised) G3000B-Children and Young People	Proposal Type:	Reduction in Provision
Directorate Service:	G4041C-Children's Commissioning	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Full Implementation Date:		Lead Officer and Post:	Ali Omar Assistant Director for Improvement and Change
		Cost Centre(s):	

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
004 Budget – 33% (£000)	£3,816	(200)	(250)	0	(450)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	30	0	0	30

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
004 Employees (33%) (FTE) or state N/A	53.82		Up to 9.65	0	Up to 9.65

How is the savings/growth calculated:
Potential savings are calculated based on the 2023/24 submitted running costs from Children's Centre providers, including a 1.5% inflationary uplift to ensure sustainability of savings. A range of site closures have been modelled alongside changes in staffing structures. Any closures would need to be explored properly through an engagement and consultation process, however, calculations at this stage have taken into consideration data on performance and reach and made assumptions based on which children's

centres would likely close. Costs and savings will vary depending on which Children's Centres are selected to remain open (if any), which will be influenced by public consultation.

Savings will not factor in any potential clawback from the DfE of SureStart Capital Grant Investment in former Children's Centre sites, nor do they factor in one-off costs associated with public consultation and redundancies. This can be mitigated against if sites retain a purpose supporting 0-5s e.g. for expanding childcare provision or health visiting. This would need to be tested and explored through consultation and would be dependent on financial viability of nurseries.

Proposal Summary:

The approach has been considered in detail and has been phased into two parts. For Phase 1 Headteachers have collaborated with officers and have developed a proposal to deliver the 25/26 savings through reducing staffing.

For Phase 2 which is for 26/27 – Officers are currently engaged as part of the Council's Transformation Plan to consider, review and explore options for a more aligned and integrated Early Childhood offer through the Resident Experience, Enabling Services and Integrated Service Delivery programmes, respectively. There is ongoing detailed work reviewing Early Intervention and Prevention services.

To date there has been a range of modelling to provide options to explore for Phase 2, not accounting for a wider integration of services at this stage.

Three different levels of savings have been considered:

- Proposal 1: a reduction from 12 children's centres to 8. (Hosting one in each community neighbourhood and two per FamilyHub locality)
- Proposal 2: a reduction from 12 children's centre to 4. (Hosting one in each FamilyHub locality)
- Proposal 3: the closure of all 12 children's centres.

Proposal 3 was rejected in the October 2024 Budget report to Cabinet and remains so.

It should be noted that there are already existing savings pressures on children's centres from previous MTFS round and unfunded inflationary uplifts. The budget pressure is currently £368,705 and expected to increase in future years.

Children's Centres are a commissioned service provision, with the majority of delivery within schools and nurseries through Service Level Agreements. There are 12 designated children's centre sites that are delivered by 8 separate providers. Children's Centres are not a statutory service but they are a key component in the manifesto and the corporate plan, and they are an integral Early Help offer delivered across many London boroughs. The proposal risks impacting the Council's strategic priorities and manifesto commitments, particularly those focused on improving supporting our young people (and the importance of early years), addressing inequalities, giving children the best start in life and cost of living. Building a Fairer Newham states actions to "Integrate Children's Health 0-19 teams into children centres" and to "Develop a family support model to be delivered in Family Hubs". The Newham Labour Manifesto pledged to "Strengthen the Council's Prevention and Early Help Services for children and young people from 0-25 years so that every child or young person and their families can access multi-agency support and provision from where they live." A strong integrated Children's Centre and Family Hubs offer is integral in order to meet all aims.

It is well researched that 0-5 services are more likely to give children the best start in life, ensuring they are ready to learn at school and reducing the likelihood of issues escalating later in their childhood.

A thorough stakeholder engagement process is critical, given the potential community feeling and the impact on families that rely on children's centres. Key stakeholders include parents and families, staff and unions, as well as partner organisations and services. The Council is required by law to conduct a 90-day statutory consultation process

when proposing significant changes. This process should be comprehensive, involving key stakeholders, and should assess the potential impact on vulnerable groups and equalities, taking into consideration the council's neighbourhood approach. The Council should adhere to all legal consultation requirements, ensuring an adequate period for responses and a robust impact assessment of the proposal. Given the high risk of challenge in this area, it is suggested that the consultation is resourced appropriately, and a procurement may be required to commission an independent agency to run the consultation and evaluation.

Any change would trigger a HR consultation and may trigger further procurement and legal processes. Closure of children's centres will result in a reduction in contracted staff. However, with a reduction in sites the council may wish to retain some staffing budget from the closed sites to ensure sufficient resource remaining in children's centres to retain reach where possible.

In all proposals below we are assuming that Family Support would no longer be delivered in children's centres and this would be transferred into our in-house Early Help service to develop an all age offer and consistent model of practice. This will be necessary anyway by September 2026 due to the Children's Social Care Reforms and Working Together 2023 statutory guidance advising this.

Proposal 1: Reduce to 8 Children's Centres

This model would see us reducing children's centres from 12 to 8, hosting one in each Community Neighbourhood and two per Family Hub locality. The remit of Children's Centre provision would reduce, with some Family Support Workers TUPE'ing into LBN's Early Help Service to form an all-age family support service. Children's Centres would focus on the delivery of "stay & play" sessions to support families in regards to their child's learning and development, as well as partnership working with other services to ensure families are able to access support in regards to their child's physical and mental health and well-being.

This proposed model does retain a strong Children's Centre offer with similar numbers of sites to our statistical neighbours. Additionally, it provides scope for integration. However, with span of sites there is a challenge to maintaining the reach our children's centres currently provide. Overall reach would be affected, and the offer becomes more targeted due to limited staff and resources, with universal provision being reduced. This risk would look to be partially mitigated by outreach service provision and embedding services in existing community service provision, and integration with other services including Early Help, Children's Health, Youth Zones, Libraries etc. However wider savings targets on other services may add additional challenges to this approach. In addition, any outreach is going to require a budget as well as nobody provides spaces for free (and we would have to research suitable spaces).

As well as the four site closures, this model would also see a FTE reduction of 1.65. This is as while we would reduce the number of management and higher graded posts, we would increase the number of Early Years Practitioners in order to retain service and reach as much as possible.

This savings proposal would meet existing pressures but is unlikely to yield sustained savings in future years (primarily due to inflation on site costs and the unfunded annual salary uplift). This pressure was around £180,00-£190,000 this year (however was funded by private contract uplift). Given the reputational and relational challenge and the likely costs of redundancy and consultation, this option may not be favourable if only yielding £265,176 which may not be sustained after three years.

Proposal 2: Reduce to 4 Children's Centres

This model would see us reducing children's centres from 12 to 4, hosting one in each Family Hub locality. The remit of Children's Centre provision would reduce, with some Family Support Workers TUPE'ing into LBN's Early Help Service to form an all-age family support service. Children's Centres would focus on the delivery of "stay & play"

sessions to support families in regard to their child's learning and development, as well as partnership working with other services to ensure families are able to access support in regard to their child's physical and mental health and well-being.

This option could make it very difficult to maintain reach as most residents would not be within a suitable walking distance of a Children's Centre. We can attempt to mitigate this impact via outreach, as stated previously there are limitations on the ability to provide outreach in a sustainable fashion as other sites require financial contributions towards their usage. Access to services would particularly be an issue within the Green Street, Plaistow and Custom House & Canning Town areas based on the current model. Variations of this model could look at different combinations of centres to remain open, alongside other locations in the local area, which may vary the potential savings due to the difference in site costs.

As well as the eight site closures, this model would also see a FTE reduction of 9.65. This is as while we would reduce the number of management and higher graded posts, we would increase the number of Early Years Practitioners in order to retain service and reach as much as possible.

This savings proposal would meet existing pressures and provides greater savings delivery that is more likely to be sustained. Holding fewer staff provides some more protection against inflationary uplifts.

Revised Provision:

Three different levels of savings have been considered:

- Proposal 1: a reduction from 12 children's centres to 8. (Hosting one in each community neighbourhood and two per Family Hub locality)
- Proposal 2: a reduction from 12 children's centre to 4. (Hosting one in each Family Hub locality)

Proposal 1 would see us reducing children's centres from 12 to 8, hosting one children's centre in each Community Neighbourhood and two per Family Hub locality. Any proposal on children's centre recommissioning or changes would integrate Children's Centres into Family Hubs, whilst continuing to explore satellite sites such as Youth Zones and Libraries for outreach. Proposals 1 and 2 provides us an opportunity to recommission the services fit-for-purpose with our Early Help system, and may provide opportunity to re-think delivery, dependent on other funding streams that may become available if there is any continuation of Family Hubs programme. This may, for example, allow us to change focus or grow Universal delivery within Children's Centres and consider integrated pathways with other services such as Children's Health and Schools.

In proposals 1 and 2, the reduced pressure from site costs would make it far easier to implement a consistent funding formula and potentially retain more than a minimal staffing structure – retaining more family facing staff. This change also provides us an opportunity to look at integrated models of practice as part of recommissioning exercise. This might enable improved pathways to support, greater partnership working and supporting wider transformation as part of the council's corporate transformation programme on face-to-face delivery and integrated early help and prevention.

As set out previously, retaining the same levels of reach previously attained will be difficult with reduced staffing and span of sites. Hence, the service would not be able to continue to meet the same client groups. This could be safeguarded reasonably whilst retaining 8 sites and through extending outreach but some drop would be expected. The more sites are reduced, the greater this challenge becomes. If all sites are closed, there will be huge unmet needs for early years and would pose significant challenges for school readiness, child health and social care.

Reduction down to 4 or fewer sites could result in non-equitable offer, some parts of the borough will be far less able to access services.

Impact on other services should be considered. Health visitors will lose delivery locations and therefore see reduced reach and/or increased costs as the service would increasingly rely on rental of Health assets which have had high rental costs historically.

Early identification of need and support would also be impeded which would place greater pressure on schools where needs may arise. Schools may not be adequately prepared to meet the needs of children.

Social care demand would likely increase as fewer families' needs would be met in early years Universal settings.

Delivery Risk and Mitigations:

Given statutory consultation, legal, procurement and HR requirements this change would not be achieved until mid-way through 2025/26.

Additional risks to delivery relate to the public consultation and potential backlash from communities. This risk is more significant the more children's centres are reduced as it will be more and more challenging to demonstrate continuation of service.

Closure of children's centres may risk potential clawback from the DfE of SureStart Capital Grant Investment in former Children's Centre sites. This may be mitigated against through some retention of delivery as early years centres.

Closure of some or all Children's Centres and resulting reductions in reach/service may also increase the demand for statutory services if residents are unable to access early help. There is also the risk of increased child deaths scaling with the number of closures, again due to less residents being able to access early help.

Resources and Implementation:

Independent agencies should be sought to run the consultation and evaluation. Initial quotes for this are in the region of £30,000.

Programme management to be delivered with as is resources funded through grants.

MTFS REVENUE PROPOSAL

Proposal Title:	B15 A&H Library Review
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Reference:		Proposal Type:	Service Transformation
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan Resident Engagement and Participation Assistant Director
Full Implementation Date:	March 2028	Cost Centre(s):	G08020-9, G08408-11

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	3,236	(10)	(770)	(838)	(1,618)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	90				

How is the savings/growth calculated:
<p>The proposed savings target of £1.6 million is an indicative figure and has been retained to reflect the expectation of a material level of savings from this service. The actual level of savings to be delivered will be determined through the library review and the public statutory consultation.</p> <p>Of this budget, £1.3 million comes from the public health grant, so to deliver savings from the General Fund this funding will have to be repurposed to deliver other eligible services currently funded through the General Fund.</p>

Savings will be calculated by considering costs related to staffing, book stock, events, IT/infrastructure, cleaning, and facilities management/property costs (including NNDR, leases, etc.) minus income generated from fees, room hire, UKVI (Home Office visa), and other income-generating services.

The library service can assist the council in achieving efficiency savings through the transformation strategy, particularly in the Resident Access and Experience and Integrated Service Delivery programmes. Libraries are flexible spaces; there is an opportunity to review how they could better deliver the transformation strategy's aspirations and additional savings to the council.

Additionally, libraries can explore various avenues to generate extra income to offset potential savings.

- Income maximisation from hall and room hire
- being commissioned via public or private sector service contracts or partnerships
- public sector grants
- direct trading and retail
- getting money from charities, trusts, foundations or philanthropy
- fundraising and crowdfunding
- Community Infrastructure Levy / Section 106 agreements
- and, looking longer-term into the future, social investment and alternative funding models like social impact bonds and blended funds.

Proposal Summary:

A review of the library service will be undertaken to clarify options to serve the needs of Newham's residents while delivering savings in the light of the Council's current financial pressures. This review will lead to a more efficient library service with a strategy that paves the way for innovative delivery methods. It could also result in some library closures by 2027-28.

The review will be integral and fully aligned with the council's emerging Integrated Service Models and Transformation programme. Within the transformation programme, the libraries uniquely provide a front-facing service to Newham residents across different localities and neighbourhoods, maximising early prevention approaches to improve residents' health and quality of life and reducing service demand.

Newham's library service operates from ten buildings across eight community neighbourhood areas and offers a home library service. While books and other reading, learning and information materials remain central to Newham's statutory library service, the service plays a much broader part in the lives of the people who live, work, and study in the borough in line with the 1850 public libraries act to provide equity and opportunity. Newham Libraries offers a range of universal and preventative services that support residents, with initiatives and programmes that address:

- Socio-economic inequalities. Reading for pleasure has a more significant impact on a child's future life chances than their socio-economic background
- Health inequalities, health literacy and mental health challenges associated with isolation.
- Digital exclusion, particularly affecting the most deprived and/or eldest residents, for whom many struggle as more public services now operate as 'digital by default'.
- Exclusion from arts and culture among many children and young people who first encounter culture and creativity in a library setting.
- Additional language needs in some communities.

The review will use a needs analysis and evaluation framework, including an evaluation of the current service alongside a residents' needs assessment, to determine the impact of the current library service model and identify opportunities and options for improvement.

Under the Public Libraries and Museum Act (PLMA, 1964), Newham Council has a statutory duty to “provide a comprehensive and efficient library service for all persons desiring to make use thereof.” The Council also has a duty to develop its library services in consultation with residents and undertake statutory consultation on any significant service changes.

Development of and consultation on a new library strategy would follow the review phase and would be necessary before developing delivery options to change the service.

The Library Strategy will outline the borough's proposed vision and strategic objectives for Library Services. This strategy would highlight libraries' importance within the community and provide a clear direction for the future of Newham Libraries.

Once options have been developed, any significant changes to the library service will require a minimum of 12 weeks of statutory consultation.

Revised Provision:

A full review of the library service, alongside a needs assessment and formation of a new library strategy, will inform the future options for the library service and level of savings that will be delivered. These could include:

- A change in the number of library buildings
- The relocation of individual libraries
- A change in opening hours
- Co-location with complimentary services
- Maximising the use of technology
- A change in governance models
- Income Generation
- Saving on operational costs of delivering other services through libraries absorbing new roles / working in partnership
- New ways of working

Delivery Risk and Mitigations:

1. Any change to a library service could be subject to a local enquiry or judicial review instigated by DCMS, which could delay or reverse the change. The proposal to undertake a comprehensive review of the library service and a needs assessment will mitigate this risk. Any future delivery options arising from a new strategy would include an Equalities Impact Assessment with appropriate mitigations in place, which would be consulted for a minimum of 12 weeks. Ensuring that any new delivery options demonstrate how the Council has considered the needs of residents for a library service will reduce this risk.

2. The proposal could negatively impact other services' budgets. This could include legal costs if there was an enquiry / JR or additional delivery costs to services that work in partnership with libraries, particularly given the preventative role libraries take.

Ensuring that the library service's review is undertaken in the context of its role within the Council's transformation plan and its unique position to work in

Resources and Implementation:

The service has the necessary skills and experience to undertake a review of the library service.

What needs to happen for implementation? Timeline and activities required by month.

Review of the Library Service 3- 6 months

Followed by:

1. Needs Assessment 3 months
2. Formation of Strategy, including public consultation, four months
3. Council adoption of Strategy
4. Development of Options aligned to strategy three months
5. Approval to consult on options
6. Consultation for 12 weeks minimum
7. Meaningful analysis of consultation
8. Proposals to implement considered options (depending on the option may include staffing restructure, following HR policies)

partnership with services to improve residents' lives at reduced costs would mitigate this risk.

9. Cabinet/ Full council decision (dependent on Option)

MTFS REVENUE PROPOSAL

Proposal Title:	B16 TRA Review TRID Programme
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3900B-Transformation	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3500C-Change and Insight	Lead Officer and Post:	Nohaila Alavi, Assistant Director Corporate Transformation and BSMI
Full Implementation Date:		Cost Centre(s):	G12220

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	140	(30)			(30)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0				

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0	0			0

How is the savings/growth calculated:
<p>The savings are calculated by reducing non-salary expenditure within the TRID programme, specifically mainstreaming the TRID/ equalities work across the Council. This will result in a total savings of £30k in 2025-26 from non-salary items. To ensure continued strategic leadership of equalities across the Council, £110k will be retained to fund the newly established Head of Equalities role.</p>

Proposal Summary:
<p>The Tackling Racism, Inequality, and Disproportionality (TRID) programme has been pivotal in driving the Council's work to address systemic racism and inequality. The TRID programme will be reviewed and mainstreamed into the council's operations. Equalities work will be devolved to individual services, and a new Head of Equalities role will be created to provide strategic leadership across the council.</p> <p>This will ensure that equalities work is embedded into business-as-usual activities, while still maintaining a coordinated, council-wide approach. Savings will be generated through the reduction of non-salary expenditure, while £110k will be retained to fund the Head of Equalities post. The total savings realised in the 2025-26 financial year will be £30k.</p>
Revised Provision:
<ul style="list-style-type: none"> • The TRID programme will shift from a centralised model to one where individual services are responsible for leading equalities work within their own operations. • A Head of Equalities role will be established to provide strategic oversight and coordination. • Savings will be generated by reducing the non-salary budget, with a £30k reduction targeted in 2025-26. • The programme will retain £110k to cover the salary costs of the Head of Equalities.

Risk and Mitigations:
<p>Key Risks:</p> <ul style="list-style-type: none"> • The devolution of equalities work to individual services may result in inconsistencies in implementation or progress. • Reducing non-salary resources might be perceived as a weakening of the council's commitment to equalities. <p>Mitigations:</p> <ul style="list-style-type: none"> • The Head of Equalities will provide strategic leadership, ensuring consistent delivery and progress on equalities objectives across services. • Clear accountability will be established in each service for driving equalities efforts. • Continued community engagement will demonstrate the Council's ongoing commitment to addressing systemic inequality.

Resources and Implementation:
<p>A Head of Equalities will be appointed, funded by the retained £110k, to lead the council-wide strategy on equalities. This position will ensure consistency and momentum in delivering equalities objectives across the Council. Additionally, individual directorates will be supported to integrate equalities into their day-to-day operations.</p>

MTFS REVENUE PROPOSAL

Proposal Title:	B17 IEH Our Newham Asset Maximisation
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3080C-Community Wealth Building	Lead Officer and Post:	Darren Mackin, Director of Community Wealth Building
Full Implementation Date:		Cost Centre(s):	G11160

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(100)	(100)	0	(200)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0	0	0	0	0

How is the savings/growth calculated:
<p>The saving proposed reflects the plan to rationalise the assets currently used by Our Newham Learning Service and the wider Our Newham service:</p> <p>The buildings utilised are:</p> <ul style="list-style-type: none"> • Forest Gate Learning (1 Woodford Road, E7 0DH) • Little Ilford Learning (1A Rectory Road, E12 6JB) • North Woolwich Learning (78 Albert Rd, E16 2DY) • Gainsborough Learning (1 Hamilton Road, E15 3AE) • Beckton Global (1 Kingsford Way, E6 5JQ) • Priory Park Centre (106 Parr Road, E6 1QH)

- Our Newham (112-118 The Grove, Stratford) (Our Newham Work)

Maximising assets to reduce the number of buildings used for adult learning can lead to significant benefits. By consolidating resources and optimising space, this can lower operational costs. This includes savings on utilities, maintenance, and staffing.

A multifunctional space can accommodate various learning styles and activities, making education more accessible and engaging.

The Adult Education Budget funding provided by Government is wholly and ring fenced revenue grant for the delivery adult education and cannot be used for any other purpose. Part of this budget is used to cover the cost of running the buildings from which the adult learning provision is primarily delivered. The costs of running The Grove are currently funded via the Our Newham Work and Our Newham Money budget.

Proposal Summary:

The proposals are to achieve a £200k reduction in costs across two financial years, 2025/26 and 2026/27 respectively.

The current spend on these assets is around £800k and these proposals will result in a 25% reduction in costs.

This will require conducting a thorough assessment of all current buildings and facilities and creating an inventory of assets, including space utilisation, condition of buildings, and current usage patterns.

In addition, determine the essential facilities and resources required to meet the specific needs of adult learners and the programs offered.

This will then develop a plan to consolidate activities and programs into fewer buildings and identify which buildings can be closed, disposed, or repurposed for other uses. This project will be carried out alongside property services to ensure coordination with the wider asset review programme.

Revised Provision:

A review needs to be carried out to determine where the savings can be delivered. Some principles to consider will be:

- Addressing Low Enrolments.
- Resolving Curriculum Conflicts.
- Improving Financial Sustainability
- Improving geographical spread and access to ONLS services across the borough
- Contribution to wider Community Wealth Building or other corporate objectives.

By leveraging the strengths of multiple ONLS centres and strategically deploying resources, we can optimise the delivery of educational services, tailor offerings to meet local needs, and avoid duplication or oversaturation in any one area. This holistic approach not only enhances the accessibility and effectiveness of adult education provision in Newham but also reinforces ONLS's commitment to serving the diverse educational needs of our community.

In addition to the savings from above we will be planning to review the remaining sites to undertake another activity of withdrawing from a centre to reduce operational costs.

Delivery Risk and Mitigations:

The review needs to be carried out to understand the risks in detail. However, there is a risk that any changes could be viewed negatively by the learners and or the wider community. This risk can be mitigated by ensuring that there is careful engagement and communication about any changes.

Resources and Implementation:

Support will be required from property services to conduct the review

MTFS REVENUE PROPOSAL

Proposal Title:	B18 IEH Our Newham Work S106 funded activity reductions
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3080C-Community Wealth Building	Lead Officer and Post:	Burhan Uddin, Head of Operations
Full Implementation Date:		Cost Centre(s):	G13700, G13200, G11890

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(873)	0	0	(873)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		15-20	0	0	15-20 (estimate)

How is the savings/growth calculated:
<p>These services provide support to residents who are looking for work or training and support to businesses, funded through a mixture of funding sources. These are: General Fund, Section 106 developer contributions and grants (DWP, UKSPF etc). These proposals relate to the Our Newham Work, Inclusive economy and Post 16 Statutory Tracking.</p> <p>The savings is made up as follows:</p>

Service	Total	Funding Stream
Our Newham Work	£600,000	S106
Post 16	£25,000	General Fund
Inclusive economy	£248,000	General Fund
Total	£873,000	

Proposal Summary:

Our Newham Work - £600,000

Developer contributions (throughs 106 contributions) are negotiated through the planning process and are typically secured to support activity related to employment and skills provision.

Historically LBN has taken is to use this income to 'top up' the General Fund contribution that the service receives however in recent years this contribution has been steadily reduced so now there is no General Fund contribution to this element of the service. The proposal includes stopping all job brokerage activities outside funded programmes. Funded programmes include UKSPF, IPSPC and IPSDA which are funded until March 2025. This proposal would lead to less drawn down of S106 enabling long term sustainability of the service offer to residents. To achieve this, there will be a review of the service to improve efficiency and reduce duplication across the Our Newham services (which include Our Newham Work). Higher local employment levels contribute to a more inclusive local economy and enhanced health and wellbeing. Ending general job brokerage means that employability support will be available only to specific groups: residents aged 16-24 years, residents needing supported employment due to mental and or physical health conditions, and economically inactive residents.

Post 16 -£25,000

The Council has statutory responsibility to provide support and advice to NEET (Not in Employment, Education or Training) residents. Through Our Newham Work Delivery Team Newham is placed in quintile 1, the top 20% nationally for helping young people into employment, education and training as ranked by the Department of Education. This delivery is currently fully funded via S106 – with £126,100 provided via General Fund which is fully utilised to fund the contracts for Employment, Education and Training Tracking Monitoring Provisions including Client Caseload Information System – the £25,000 proposed efficiency will be met through review of current activity and identification of alternative funding sources.

Inclusive Economy - £248,000

This activity helps to ensure that the goals of the Corporate Plan are met through the design, development and implementation of effective strategies and programmes that are driven by the principles of creating a more inclusive economy in Newham. These savings will be delivered through a team review, deletion of vacancies and some grant substitution and potential s106 contributions. If this does not cover the full costs of delivering the service, then staffing reductions would need to be made as a result of this saving.

Revised Provision:

As Our Newham Work currently operates without any general fund, the proposed £600,000 savings from stopping general job brokerage and less draw down on section 106 funds – reducing around 15 posts from general ONW job brokerage activity.

For Inclusive Economy the council will need to consider full withdrawal of this service if unable to fund through UKSPF, S106 or other external contributions.

Delivery Risk and Mitigations:

The main risk is that the level of savings required is not viable following the review processes. This risk will be reduced through careful management of the review process and a clear focus on service priorities

Over the medium to long term, the sustainability of the service cannot be wholly reliant on s106 contributions or grants, as the contribution is correspondingly reliant on developments coming forward for planning approval, or central government etc. This will be managed through careful monitoring of contributions and good budget management and constant evaluation of funding opportunities.

Organisational change process will need to be followed which may delay the delivery of the savings beyond the start of the financial year. This can be reduced through careful management of the process to ensure momentum is maintained.

Resources and Implementation:

Support will be required by HR to implement any new service model which is designed through the review. In addition, advice will be required from finance to understand the risks and implications of relating to the use of s106 receipts.

MTFS REVENUE PROPOSAL

Proposal Title:	B19 IEH Review Energy Efficiency and Empty Homes Team.
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Councillor Amar Virdee – Cabinet Member for Housing Needs, Homelessness and Private Rented Sector
Directorate Service:	G3140C-Housing	Lead Officer and Post:	Candida Thompson, Assistant Director of Housing Options & Supply
Full Implementation Date:		Cost Centre(s):	G15730

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	487	(487)	0	0	(487)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	7.5	7.5			7.5

How is the savings/growth calculated:
<p>The saving is calculate from the staffing costs in the team currently.</p> <p>Two posts at £50,800 each cover the Energy Efficiency & Empty Homes work. The rest of the budget has been used for the Building Safety Team. That funding is being deleted from here but is the subject of a separate growth bid and efforts to secure government grants to support this work.</p>

<p>Proposal Summary:</p> <p>The potential savings is to fund a number of posts currently funded through the General Fund from Private Sector Housing enforcement fixed penalty income and deleting the remaining funding previously allocated to this team which has been used recently to fund the Building Safety Team, for which a separate growth bid has been put forward.</p> <p>This team is responsible for enforcement activities as well as ensuring that private sector landlords are adhering to energy efficiency standards and residents are maximising the opportunities to improve their energy efficiency and identifying empty properties within the borough to work with the owners to bring them back into use and increase available housing supply.</p> <p>If no alternative funding routes were available, removal of these posts would mean that some core strategic aims of the council would not be able to be met, including</p> <ul style="list-style-type: none"> • Priority 11 (Building a borough of health promoting housing) Step 43 (Address fuel poverty and help Newham residents live in warm homes) of the Well Newham 50 Steps to a Healthier Borough • Aim 2.3 “Promoting and delivering energy efficiency retrofitting projects in workplaces and homes” of the Air Quality Action Plan • Action 7.6 “improve awareness or external funding opportunities for renewable energy generation and energy efficiency improvements and technologies” of the Climate Action Plan • Aim 3.3 “Take advantage of government grants as these become available”, aim 3.4 “Improve the Energy Efficiency of PRS properties” of the Homes of People: Newham’s Housing Delivery Strategy. • Manifesto Priority 5 of the Corporate Plan - Homes for our Residents: Place particular emphasis on establishing minimum standards of energy efficiency so that private rented homes meet EPC Band C where practical, cost effective and affordable. • Homelessness and Rough Sleeping Strategy – improving the standard of homes in the borough • Homelessness Response Programme – maximising housing supply through bringing empty homes back into use. • It will also undermine other general strategic aims and Mayoral commitments to raise standards in the private rented sector within the borough. <p>The Private Sector Housing Enforcement Team is mainly self-funded through licensing fees, the use of which are ring-fenced to specific activities, and do not include this specific building safety activity. This year, we have received grant from central government of £214,723 to assist with this activity, but nothing has been confirmed for next year (grant allocation this year is the reason that the team has had an underspend this year).</p>
<p>Revised Provision:</p> <p>The provision will be maintained by funding it through the PRS enforcement income and separate growth bid for the Building Safety Team.</p>

<p>Delivery Risk and Mitigations:</p> <p>No change in service delivery</p>

<p>Resources and Implementation:</p> <p>N/A</p>
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MTFS REVENUE PROPOSAL

Proposal Title:	B20 IEH Review the Our Newham Money Service.
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3080C-Community Wealth Building	Lead Officer and Post:	Burhan Uddin, Head of Operations
Full Implementation Date:		Cost Centre(s):	G12280

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	989	(989)	0	0	(989)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	17	17			17

How is the savings/growth calculated:	
Withdrawal of service – this would include 17 full time posts.	
Breakdown of costs:	
Local welfare provision	£65,000
Employment Rights Hub	£120,000

Our Newham Money	£803,700
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Proposal Summary:

The proposal below poses risks, as residents will lose access to immediate financial support during crisis and ongoing financial security assistance for both mid and long term. This could place additional pressure on other council services resulting in increased costs compared to savings proposed and residents having no access to essential advice and support.

Local welfare assistance (£65,000)

The council makes a provision in its budget for Local Welfare Assistance - this revenue funding is used to provide emergency support to people in financial difficulty. Examples of which include paying for shopping vouchers, household items or emergency payments. Alongside this provision, the government have also issued a Household Support Fund grant to each Local Authority. Cabinet agreed the allocation of this grant in Newham and included a proportion to be spent on the same provision covered by the Local Welfare Provision fund. The current Household Support fund is due to end in March 2025. If this ends as planned Newham would not be able to operate a local welfare assistance scheme after this date.

Employment Rights Hub (£120,000)

The Employment Rights Hub supports residents by increasing their knowledge and understanding of what employment rights they may have, giving them practical information, advice, and guidance on how to deal with any issues they may be facing at work. The service offers both group workshops and one to one advice and support. The Employment Rights Hub has secured £1,065,000 in 2023/24 through providing advice and support on various employment-related matters, including back-dated pay or increment, holiday pay, dismissal and started paid work, settlement, underpayment of salary, Maternity Pay, Statutory Sick Pay, Redundancy Pay and Employment Tribunal. The Council has no statutory requirement to provide this service, and this would lead to a general fund saving.

Our Newham Money (£803,700)

The team provide income maximisation, debt, and money management advice to residents. Alongside delivery from Stratford the team are also collocated in Family Hubs, Housing Hubs, community centres and within the NHS. In 2023/24 £5.3 million pound was raised in additional income for residents including targeting provision for homeless/TA, Pension age residents, care leavers, directly support within an NHS setting, and those being moved from legacy benefits to Universal Credit. Over 8200 residents have been supported for 2023/24. The Council has no statutory requirement to provide this service, and this would lead to a general fund saving.

Alternative funding sources aligned with government initiatives such as supporting transition into employment will be explored to fund a reduced and more targeted service linked to the wider early intervention and prevention agenda.

Revised Provision:

No support will be available for residents facing financial difficulties including specific groups including but not limited to pension age residents, those in TA, residents with health difficulties. There is no available capacity within Newham to provide this support. Over 8200 residents that received the support in 2023/24 would not be able to access this help.

Delivery Risk and Mitigations:

Local Welfare Assistance : The funding supports people who are in financial distress. There is a risk that reducing this funding would mean that we cannot provide emergency support, which, in some cases may lead to an increased demand on statutory high-cost services (for example if somebody becomes homeless).

If the government does not extend the Household Support Fund allocation (currently confirmed only until the end of the financial year in March 2025) the council would have no local welfare assistance funding available.

Employment Rights Hub : The closure of the Employment Rights Hub would mean the loss of early intervention support to residents, which raised £1,065,000 of additional income to residents and helped prevent job losses. This closure could also lead to costlier interventions in the future if people lose jobs. The risk could be mitigated by directing to other welfare advice services operating locally.

Our Newham Money : Last year, this service helped generate £5.3 million in income for residents. Without it, the lack of early intervention, prevention and support could result in higher costs for services such as increased homelessness, greater health and social care needs, and the inability of vulnerable residents, including pension-age residents, families with young children, universal credit migration, and those with health concerns to access any support. Additionally, there would be a loss of integrated, collocated support across services, including health, housing, and family services. The risk could be mitigated by directing to other welfare advice services operating locally.

Resources and Implementation:

Withdrawal of service which would include a reduction of 17 full time staff members.

MTFS REVENUE PROPOSAL

Proposal Title:	B21 A&H Cease funding for the Voluntary Community and Faith Sector Infrastructure and Capacity Building.
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Reference:		Proposal Type:	Choose an item.
Directorate:	G3200B-Adults & Health	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan, Assistant Director of Resident Engagement & Participation
Full Implementation Date:		Cost Centre(s):	G08404

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	100		0	(100)	(100)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0		0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

How is the savings/growth calculated:
Discontinue the budget for VCFS Infrastructure and capacity building.

Proposal Summary:

The proposal to cease the commissioning of Voluntary, Community, and Faith Sector (VCFS) Infrastructure support services directly affects the Council's corporate priority of "People Powered Newham" and its goal of widening participation. Last year, the budget for these services was reduced from £200k to £100k, and eliminating the funding altogether will negatively impact the Council's relationship with the VCFS. This sector plays a crucial role in community engagement, and without proper infrastructure support, it could weaken the collaborative and thriving environment the Council seeks to cultivate. This decision may also hinder our ability to empower community participation and growth, which is vital for achieving our strategic objectives.

The proposal does not affect any statutory obligations, as none require the Council to fund a VCFS support organisation. However, the absence of financial support may limit the Council's ability to influence the development of the VCFS in Newham. While statutory provisions remain unaffected, the Council will need to find alternative ways to engage and maintain the voluntary sector's growth without the infrastructure support previously commissioned.

This proposal will impact both the Resident Engagement & Participation and Public Health services, as these departments rely on collaboration with the VCFS to deliver a variety of community-focused initiatives.

No staffing reductions will result from this proposal.

There is a procurement process for three small lots of work, each valued at £24k, totalling £72k. These contracts are expected to be awarded in November 2024, with completion by March 2025. Moving forward, a procurement process for a new 24-month contract for VCFS Infrastructure support, starting in January 2025, and awarded by April/May 2025. This will ensure continuity of service in line with the proposal's timeframe.

No contract renegotiations are required as part of this proposal.

While no statutory consultation is required, engagement with the VCFS stakeholders may be necessary to communicate the potential impacts and explore alternative ways to maintain relationships and support. This will help manage expectations and provide a pathway to continued collaboration despite ceasing commissioned infrastructure support.

Revised Provision:
<p>Service Continuity/Transformation:</p> <ul style="list-style-type: none"> - The saving may force the sector to explore alternative ways to collaborate and operate independently. However, without infrastructure support, the ability to sustain new models is limited, and gaps in service delivery are likely to emerge. - While some resilience might be built within smaller networks, the stopgap funding is insufficient to provide meaningful long-term benefits. There's limited opportunity to diversify services without a stable infrastructure. - The service will continue to support the same client group but with reduced capacity. The current initiatives cannot fully replace the scope of services previously supported by the infrastructure contract. - The reduced funding means the service will struggle to extend beyond the current client group, and the same breadth of support is unlikely to be maintained. <p>Service Withdrawal:</p> <ul style="list-style-type: none"> - Public Health and Resident Engagement and participation offer some targeted support through various initiatives, but these are not comprehensive enough to replace the full range of infrastructure support. The three small pieces of work currently being commissioned are stopgap measures, but they cannot fill the longer-term gap. - The provision is not unique to Newham, but removing it entirely could result in a loss of support for VCFS organisations. - Other councils have pulled similar services, but how those communities have fully adjusted is unclear. Newham could face similar difficulties without a more robust plan for long-term support. - Peer support networks exist, but they are not a substitute for the structured infrastructure that was previously in place. The sector's capacity to self-organise and find alternative funding will limit its adaptability. - There is limited information on best practices from other councils, which leaves Newham uncertain about how to transition through this withdrawal effectively. - There is some capacity within the VCFS through networks like One Newham, but it's unlikely enough to compensate for the loss of infrastructure support. The sector will require additional resources to adapt to this change fully.

Delivery Risk and Mitigations:
<p>The primary risk is that the VCFS will lose its core infrastructure support, which could weaken the sector's capacity to function effectively. This may result in fewer community-led initiatives, reduced collaboration, and an overall decline in the strength of the voluntary sector in Newham.</p> <p>Without a strong VCFS, Newham may see increased demand for statutory services as the community's ability to self-organise and deliver grassroots support diminishes. This could lead to a greater financial burden on the Council, as services traditionally delivered by the VCFS shift to Council-funded programs.</p>

Resources and Implementation:
<p>The primary resources required include:</p> <ul style="list-style-type: none"> - Internal staff time to manage the cessation of the contract and communication with the VCFS. - Stakeholder engagement to manage the relationship with the VCFS and address any concerns.

There is a risk of increased pressure on other departments, particularly those responsible for health, social care, and community engagement. Without the VCFS to act as a preventative measure, the Council may need to allocate more resources to cover the shortfall in community-driven services.

The Council could mitigate this risk by:

- Increasing collaboration with existing networks like One Newham to strengthen peer-to-peer support within the VCFS.
- Exploring external funding opportunities to supplement the loss of infrastructure funding.
- Phasing out the support gradually, allowing the sector more time to adjust and build resilience.
- Providing targeted training or resources to help VCFS organisations become more self-sustaining.

MTFS REVENUE PROPOSAL

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Proposal Title:	B23 CYP Family Group Conference Saving
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Reference:	B23 (Revised)	Proposal Type:	Service Transformation
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Environment, Sustainable Transport, Children Services and Education
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Mahfuzul Khan Acting Director of Early Help and Safeguarding
Full Implementation Date:		Cost Centre(s):	G11950

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	(126)	0	0	(126)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		2			2

How is the savings/growth calculated:
Based on the deletion of 2 PO3 posts – assumes full year impact and no redundancy costs. Amended from October proposal to delete whole team in light of recent government policy announcements.

Proposal Summary:

A family group conference is a family-led decision-making process in which the family and friends network come together to make a plan for a child to ultimately prevent them becoming Looked After. The process is supported by an independent coordinator (employed by CYPS) who helps the family prepare for the family group conference. Family Group Conferences can be used whenever a situation is sufficiently serious that a plan and decision needs to be made about a vulnerable child. They are now being used in the UK in all areas of child welfare including:

- Preventative services
- Safeguarding work including domestic abuse
- Court proceedings
- Looked after children and planning for leaving care
- Education (to address truancy and reduce exclusions)
- Anti-social behaviour and youth justice including restorative justice.

The Family Group Conference is a key process that Children's Social Care use to identify children to either support parents to look after their children or to support extended family members to care for them in order to prevent the children coming into Local Authority's care. The national reforms and the recent Working Together 2023 document have encouraged local authorities to use the Family Group Conferencing more to enable children to reside within their family network. This is also linked to the other MTFS saving where we are proposing more children to remain with family and friends instead of coming into the Local Authority's care. In doing so, this will improve outcomes for children and families, as well as create significant savings for local authorities.

The proposal is to delete the Family Group Conferencing Team.

Revised Provision:

In November 2024, the government published 'Keeping Children Safe, Helping Families Thrive' document mandating Children's Social Care to offer FGC / family group decision making (FGDM) for every family at the point before it is necessary to initiate care proceedings for a child. Evidence suggests that strengthening the offer of FGC / FGDM will further reduce applications for court proceedings as well as prevent children from entering the care system. We currently have (as of 12/12/24) 24 families (51 children) in pre-proceedings and 78 families (129 children) in care proceedings.

In addition to providing FGDM, the team will also support care leavers to develop closer relationship with their families, which is another duty placed by the above government document.

Taking the above into consideration, we have revised our MTS proposal and are now proposing the deletion of 2 PO3 posts instead of the whole team. This will enable the rest of the team (2 workers – PO5 & PO3) to support the rest of the Children Social Care to implement and offer FGDM to all families requiring statutory services. The team will also offer independent FGC / FGDM meetings to children subject to pre-proceedings and those in court as mandated by the new guidelines.

Delivery Risk and Mitigations:

Risks

- We might not be able to keep the children home or identify extended family members leading to children coming into Local Authority's care, given reduction in capacity
- Given the reduction in capacity, there may be a need to spot purchase should demand exceed in-house capacity

Resources and Implementation:

We will need to go through formal 30 days formal consultation, which will involve staff, HR and unions.

MTFS PROPOSAL

Proposal Title:	C1 Resources – Identify additional Savings beyond those delivered through Transformation
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Reference:	Choose an item.	Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Andrew Ward – Deputy Director/Deputy S151 Resources
Full Implementation Date:	01/04/2025	Cost Centre(s):	TBC

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2026-27	Total Savings/Income
Budget (£000)		(300)			(300)

Investment Required:	Recurring Investment	Investment 2023-24	Investment 2024-25	Investment 2025-26	Total Investment
Budget (£000)	No	n/a	n/a	n/a	Programme costs captured in RX capital mandate

Staffing Impact (if applicable):	Current 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

Proposal Summary:
Identify further savings over and above ones identified through transformation.
Revised Provision:
Pivot to a saving from Flexible use of Capital Receipts - 6 FTE from Resources working on Transformation

Risk and Mitigations:

Any changes to technology/ resident facing interface will need good planning and testing with a representative sample of residents to ensure that residents experience is not impacted negatively.

Resources and Implementation:

Project Management resource required to develop the detailed proposal.
Capital mandate for the project team to scope, plan and implement the programme has been submitted already.

MTFS PROPOSAL

Proposal Title:	C2 Transformation – Fund existing teams with flexible capital receipts
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Reference:	Choose an item.	Proposal Type:	Service Efficiencies
Directorate:	G3900B-Transformation	Lead Member and Portfolio:	Mayor Rokhsana FiazOBE Lead Member – Inclusive Economy, Housing Delivery and Climate Emergency and Council Performance & Transformation
Directorate Service:	G8300C-Corporate Items	Lead Officer and Post:	James Partis- ACE
Full Implementation Date:	01/04/2025	Cost Centre(s):	G06551/G12230

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-37	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	1150	(600)			(600)

Investment Required:	Recurring Investment	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	No	n/a	n/a	n/a	

Staffing Impact (if applicable):	Current 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

Proposal Summary:
Fund existing team through use of flexible capital receipts based on team doing transformation work

Revised Provision:

This is not a spending reduction. It is about funding posts that already exist in Transformation who will spend time working on the transformation of the council. under what is known as the permitted Flexible use of capital receipts
No impact on service delivery

Risk and Mitigations:

Permission is required from central government to use capital receipts in this way

Resources and Implementation:

MTFS PROPOSAL

Proposal Title:	C3 - Transformation – MTFS 2025/26 onwards – Centralising/Corporatising Change Management Resource
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Reference:	Choose an item.	Proposal Type:	Service Efficiencies
Directorate:	G3900B-Transformation	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G8300C-Corporate Items	Lead Officer and Post:	James Partis – Assistant Chief Executive – Chief Transformation Officer
Full Implementation Date:	01/04/2025	Cost Centre(s):	TBC

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	TBC	(50)	(50)		(100)

Investment Required:	Recurring Investment	Investment 2023-24	Investment 2024-25	Investment 2025-26	Total Investment
Budget (£000)	No	n/a	n/a	n/a	None

Staffing Impact (if applicable):	Current 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A		1	1		2

Proposal Summary:
<p>CLB have approved the corporatisation of change resources to support delivery of the Council’s transformation and change priorities for the coming period.</p> <p>The proposals are expected to result in a more efficient and prioritised approach to resource allocation to change initiatives across the Council and it is expected that this will also allow for economies of scale to be realised through combining capacity and capability of change teams that are currently distributed across directorates.</p> <p>Phase 1 of the work will focus on rationalising leadership and management capacity and capability</p> <p>Phase 2 of the work will focus on streamlining delivery and junior roles as a result of reduced agency and efficiency proposals</p> <p>This proposal should be read as separate to proposals to capitalise the funding for this work as part of the Transforming Newham for the Future Programme</p>

Revised Provision:

Risk and Mitigations:

No major risks

Resources and Implementation:

Project management resource will be needed to deliver this proposal. This will be provided initially from the corporate transformation delivery team.

MTFS REVENUE PROPOSAL

[SEE BELOW FOR GUIDANCE ON HOW TO COMPLETE THE FORM]

Proposal Title:	C4 DDAT - ICT Savings from contracts rationalisation and equipment purchasing premium payment
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Reference:		Proposal Type:	Service Efficiencies
Directorate:	G5000B-oneSource - Non Shared	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G5060C-ICT Services	Lead Officer and Post:	Amit Shanker
Full Implementation Date:	31/03/2027	Cost Centre(s):	Unknown at this stage

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	4,000			(150)		(150)

Investment / Growth Required:	Current Budget 2024-25	Investment 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)						

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A						

How is the savings/growth calculated:
Saving is an estimate at this stage which will continue to be refined over the coming months, however, the 2024/25 ICT service contains non-staffing budgets of approx. £4m and so it is anticipated that a saving of £100k - £200k would be achievable in the context of a budget of this size. As such a saving of £150k is considered achievable.

Proposal Summary:

Identify options for a savings target from renegotiation of the 80-90 ICT contracts coming up over the next few years as part of OneSource disaggregation

- More stringent procurement processes hopefully leading to contract savings such as those recently delivered via the re-procurement of the Microsoft Enterprise Licencing agreement
- Potential savings to be delivered on Azure consumption via rationalisation once migration fully completed
- Decommissioning of applications, systems and data-centre related contracts; some of these savings replaced by increase spend in cloud consumption.
- Contracts, services and technology returning to sovereign control over the course of 25/26 therefore scope to drive out some of the savings above realistically not likely until 2026/27 although service will progress any opportunities sooner should they arise

Identify options for savings through reducing payment of premium charges on the purchase of new ICT equipment (and anywhere else if relevant)

- Devices kept in stock to avoid expedition premium
- Changing from a default offering of all kit in a starter pack (bag, mouse, headset, charger) to an 'opt-in' approach where peripherals are requested.

Identify options for savings across the council through stronger corporate policies and controls over ICT spend across all services (eg including CCTV, libraries ICT, home care, etc).

- Potential savings through consolidation of contracts, systems and staff currently sat in services.
- Potential savings through increased engagement as a result of having a sovereign ICT service; consultation with ICT at an earlier stage could assist with identifying cheaper solutions/existing solutions and stop services from entering into unnecessarily costly contracts.
- Furthermore, move to cloud will enable better data and reporting on the cost of running a new system (as opposed to the more opaque on premise type-cost) leading to more accurate business cases and better informed decision making.

All of the above estimated to deliver £100 - £200k

Revised Provision:

There will be no impact on service provision

Delivery Risk and Mitigations:

No major risks

Resources and Implementation:

No additional resource required

MTFS PROPOSAL

Proposal Title:	C5 MAR – Saving Option for Council Comms , Marketing & Policy
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Reference:	Choose an item.	Proposal Type:	Service Efficiencies
Directorate:	G3700B-Marketing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G4206C-Policy & Communications	Lead Officer and Post:	Adrian Thomas – Assistant Chief Executive – Chief Marketing Officer
Full Implementation Date:	01/04/2025	Cost Centre(s):	TBC

Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	£6,400K	(60)			(60)

Investment Required:	Recurring Investment	Investment 2023-24	Investment 2024-25	Investment 2025-26	Total Investment
Budget (£000)	No	n/a	n/a	n/a	n/a

Staffing Impact (if applicable):	Current 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A					

Proposal Summary:
The Council spends significant amount in advertising, publicity and Marketing across all services. While most advertising spend is within Commercial Estates and Environment with respect to road restrictions in accordance with Highway regulations, cost in relation to publicity and Marketing can be reduced within Marketing Directorate through avoidance of duplication of communications that should be funded through budgets in other Directorates.
Revised Provision:

Risk and Mitigations:

Resources and Implementation:

MTFS REVENUE PROPOSAL

Proposal Title:	C6 Youth Empowerment Service evolution
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Reference:		Proposal Type:	Reduction in Provision
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3135C-CYPS Clinical practice	Lead Officer and Post:	Dave Tapsell Director of Clinical Practice
Full Implementation Date:	01/04/2027	Cost Centre(s):	

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	0	(600)	(600)	0	(1,200)

Investment / Growth Required:	Current Budget 2024-25	Investment 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A			TBC	TBC	TBC	

How is the savings/growth calculated:

The Youth Empowerment Service (YES) provides universal services to children and young people across Newham, fostering engagement, skills development and resilience. In light of the current financial context facing the Council over the MTFs period, there is a need to identify significant savings across all council services, and the planned £1.2m from the Council's Youth Empowerment Service over financial years 2025/26 and 2026/27 is being offered up. Over this 2-year period, the initial £600k in 2025/26 comprises of removal of the intended conclusion of the current VCFS commission.

This is at a time when central government has announced the prominence it will be giving to youth services, through a national youth services strategy to rebuild youth services provision in all localities as part of its national mission to young people. Already it has announced £85m in capital funding through the new 'better youth spaces fund' to support renovations of buildings and the purchasing of equipment for youth service providers; and £100m to be allocated between 2024 to 2028 to 'youth outcomes'. This presents an opportunity for the Council's Youth Empowerment Service to identify new and additional funding streams over the MTFs period to offset the savings as set out in this pro forma while at the same time reducing general fund pressures facing the Council in 2026-27. Concerted effort will be made to offer the Flagship Youth Zones - The Source and Shipman to external agencies and/or source finances from businesses social responsibility funding streams.

National organisation UK Youth has evidenced youth work saving Council's and the wider public sector some £3.2bn a year through improved education, employment and positive mental health outcomes for young people; alongside a contribution of approximately £5.7bn annually to the wider economy through jobs, volunteering and local suppliers. Research by the Institute

of Fiscal Studies on the impact of youth service closures highlights higher teenage offending rates and low educational outcomes in areas where young people have lost access to youth service provision (e.g. young people who lost access to a youth club were 14% more likely to engage in criminal activity in the six years following closure).

This evidence is pertinent in the Newham context, as current Council data highlights increasing risks related to children and young people in Newham; from gang affiliation, serious youth violence, exploitation, and youth justice involvement. This is informing the proposed evolution of the Youth Empowerment Service so that it includes a targeted offer to those young people most at risk so that we prevent long-term, higher-cost interventions by the wider Children and Young People Services.

While the Youth Empowerment Service model is a core part of the early intervention and preventative approach adopted by the Council, it has been intentionally designed to provide a holistic and inclusive offer to all young people in Newham. This will remain intact with the proposed targeted offer designed and developed over the course of the next 6 months to support the following intended key outcomes (and aligned to the Council's new Youth Safety strategy):

- A sustainable and impactful youth service model retaining its inclusive offer with additional targeted provision sourced through working with the Inclusive Economy directorate and in line with its local growth plans which highlights NEET young people as a target cohort.
- Improved engagement with education, employment, or training among children and young people.
- To support the decrease in serious youth violence incidents and exploitation cases particularly within the NEET target cohort.
- To support the reduction in the number of young people entering the youth justice system as part of the whole-system approach

Proposal Summary:

Savings of £1.2 million over the 2-year period covering the financial years 2025/26 and 2026/27 at £600k per annum.

As above, over this 2-year period:

- the initial £600k in 2025/26 comprises of removal of the current VCFS commission by bringing forward to the 2025/26 financial year the intended conclusion of the current VCFS commission always due to end by 2026/27, though retaining the SEND element across both 2025/26 and 2026/27 financial years

In 2026/27, an additional £600k saving from YES will be made by utilising government or commercial funding streams.

Revised Provision:

Additional options will be explored to gain income from other government funding streams and businesses to offset the reduction in current general fund allocation to the Youth Empowerment Service.

Delivery Risk and Mitigations:

All reduction in funding will increase the risks in a number of domains to all young people.

Resources and Implementation:

- Reduction in youth services may result in young people engaging in anti-social behaviour, gang involvement, and petty crime due to lack of structured activities. This risk will be increased in relationship to the severity of the reduction in service.

Mitigation: An Integrated Youth Safety Team would target young people and focus on those at risk or likely to be at risk of youth violence, exploitation and offending. Investment into this team will be explored through Inclusive Economy directorate as set out in the section above.

Continue to work with VCFS to mitigate the conclusion of the commission contract by identifying potential alternative sources of funding not drawn from the council's general fund

- Reduced access to support services could lead to a deterioration in emotional and mental health among vulnerable youth. Increasing demand in other areas such as Child Mental health services.

Mitigation: An Integrated Youth Safety Team would target young people and focus on those at risk or likely to be at risk of youth violence, exploitation and offending. Investment into this team will be explored through Inclusive Economy.

Continue to work with VCFS to mitigate the conclusion of the commission contract by identifying potential alternative sources of funding not drawn from the council's general fund

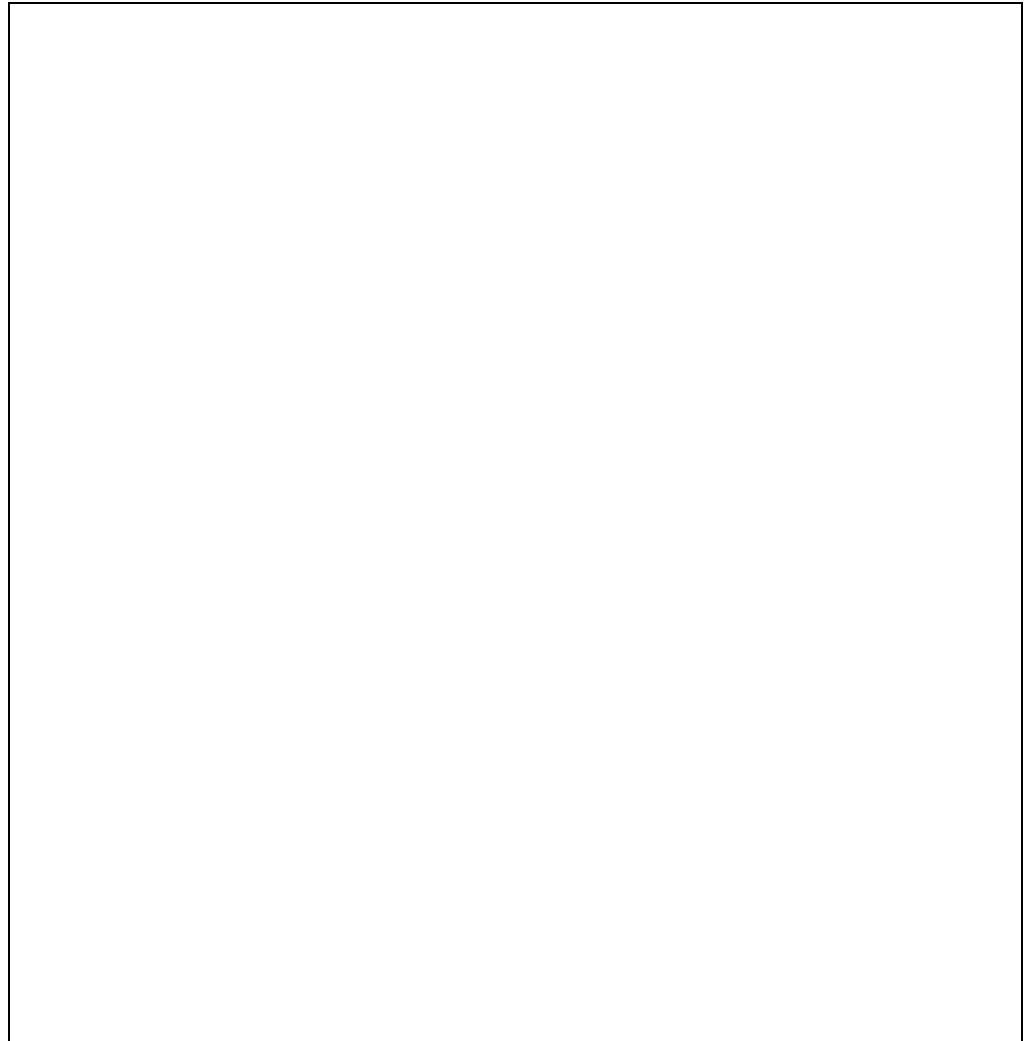
- Reduction in youth services may lead to disengagement from education, especially among those who rely on support for homework, mentoring, or career guidance.

Mitigation: An Integrated Youth Safety Team would target young people and focus on those at risk or likely to be at risk of youth violence, exploitation and offending. Investment into this team will be explored through Inclusive Economy.

- Youth services in Newham are particularly attuned to supporting young people from vulnerable and low-income families. The reduction in services will be disproportionately affect these groups widening the social divide.

Mitigation: An Integrated Youth Safety Team would target young people and focus on those at risk or likely to be at risk of youth violence, exploitation and offending. Investment into this team will be explored through Inclusive Economy.

Continue to work with VCFS to mitigate the conclusion of the commission contract by identifying potential alternative sources of funding not drawn from the council's general fund.



MTFS REVENUE PROPOSAL

Proposal Title:	C7 Optimising use of Neighbourhood CIL
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Reference:		Proposal Type:	Grants Substitution
Directorate:	G3100B-Inclusive Economy & Housing	Lead Member and Portfolio:	Mayor Rokhsana Fiaz OBE Lead Member – Inclusive Economy, Strategic Housing & Culture
Directorate Service:	G3081C-Chief Planning Officer	Lead Officer and Post:	Jennifer Bishop, Assistant Director Development Delivery
Full Implementation Date:	01/04/2025	Cost Centre(s):	Various

ESTIMATED Financial Impact:	Current Budget 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Savings/Income 2027-28	Total Savings/Income
Budget (£000)	0	0	(1,000)	(1,000)	(2,000)

Investment / Growth Required:	Current Budget 2024-25	Investment 2025-26	Investment 2026-27	Investment 2027-28	Total Investment
Budget (£000)	0	0	0	0	0

Staffing Impact (if applicable):	Current FTE 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	FTE Reductions 2027-28	Total FTE Reductions
Employees (FTE) or state N/A	0	0	0	0	0

How is the savings/growth calculated:

During 2025/26, the council will engage with the community on the application of accrued Neighbourhood Community Infrastructure Levy (NCIL) funds to contribute towards the operating costs of council services and infrastructure in the community which will need to comply with the legal framework around use of NCIL.

Proposal Summary:

Through genuine community engagement and consultation via the wider corporate body and specific service areas (e.g. corporate budget setting engagement exercises, People Powered Places programme, the resident engagement teams across the council and working with the VCFS).

The community consultation will align with the Community Infrastructure Levy Regulations 2010 (as amended) ('CIL Regulations'), the government guidance, the council's strategies and policies for community engagement on planning matters and other relevant considerations.

Revised Provision:

The proposed use of NCIL funds will need to adhere to the requirements of the CIL Regulations and as such, the nature of the proposed substitution of funds will need to be considered during the budget setting process for 2026/27 in consultation with the 'community' as designated.

Regulation 59F of the CIL Regulation sets out how the council may use the NCIL funds either towards the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else which is concerned with addressing the demands that development places on an area. A quarter of our accrued NCIL funds must be applied towards infrastructure with the remaining three-quarters able to be applied more broadly linked to the demands that development places on the borough.

Delivery Risk and Mitigations:

Risks include:

- Failure to identify costs which comply with the regulatory requirements to achieve the savings
- Inadequate community engagement or 'buy-in' to the principle of the use of these funds for this purpose
- Reputational risk with developers/land owners that there will be sufficient infrastructure to support development and growth proposed in the borough – impact that there will be less development delivered and therefore miss other corporate targets related to CIL income and housing delivery targets.

Resources and Implementation:

Resources required within the local planning authority/ CIL charging authority functions to:

- Review and updated the Developer Contributions Governance and Funding Allocation Strategy
- Consequential amendments to the Statement of Community Involvement (a planning document)

Finance resource to:

- Manage budgets and undertake community consultation; co-ordinate task with other related savings proposals

Savings agreed in Prior years with ongoing implementation targets.

Version 1.0
Date: 19/02/2025

MTFS REVENUE PROPOSAL

London Borough of Newham
Medium Term Financial Strategy 2024-27

Proposal Title:	Placements and Capital Strategy MTFS Proposal
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Reference:	SAV/CYP 004 / 23-24	Proposal Type:	Service Efficiencies
Directorate:	G3000B-Children and Young People	Lead Member and Portfolio:	Councillor Sarah Ruiz Cabinet member for Children's Services
Directorate Service:	G3030C-Operations & Safeguarding	Lead Officer and Post:	Emma Cockerell, Director for Children's Social Care and Safeguarding
Full Implementation Date:	01/04/2025	Cost Centre(s):	

Financial Impact:	Current Budget 2022-23	Savings/Income 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Total Savings/Income
Budget (£000)	66,032		150	50	200

Investment Required:	Recurring Investment	Investment 2023-24	Investment 2024-25	Investment 2025-26	Total Investment
Budget (£000)	No				

Staffing Impact (if applicable):	Current 2022-23	FTE Reductions 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	Total FTE Reductions
Employees					

Proposal Summary:
<p>Ensuring that we have local accommodation for our vulnerable children and young people is vital to ensure they remain close to their local networks, and support to improve outcomes. This supports strategic priorities to support CYP in Newham and wider Manifesto expectations.</p> <p>This programme of work is focussed on commissioning and procurement and working through agreed capital mandates. These are focussed on Care Leavers, Fostering and Residential.</p> <p>There are no proposed staffing reductions and as we develop accommodation units, we are likely to need to commission a provider to deliver services.</p> <p>A need also exists to regularly review placements and the funding investment would actively support one or two externally commissioned reviews of placements per annum, to ensure decision-making is challenged by experts in the field. Reviews take place regularly, but scrutiny needs to happen regularly from a financial perspective.</p>

Consultation is likely to be required with service users and residents, dependent on what schemes are approved.

Revised Provision:

The outcome will be more local provision where we can place vulnerable children and young people in Newham, across managed council provision and in-house foster care.

There would also be a value statement introduced for certain cases over a financial threshold to demonstrate value for money.

Risk and Mitigations:

Key risks include;

- Timeliness – There are risks around the availability of resources to deliver housing projects.
- Rising demand and complexity – Children are supported for longer periods due to rising complex needs and demand increases for services.
- Deferral in capital investment will put the saving at risk of being realised.

Resources and Implementation:

Resources for this programme of work will be handled in-house by CYPS.

Timescales are;

October – Business cases submitted.

Across 24-25 we will review options for increasing the number of units. Newly commissioned accommodation

MTFS REVENUE PROPOSAL

Proposal Title:	Citizen’s Assembly – Disability Friendly Borough (Adult Social Care Collaboration)
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Reference:	SAV / MAR 003 / 24-25	Proposal Type:	Service Efficiencies
Directorate:	G3700B-Marketing	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G4206C-Policy & Communications	Lead Officer and Post:	Noel Hatch, Head of Policy, Research and Partnerships
Full Implementation Date:	31/08/2024	Cost Centre(s):	G12300

Financial Impact:	Current Budget 2023-24	Savings/Income 2023-24	Savings 2024-25	Savings 2025-26	Total Savings
Budget (£000)	60	0	55	5	60

Investment Required:	Recurring Investment	Investment 2023-24	Investment 2024-25	Investment 2025-26	Total Investment
Budget (£000)	Yes	0	0	0	0

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	Total FTE Reductions
Employees (FTE) or state N/A	n/a	n/a	n/a	n/a	n/a

Proposal Summary:

Working with adult social care, it is proposed that the next Citizens Assembly explores how to create a disability friendly borough, focusing on physical and sensory disabilities, filling a gap within adult social care and wider Council policy. It would also support the delivery of one of Our Newham Promises pledges around disability (under development).

To deliver the Citizens Assembly, a Mayoral manifesto commitment, it is proposed that the management of the Citizens Assembly is brought in house, rather than wholly externally commissioned, this revised provision would build expertise in-house and integrate more innovative co-design approaches into the design and delivery of the Citizens Assembly, building on best practice in the Youth Citizens Assembly and the organisational co-design standards under development.

This could enable yearly or biannual delivery of a Citizens Assembly by 2025. The budget requirements in subsequent years would drop to minimal temporary resource (citizen’s scientists), budget for public participation and accessibility support, and funding for pilot project(s). The proposal would result in a long-term cost reduction and efficiency and deliver on the Mayoral manifesto commitment. Previously £100,000 was agreed for 2024-25 budget for the delivery of the Citizens Assembly, but this savings proposal would generate £55,000 cost saving in 2024-25 and £70,000 the year after, compared to the estimated £100,000 delivery cost of an external agency.

Citizens Assemblies typically use a random sampling approach to select and recruit citizens, to ensure the Assembly is representative of the wider population. There is an interdependency with another savings proposal, the Citizens Panel, as this would provide the mechanism for randomly selecting residents to take part in the Assembly.

*Citizen scientists are local people who are trained to be social scientists in their own communities. UCL’s Institute for Global Prosperity is a Council partner and holds a citizen science academy which trains participants in research ethics, qualitative and quantitative methods, and data analysis and research communications, they work with academics and stakeholders to design research that captures local experiences and reflects what matters to local people and communities.

Revised Provision:

The Permanent Citizens Assembly would be held once a year, with most activities delivered in house with support from independent facilitators and experts. It is proposed that a funded co-design pilot is built into the implementation phase to develop one or more of the recommendations into product/service prototype.

Risk and Mitigations:

Manifesto commitment not met if the Citizens Assembly is not delivered.

Risks identified:

- The topic is too broad, leading to multiple recommendations around issues that the Council does not have power over.
- Funding may be required to implement substantial policy and service recommendations, especially if it is found we are not meeting our legal duty to make reasonable adjustments (Equality Act 2010)
- There is risk of reputational damage and legal action if it is found that the Council is not meeting its legal requirements to make reasonable adjustments as
- Moving proportion of work from a provider to in-house will result in a reduction in officer capacity and risk that the project time required is higher than anticipated, causing additional capacity constraints.
- Loss of independent provider may have implications for level of trust in findings/recommendations.

Mitigations:

- Clear roles and responsibilities could help mitigate reduced officer time, as would the use of citizen scientist to provide ad-hoc facilitation support for the delivery of the Assembly.
- Ad-hoc officer support from the directorate commissioning or collaborating on the Citizens Assembly could help plug resource gaps and ensure information and expertise is shared across teams efficiently.
- An independent advisory panel will provide peer review and help mitigate the risk of bias.
- Citizens scientists, who are independent and locally based, will provide legitimacy and help build trust with residents and the deliberative process.

Resources and Implementation:

It's estimated that 1.2 FTE will be required to project manage and deliver the Citizens Assembly. Personnel already exist within the research and inclusion team, but this will have implications in terms of team capacity to deliver other research and inclusion programme. In addition, other teams, such as Co-Production and Adult Social Care (transformation), will be required to support and participate in Citizen Assembly workshops and steering committee and/or to support disabled residents to participate (0.2 FTE on average).

A project working group, internal steering committee plus an independent advisory panel and clear governance process will need to be set up to ensure that a high quality, independent Assembly is delivered that can lead to actionable recommendations that deliver on Corporate priorities.

The milestones and timelines below are indicative. A detailed project plan is available upon request.

Initiation: Sept 23- Dec 23

- Agree scope, project management plan, work breakdown,
- Sign off CMT: mid-Nov23

Planning: Dec 23- Mar 24

- Procurement plan
- Steering Committee set up and terms of reference
- Recruitment of Assembly members and experts
- Setting up advisory panel and terms of reference

Delivery: Apr 24 – Aug 24

- Citizens Assembly deliberative dialogue workshops/sessions
- Recommendations
- Write up and

Action Planning and implementation: Sep 24-Nov24

- Co-design pilot
- Recommendations to Cabinet

MTFS REVENUE PROPOSAL

Proposal Title:	Savings in Executive and Business Support
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Reference:	SAV / RES 003 / 24-25	Proposal Type:	Service Transformation
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G4150C-CORPORATE AND BUSINESS SUPPORT	Lead Officer and Post:	Kirk Dede – Director of Corporate and Business Support
Full Implementation Date:	01/08/2024	Cost Centre(s):	Various

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	2,891	200	140		340

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	Choose an item.				

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A					

Proposal Summary:
<p>The current function of Business Support team includes 84fte and supports 34 teams and 3 Directorates split across the respective council offices. Core functions include supporting child protection conferences, statutory meetings for social care, submission of SJP court files, process housing direct debits, looking after rent accounts and greenspace enquiries.</p> <p>The service will review functions of staff in other services across the council. Any staff fulfilling similar roles will be consolidated into the Business Support structure to help achieve economies of scale and eliminate duplications.</p> <p>The target savings will be 10% of the existing headcount, estimated at around 7-8 FTE, savings £160k over 2 years.</p> <p>Delete one Senior Manager Role and replace with lower graded post</p> <p>Exact proposal to be formulated with required consultation with staff concerned under HR policy and hence not detailed at this stage - savings £100k</p> <p>Review of Executive Support across the council, sharing resources at Director Level.</p> <p>The proposed approach would be to identify similar roles across the council to reduce duplication and merge teams. As a result all executive support arrangements will be managed centrally with some modest reductions to the level of support provided – savings £80k over 2 years.</p>

Revised Provision:

-

Risk and Mitigations:

Will need buy in from other services. Engage early and get support from CMT.

Support to frontline statutory services interrupted either through transition or increase in staff sickness if staff morale reduces. Ensure sufficient staff trained in key areas to cover, create clear prioritisation plan.

Resources and Implementation:

N/A

MTFS REVENUE PROPOSAL

Proposal Title:	oneSource Dividend
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Reference:	Choose an item. SAV/RES005	Proposal Type:	Service Efficiencies
Directorate:	G4000B-Resources	Lead Member and Portfolio:	Councillor Zulfiqar Ali Cabinet member for Finance and Resources
Directorate Service:	G7131C-Procurement	Lead Officer and Post:	Kirk Dede – Director of Corporate & Business Support & Giles Clarke, Director of Property Services
Full Implementation Date:	01/04/2024	Cost Centre(s):	Various

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	7381	200	150	N/A	350

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	Choose an item.	N/A	N/A	N/A	N/A

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A	TBC	3-5			3-5

Proposal Summary:
<p>Procurement has transferred from OneSource back to LBN in December 2023. A review of the service offering and current resource will be carried out with a view to delivering a 10% saving. This is expected to be easy to deliver and is in line with the existing staffing proposal, which has already been consulted on through our formal HR processes. The slimmed down offer will focus on compliance rather than trying to apply commercial expertise across a wide range of different sectors, which is the current model and which has not delivered agreed savings</p> <p>Asset Management and Commercial Property will have moved from OneSource back under the LBN umbrella, to be amalgamated with the rest of Property Services. It is anticipated that a saving will be able to be made once a review of the whole service has been completed.</p> <p>Offering up a larger saving at this stage could expose the council to unnecessary risk in an area that generates a large income revenue from commercial property, and also has a serious duty of statutory compliance to ensure safety of officers and residents using council owned buildings. As such a realistic and deliverable option is being proposed.</p>

Revised Provision:

N/A

Risk and Mitigations:

N/A

Resources and Implementation:

N/A

MTFS REVENUE PROPOSAL

Proposal Title:	EV charging profit share
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Reference:	SAV EST 006	Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor James Asser Statutory Deputy Mayor and Cabinet member for Environment and Sustainable Transport
Directorate Service:	G4262C-Environment and Sustainable Transport	Lead Officer and Post:	Jamie Cooke & Richard Wadey
Full Implementation Date:	16/09/2024	Cost Centre(s):	TBC

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)		100	100	100	300

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	No				

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A					

Proposal Summary:
<p>In short this proposal is based on an income share that the Council expects to receive from the installation of EV charging points.</p> <p><i>What is the impact of the proposal on achieving the strategic priorities/manifesto commitments of the Council?</i> This proposal aligns very closely with the manifesto commitment to install Electric Vehicle Chargers. Therefore, this proposal has a positive impact on the priorities of the council.</p> <p><i>Does the proposal alter patterns of statutory provision? If so, please describe how the Council will continue to meet its statutory obligations?</i> No</p> <p><i>What Service will this growth/saving impact?</i> Transport Policies and Programmes Service which is part of the wider Highways, Transport and Parking Service</p> <p><i>Are there any staffing reductions?</i> No</p> <p><i>Detail any required procurement activity.</i> Already completed for the initial installation phase, but further procurement maybe needed for later stages of installation.</p> <p><i>Detail any requirements around contract renegotiations</i> Yes, but these are largely complete for this phase.</p> <p><i>What stakeholder engagement is required? Any statutory consultation required?</i> Resident notification will be required for the installation.</p>

Revised Provision:

Service Continuity/Transformation: Following implementation of the saving, please describe how the Service taking the saving will continue:

- Does the saving lead to new models of service delivery?
- No
- What are the potential benefits of these models, aside from cost savings (e.g. client resilience, greater diversity of service offer, improved access via different channels)?
- The initiative will increase air quality and the take up of electric vehicles which are less polluting than internal combustion engine cars
- Will the Service continue to support the same client group?
- Yes
- Will the Service meet similar needs for other client groups?
- Yes
-

Service Withdrawal: Where the council are withdrawing a service/closing a whole Service:

The council will not be withdrawing a service as part of this initiative

- Do other Services within the Council provide support for this client group and will these continue?
- Does the provision meet a universally agreed need, or is it unique to Newham?
- Is there precedent for withdrawal of similar services in Newham or elsewhere?
- If so, how has the community adapted over the short and medium term?
- Have we learnt from/ adopted/adapted best practice from these examples?
- Is there voluntary sector or community capacity available or under development in Newham to help former service users adapt?

Risk and Mitigations:

What will the major risks on the project be?

Delayed implementation and installation of the EV points

What will their impact be on the project and Newham Council?

Delayed manifests to commitments and income associated with the EV units

What are the possible mitigation strategies?

Effective project management for the installation of the EV units

Quantify the risk if possible, i.e. if the risk materialises the saving will reduce by £x

If the units cannot be installed, then the full income level would be lost

Resources and Implementation:

What are the resources needed to build up the proposal?

The specialist engineer resources have been secured

Is feasibility work required?

No

What needs to happen for implementation? Timeline and activities required by month.

Project plan can be made available

MTFS REVENUE PROPOSAL

Proposal Title:	Adaptive Lighting
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Reference:	SAV / EST 012/ 24-25	Proposal Type:	Reduction in Provision
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor James Asser Statutory Deputy Mayor and Cabinet member for Environment and Sustainable Transport
Directorate Service:	G4260C-Highways and Sustainable Transport	Lead Officer and Post:	Jamie Cooke – Director of Highways, Parking & Transportation
Full Implementation Date:	05/08/2024	Cost Centre(s):	G16190 (subjective 621280)

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	1,055	565	145		710

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	No	65			65

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A	n/a				

Proposal Summary:
<p>The proposal is to introduce a Street Light Adapting Policy across the borough for Highway Street Lights. This proposal does not propose to implement any adaptation outside of the public highway envelope, i.e. housing or parks lights.</p> <p>The proposal will allow for a reduction in energy consumption where the policy is implemented and as such the amount the Council pays for its street lighting power. The added benefit would be that the Council's Carbon Footprint would also be reduced, as the amount of energy consumption goes down.</p> <p>To enable this proposal to be taken forward, it is proposed that it is tackled in stages, as outlined below. This will allow the Council to demonstrate that it has followed due process in making the decision before it fully rolls out any adaptation policy. There will be an initial investment cost to commence the proposal. This has been estimated to be £65 k and will be spent in 2023/24.</p> <p>It should be noted that due to energy inflation although the budget stated for 23/24 is shown as £1,055k, this does not take into consideration how electricity costs have rapidly risen and therefore the service budget is not sufficient and requires an allocation from energy contingency. It is estimated that the required budget to cover the costs in this financial year is £2.1m. Therefore, next year's budget would need to be circa £1.5m in 2024/2025 once the £500k saving has been taken into account.</p> <p>Stage 1 – Assessment and Evaluation This stage has already been undertaken to ascertain what the potential benefits, risks and cost implications are if the policy was rolled out. This is detailed below under the Potential Saving, Risks and benefits section</p> <p>Stage 2 – Consultation and Communications Exercise An engagement exercise with key stakeholders and other Local Authorities will be undertaken to ascertain any potential issues that may emerge in order that these can be carefully considered and mitigated. This will provide an opportunity for a lessons learnt from others experience and benchmarking with other authorities.</p>

Stage 3 – Trial Adaptive Lighting Assessment

To allow the Council to understand any potential issues experienced by residents within an area that the policy is implemented in, it is proposed that a trial exercise is undertaken on several sites in the borough. This will allow the Council to trial various lighting level scenarios on different road types and report on the potential outcome, benefits and potential disadvantages. The outcome of this will govern how the overall proposal will be implemented across the whole borough. The savings figure provided above is based on estimates against high level lighting scenarios and therefore will only be confirmed once the above due diligence stages are complete.

Stage 4 – Roll Out and Monitoring

The proposal will be rolled out across the borough and a monitoring exercise will be undertaken to ensure lighting levels are appropriate. It is likely that as roll out is undertaken there will be a high-level communications with residents.

Revised Provision:

The assessment has been delayed due to a number of external factors outside of the control of the project team. It was originally anticipated that the trial would have been undertaken and a report presented to Cabinet by September 2023. This is now expected in Summer 2024.

Risk and Mitigations:

- ▲ There has been no engagement or consultation regarding the proposal so far.
- ▲ There is also a reputational risk to the Council's in adapting the lighting levels and the perceived safety issues
- If after the lighting trial it is found that the initiative is not supported, it may not progress further and therefore the savings will not be realised

Resources and Implementation:

- ▲ There are not sufficient resources in house to undertake this project, so it will require additional resources (service) provided via the Highways Professional Services Contract. An allowance of £65k has been allowed for this.
- The roll out will take approximately six months, not including Cabinet approval process. Therefore, there is only likely to be a part year affect for the savings.

MTFS REVENUE PROPOSAL

Proposal Title:	Increased income from road furniture
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Reference:	SAV / EST 018/ 24-25	Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3600B-Environment and Sustainable Transport	Lead Member and Portfolio:	Councillor James Asser Statutory Deputy Mayor and Cabinet member for Environment and Sustainable Transport
Directorate Service:	G4262C-Environment and Sustainable Transport	Lead Officer and Post:	Robert Clarke Assistant Director Environmental Transformation
Full Implementation Date:	01/10/2024	Cost Centre(s):	G16300

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	(100)	110	190		300

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	No				

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A	N/A				

Proposal Summary:
<p><i>This proposal seeks to replace the current contract for street advertising. The main proposals that will be put in place after procuring a new provider will be</i></p> <p><i>An upgrade of the current paper based advertising units to digital. This will increase the amounts of adverts per unit and this increase revenue</i></p> <p><i>Provide improved terms to LBN for the use of the land that the advertising units are situated</i></p> <p><i>Improved linkage and support for corporate policies around public health and what can and can't be advertised on the borough</i></p> <p><i>Upgrade for the paper based sites at the cost to the new provider</i></p> <p><i>A procurement exercise will be put to the market during the remaining part of the 23-24 financial year with an expectation that the revised arrangements will go live in the 24-25 financial year.</i></p> <p><i>What is the impact of the proposal on achieving the strategic priorities/manifesto commitments of the Council? This proposal improves the income from advertising space at no additional cost to LBN. It also provides an element of free advertising space should there be spare capacity in month. It also supports the corporate activity around what can and can't be advertised on the borough</i></p> <p><i>Does the proposal alter patterns of statutory provision? No</i></p> <p><i>What Service will this growth/saving impact? There will be an ability to use spare advertising space at no cost in any given month e.g. public health could use any remaining capacity to promote public health initiatives</i></p> <p><i>Are there any staffing reductions? No</i></p> <p><i>Detail any required procurement activity. Cabinet paper is expected to be approved in March 24 with procurement activity expected to take place shortly thereafter. It is expected that the new service will commence within the 24-25 financial year</i></p> <p><i>Detail any requirements around contract renegotiations There are no contract renegotiations required with the existing provider as notice has already been served on them.</i></p> <p><i>What stakeholder engagement is required? Any statutory consultation required? Nil</i></p>

Revised Provision:

Service Continuity/Transformation: Following implementation of the saving, please describe how the Service taking the saving will continue: N/A

- *Does the saving lead to new models of service delivery? N/A*
- *What are the potential benefits of these models, aside from cost savings (e.g. client resilience, greater diversity of service offer, improved access via different channels) N/A*
- *Will the Service continue to support the same client group? N/A*
- *Will the Service meet similar needs for other client groups? N/A*
-

Service Withdrawal: Where the council are withdrawing a service/ closing a whole Service: N/A

- *Do other Services within the Council provide support for this client group and will these continue? N/A*
- *Does the provision meet a universally agreed need, or is it unique to Newham? N/A*
- *Is there precedent for withdrawal of similar services in Newham or elsewhere? N/A*
- *If so, how has the community adapted over the short and medium term? N/A*
- *Have we learnt from/ adopted/ adapted best practice from these examples? N/A*
- *Is there voluntary sector or community capacity available or under development in Newham to help former service users adapt? N/A*

Risk and Mitigations:

What will the major risks on the project be? The major risk to the project is having staff available from procurement to help with the procurement activity to get the revised arrangements to market.

What will their impact be on the project and Newham Council? Loss of income

What are the possible mitigation strategies? Ensure that Procurement staff can be made available for as soon as the paper is approved at Cabinet.

Quantify the risk if possible: We have made assumptions that revised contract arrangements will be in place from around August 2024. Delays past that date could reduce the 24-25 of £110k by circa £16k per month

Resources and Implementation:

What are the resources needed to build up the proposal? Procurement staff to assist and oversee the development of procurement products.

Is feasibility work required? No

What needs to happen for implementation? Timeline and activities required by month.

Assuming the paper is approved at March Cabinet the usual procurement timeline for a contract of this value should see the revised arrangements in place by August 2024. The chosen provider will have the responsibility to upgrade the current signage and infrastructure as part of the contract.

MTFS REVENUE PROPOSAL

Proposal Title:	Increase in Room Hire Income
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Reference:	SAV / MAR 008 / 24-25	Proposal Type:	Income Generation - inc Fees & Charges
Directorate:	G3700B-Marketing	Lead Member and Portfolio:	Councillor Charlene Mclean Cabinet member for Resident Engagement and Resident Experience
Directorate Service:	G3041C-Resident Engagement & Participation	Lead Officer and Post:	Mohamed Hammoudan
Full Implementation Date:	01/04/2024	Cost Centre(s):	G08023 and G08024

Financial Impact:	Current Budget 2023-24	Savings/Income 2024-25	Savings/Income 2025-26	Savings/Income 2026-27	Total Savings/Income
Budget (£000)	463	40	20	0	60

Investment Required:	Recurring Investment	Investment 2024-25	Investment 2025-26	Investment 2026-27	Total Investment
Budget (£000)	No				0

Staffing Impact (if applicable):	Current 2023-24	FTE Reductions 2024-25	FTE Reductions 2025-26	FTE Reductions 2026-27	Total FTE Reductions
Employees (FTE) or state N/A	0				0

Proposal Summary:
<p><i>As part of the community space review, the Council will have two newly refurbished community centres opening in 2024. These were previously run by external organisations with no rental income to the Council, whilst the Council maintained R&M and other costs. Operated fully by the Council, the income from room hire will now come to the Council. Additional operating costs have been factored as part of the business case for bringing the centres back into council control and are minimal. Key-holder agreements minimise staffing requirements, and all lettings rates cover staffing and cleaning. The anticipated income is based on experience of running centres, with an average of £30k and up to £100k being achievable. A growth in income is expected from the 1st to 2nd year of operation. And the forecast of £20k per centre in year 1 of operation is realistic.</i></p> <p><i>Resident Engagement and Participation</i></p> <p><i>No staffing reductions</i></p> <p><i>No procurement activity is required</i></p> <p><i>No requirements around contract renegotiations</i></p> <p><i>No statutory consultation is required. The provision to residents will be enhanced.</i></p>

Revised Provision:

This will provide an enhanced community centre offering to residents.

Risk and Mitigations:

Delays in work could delay the opening of the centres, which could impact the level of income achieved in the first year of operation.

Mitigation – Housing RMS service is leading the works and is experienced at managing small projects.

The increase in income has been staggered over two years to allow usage of the centre to grow.

Resources and Implementation:

REP is experienced in activating and running community centres. The service is already receiving enquiries from groups who want to use the centres.

No further resource is required.

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Appendix B - Growth Requirements Social Care

1. Adult Social Care: Key Assumptions

Demographic Growth Requirement

Table 1: Financial Impact of Demographic Projections

Service Classification	Demand Client Numbers			Demand Growth £		
	Working Age	Older People	Total	Working Age £000's	Older People £000's	Total £000's
Daycare	9	12	21	70	27	97
Direct Payment	15	13	28	428	257	684
Extra Care	1	2	3	23	47	69
HomeCare & Reablement	12	43	55	146	589	735
Nursing	1	5	6	43	253	296
Residential	2	7	9	190	349	538
Shared Lives	1	0	1	28	8	37
Supported Living	9	2	11	407	85	493
Total	50	84	134	1,335	1,615	2,950

- The total number of clients is projected to increase by 134
- Financial growth requirement of £2.950m

The analysis has identified a projected increase in client numbers of 134 in 2025/26.

The total demand growth for adult social care services is £1.3m for working-age adults and £1.6m for older people. The total number of clients served is 49 working-age adults and 84 older people, making a combined total of 134 individuals (Table 1).

Table 2: Projections in Client Numbers

Service Classification	Working Age			Older People			Total		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
Daycare	453	456	458	400	417	434	854	873	892
Direct Payment	769	773	777	463	482	502	1,231	1,255	1,279
Extra Care	54	54	55	78	82	85	133	136	140
HomeCare & Reablement	605	608	611	1,494	1,556	1,619	2,099	2,164	2,230
Nursing	32	32	32	160	166	173	191	198	205
Reablement	16	16	16	52	54	56	68	70	72
Residential	110	111	111	232	242	252	343	353	363
Shared Lives	48	49	49	9	9	9	57	57	58
Supported Living	452	455	457	64	67	69	517	522	527
Total	2,539	2,554	2,566	2,952	3,075	3,199	5,493	5,628	5,766

- By 2027/28, the number of clients is expected to reach 5,766

The projected increases in client numbers have been derived through a careful analysis of historical trends, which provides a localised and more precise methodology for forecasting demographic growth. The approach considers past activity patterns alongside national indicators, such as Poppi (Projecting Older People Population) and Pansi (Projecting Adult Needs and Services), ensuring a more comprehensive and accurate projection.

This data highlights the varying demand growth and client distribution across different social care services, emphasising the need for targeted funding and resource allocation to meet the diverse needs of both working-age adults and older people.

Cost Inflation

Cost inflation in adult social care is a significant challenge that impacts the sustainability and quality of care services.

Factors Contributing to Cost Inflation

The aging population and increasing prevalence of chronic conditions have led to a higher demand for social care services. This growing demand puts pressure on existing resources and necessitates additional funding.

The social care sector faces a workforce crisis, with high staff turnover and difficulties in recruitment. The basis for the inflation calculations pertaining to wages are using the increases in National and London Living wage

The costs of running care homes, providing care services increase due to rising utility bills, maintenance expenses.

Compliance with health and safety regulations, as well as other legal requirements, adds to the operational costs of social care providers.

General inflation affects the cost of goods and services, including food, medical supplies, and transportation, which are essential for providing care.

National Insurance Changes

The rise in employer National Insurance Contributions (NICs) has led to higher payroll costs for care providers by way of 1.2% increase in employer contributions and a reduced threshold to £5,000

Social care providers often rely on low-wage, part-time staff. The increased NICs, combined with the rise in the National Living Wage (NLW) and London Living Wage (LLW), have exacerbated financial strain.

Providers are facing higher operational costs due to inflation and increased utility bills. This, coupled with the NICs increase, has made it difficult to maintain service quality and staffing levels.

Many providers are struggling to remain financially viable. Without adequate funding adjustments, there is a significant risk that some may be forced to cut services, reduce staff, or be unable to continue to operate.

The December Local Government Financial Settlement confirmed that social care providers were not exempt from the NIC changes.

Rising costs can strain the financial resources of social care providers, especially those reliant on fixed budgets or limited funding sources. This can also potentially lead to cuts in service quality.

Inflation Calculations

After careful consideration of the demographic growth requirements, several different inflationary factors were modelled.

A methodology to reflect wage increases, alongside general inflation, produced an uplift rate of 5.3%. This will cost £6.6m in 2025/26 and represents the maximum level of support the Council can offer within the current financial constraints.

Table 3 – Cost Inflation Calculations

Service Classification	Working Age	Older People	Total
	5.30%	5.30%	5.30%
	£000's	£000's	£000's
Daycare	189	51	239
Direct Payment	1,158	483	1,641
Extra Care	61	88	149
HomeCare (including Reablement)	394	1,056	1,450
Nursing	118	477	594
Residential	513	657	1,170
Shared Lives	77	16	93
Supported Living	1,102	161	1,263
Total	3,612	2,988	6,600

For the purpose of the calculation, the formula was applied uniformly across all service areas to determine the total growth requirement of £6.6m. After the fee increase assessment process concluded, the actual increase will vary across individual providers based on a number of criteria.

Structural Pressure

The quarter three budget monitoring report identified a pressure of £10.1m within the Adults and Health position for 2024/25.

After adjusting for non-recurrent items, this has been assessed as a structural pressure of £8.7 million.

This pressure is attributed to increased demand, inflation across the care sector, and the complexity of clients' needs.

The proposed budget growth of £8.7 million will enable the budget to be recalibrated in accordance with the projected outturn for 2024/25.

2. Children's Social Care: Key Assumptions

Demographic Growth Requirement

Projected increase in demographic growth pressures is based on analysis of historical trends - the projected cost is £1.4m. Children in Care (CiC) numbers are not as high as originally anticipated. This takes into account 3.8% increase in the number of CiC from 393 to 408 by March 26. 3.8% is the average growth in numbers from March 22 to September 24 – historical increases in CiC numbers are not in line with changes to child population. Children in Care unit costs is based on the average from April to September 24.

Table 4 – Demographic Growth Children Social Care

Placement Type	Dec 24 Number	April - Dec 2024/25 Weekly Unit Cost £	Non-Placement Costs - contact / subs / transport etc	Total CiC Cost (Weekly)	+3.8% on current numbers	Spread of Demographic Growth £
Residential Home	37	8,060	130	8,190	1.4	597,827
Parent and Child Assess	0	4,644	130	4,774	0	-
Semi Independent Accom	32	2,899	130	3,029	1.2	189,493
IFA	160	1,241	130	1,371	6.1	435,958
Inhouse Fostering	87	556	130	686	3.3	117,959
Kinship	8	368	130	498	0.3	7,788
Reg 24 Placements per CiC	22	237	130	367	0.8	15,298
Secure	0	17,839	130	17,969	0	-
Residential Schools	1	3,219	130	3,349	0	-
Supported Lodgings- new placement type	1	690	130	820	0	-
Placed with Parents / Placed for Adoption / Hospital - No Cost	36	-			1.4	-
YOI	3	2,303	130	2,433	0.1	12,686
Other - cost	4	200	130	330	0.2	3,442
TOTAL	391					1,380,450

Protection of Vulnerable Children

£0.6m has been built-in to increase the budget available for Section 17 expenditure. Section 17 of the Children Act 1989 requires Local Authorities to provide services and financial support to children in need. The section also aims to promote the upbringing of children by their families. The number of children in care in 2024/25 has remained relatively stable due to an increase in Section 17 packages being put in place to keep children safely at home. S17 expenditure is forecasted to increase by 6% in 2024/25 compared to 2023/24.

Impact of LLW and NIC

Providers are facing higher operational costs due to increases in the National Insurance Contributions (NIC) combined with the London Living Wage. The financial implication of NIC is an increase of 3.8% and LLW of 5%. £0.9m has been included as a growth item to manage the cost implication of LLW on commissioned placements for Residential / Supported Accommodation and Direct Payments. Due to the Councils financial constraints the expectation is for providers to manage increases to employers NIC.

Structural Budget Pressure: Rebasing

The forecast overspend for CYPS at the end of Quarter 3 reported to Cabinet was a pressure of £8.7m. This is largely driven by non-delivery of previous MTFS savings, care leavers being supported longer than budgeted due to the challenging housing landscape along with significantly higher average placement costs. There are plans to mitigate some of the MTFS savings, however £2m will be undelivered, £0.8m due to financially supporting Care Leavers beyond their 21st birthday and the remaining £3m will go towards reducing the structural budget gap due to rising costs and shortage of placements.

The number of children in care (excluding Unaccompanied Asylum Seeking Children) increased by 7.4% from March 2023 to March 2024 this increase in demand was higher than anticipated during the 2024-25 budget planning process. This combined with the average cost of a child in care increasing by 15% in 2023/24 and a further 13% in 2024/25 has left a budget shortfall. The increase in costs is due to an increase in complexity of needs of children in care combined with an increasing dominance of large private sector providers.

Dynamic Purchasing System

£0.6m for Independent Living Support (Learning Disability clients) – adults pay a higher hourly rate for commissioned care packages - £22.22 compared to £19.36 per hour in children's (a few packages are below £19.36 per hour). The growth is based on the current number of hours currently commissioned (2968 per week) multiplied by the hourly rate increase, including an additional uplift of £1.84 per hour in 25/26. Growth takes account of the part-year impact in 25/26 – framework goes live in July.

High Needs

1m to address areas of the high needs budget which require a change of approach in line with the latest DfE guidance on eligible Dedicated Schools Grant (DSG) spend. These are areas of expenditure previously funded out of the DSG however going forward would need to be from the general fund. There has been a significant increase in the number of EHCPs growing from 2,800+ in December 2024 to 3,400+ in January 2025.

3. Housing benefit (HB) subsidy budget growth 2025-26

HB subsidy regime for Temporary Accommodation (TA)

Subsidy, in respect of HB paid for TA tenancies is seen as an 'incentive area' by the Department for Work and Pensions (DWP) – the imposition of limitations on the amount of subsidy paid is seen by the DWP as an incentive to Local Authorities to minimise the use of such accommodation, because the Local Authority has to make up any shortfall. To explain the difference HB and subsidy;

- The authority awards and pays HB to recipients, based on the rent charged, and other circumstances
- The DWP pays subsidy in respect of those payments to the local authority
- In many cases, due to the 'cap' the HB paid to recipients in TA > Subsidy paid by DWP to the LA.

The cap is the maximum weekly subsidy payable in TA cases is the lower of; the amount of the award of HB; 90% of the Local Housing Allowance rate at January 2011 for the size and location of the property; and £375, or £500 in a small number of inner London areas. Note this does not apply to HRA tenants.

Therefore, the subsidy loss (the difference between HB awarded and subsidy received) the authority incurs is dependent upon a number of factors: the size of the household, which will determine the size of the property; the availability of property which will determine the locality; the rent charged to mitigate the cost of procuring the property; the needs and income of the household since that will affect the award; and a now 14 year old LHA rate which is very different to the market rates at which property can now be procured and from the current LHA rates. If households are in privately rented accommodation, DWP would be happy to pay the full LHA rate, but this is not the case if they are in Council procured TA. Arguably, this saves DWP budgets with the cost of subsidy loss borne by Local Authorities.

Requirement for £2m growth in budget from 2025-26

There are two elements to the £2m growth:

- £1m is the residual amount from a growth requirement of £1,970k included in last year's MTFs resulting from the impact of working households migrating to Universal Credit (UC); this was spread over two years which was the indicative timescale for UC migration.
- £1m relates to revised net growth figures for households coming into TA, the base assumption for which rose from 30 per month to 50 per month.

Working households migrating to Universal Credit

Under UC regulations, temporary accommodation is excluded from rent support within UC and instead continues to be provided through Housing Benefit (HB) within local authority administration; UC for households in TA will provide for day-to-day living expenses. As UC is treated as a passporting benefit for HB, any working household would have all their income and capital disregarded in the calculation of HB and effectively qualify for 100% of their eligible rent.

The need for growth arises as TA households migrating to UC who are awarded UC, will not then be subject to a second means test within HB and they will therefore receive maximum eligible HB. In the case of working households who would previously have been subject to a means test in HB, where entitlement would be reduced by 65p for every £1 above the basic needs allowance for the household (the 'income taper'). **This will increase their HB award and take it above the DWP's subsidy cap level, increasing our loss between amounts awarded and subsidy received.** This treatment of rent support for TA means that being in receipt of UC brings certain financial benefits to the households. There is though a financial cost to the authority.

Below is a real life example of the effect on a household, of migration for a couple with 1 dependent child and 2 adult children in 3-bed temporary accommodation in East London.

Table 5 –

Pre-migration	Amount		Post-migration	Amount
Net earnings	£331.92		Net earnings	£368.79
Working Tax Credit	£63.24		Universal Credit	£58.75
Child Tax Credit	£77.24			
Child Benefit	£25.60		Child Benefit	£25.60
	£498.00			£453.14
Housing Benefit	£238.27		Housing Benefit	£388.10
Total	£736.27		Total	£841.24
Rent	£388.10		Rent	£388.10
Rent shortfall	£149.83		Rent shortfall	£0.00

So, if this household in TA, were previously paying the rent shortfall, then they would be £104.97 per week better off post migration (£841.24 less £736.27).

The appropriate subsidy cap in this case is £218.08 each week. Pre-migration, the authority would lose £20.19 (difference between HB awarded and subsidy cap for the case) per week whilst post-migration this rise to £170.02; an increase of £149.83. This may be an extreme example but makes clear the impact on the subsidy budget of UC migration.

Of the 1,200 working households in TA originally subject to UC migration, c.830 have migrated up until January 2025 with the remaining c.390 having to complete migration by April 2025 when Tax Credits will close. The estimated increase in subsidy loss is £30.79 per week for migrating households. This supports the £1.9m in the MTFs; 52 weeks x 1,200 households x £31.

This effect of UC migration, including the disincentive for working households to move on from TA, was unforeseen by DWP. Their intention in allowing authorities to retain HB cases for TA was to maximise income for the authorities with HB payments paid direct to rent accounts rather than the claimant, which is generally the case in UC. DWP are carrying out a survey with authorities on the future of rent support for TA in light of this.

Caseload growth

Whilst the factors above influence subsidy loss on an individual basis, the key driver is the number of households in TA. The initial growth assumption of 30 cases per month has been

revised to 50, and this requires an increase in subsidy budget to meet the potential increased loss.

Whilst the service had a backlog of claims and changes for TA cases through 2023/24, this was resolved by October 2024 and the service has continued work to improve the position. We can see the evidence of this in that the amount of HB awarded during 2024/25 has substantially increased compared to the previous as the service caught up on the backlog. This increase in award will also increase the subsidy loss. The table below shows the total awards for the last 4 financial years along with the forecast for 2024/25 as at the end of December 2024, and the average HB caseload for the year.

Table 6 – Total Awards

	2020/21	2021/22	2022/23	2023/24	2024/25
Total awards (£k)	63,718	61,398	59,041	60,549	67,956
Subsidy Loss B&B (£k)	199	233	474	616	531
Subsidy Loss self-contained (£k)	15,124	14,770	14,347	15,144	18,388
Avg. caseload	4,652	4,463	4,366	4,130	4,583
Cost of awards above cap/total awards (%)	24%	24%	25%	26%	28%

The average weekly subsidy loss per case is currently £69.85 per week; and with the revised assumption of net growth of 50 per month across the year, this would result in a growth in subsidy loss of c.£1m for 2025/26, (full year impact c.£2m).

In terms of the perceived backlog, at the end of December 2024 the caseload was 4,800, in General Fund properties and there were additional 900 active claims for cases in the HRA being utilised as TA. Whilst this total of 5,800 HB caseload, is short of the total number of households in TA, c.7000, there will be underlying reasons for this difference such as failing to comply with the claim requirements or having income too high to qualify. The service continues to work with HPAS and Housing Needs to ensure that HB is maximised for all households entering TA.

Comparison with other London authorities

It is difficult to compare subsidy loss across other authorities given the number of factors (detailed above) that underpin both the amount of HB paid and the amount of subsidy received. However, the key factor will be the level at which rent is set for TA. Authorities seem to adopt one of three approaches:

1. Rent set at the subsidy cap level will result in no subsidy loss but the rent charged will be lower and increase losses on the supply side for the property, i.e. increase the costs to the TA budget.
2. Rent set at the subsidy cap level along plus a management charge (Newham's approach) will incur subsidy loss on housing benefit payment budgets but will reduce the loss on supply side TA budgets.
3. Rent set at the cost to the authority of providing the property (this is now being adopted by a small number of authorities) so the costs will only occur on the subsidy loss budgets.

The table below shows the total housing benefit awards made in 2023/24 along with the amount awarded above the subsidy cap for which the authority would receive nil subsidy.

Fundamentally, the cost of temporary accommodation is the total amount paid to secure accommodation less HB subsidy received less rent payments made the tenant. Unfortunately, not all the figures are in the public domain, but the availability of HB subsidy data means that it is often focussed on as a measure of financial management of TA costs, but this can very misleading. For example, in the table below, Lambeth appears to make no loss on HB subsidy, but because they adopt approach 1 above, all the losses will appear on their TA budget.

Table 7 - HB awards for TA tenancies 2023/24

Authority	Total Awards (£K)	Awards To Subsidy Cap (Not Self-Contained) (£K)	Awards Above Subsidy Cap (Not Self-Contained) (£K)	Awards To Subsidy Cap (Self-Contained) (£K)	Awards Above Subsidy Cap (Self-Contained) (£K)	% Loss
Newham	60,549	4,561	616	39,349	15,144	26%
Westminster	46,176	5,015	1	35,539	28	0%
Tower Hamlets	43,584	5,563	5,312	23,610	7,976	30%
Enfield	43,231	2,473	124	28,689	9,566	22%
Lewisham	38,243	470	519	18,931	15,803	43%
Ealing	36,720	3,283	1,993	19,436	6,789	24%
Lambeth	35,762	48	0	30,781	0	0%
Kensington & Chelsea	30,223	2,212	25	27,060	98	0%
Redbridge	30,142	3,554	576	17,367	2,971	12%
Hackney	27,951	2,283	0	18,964	3,155	11%
Brent	27,900	7,367	9,017	6,551	913	36%
Croydon	23,059	1,918	10	15,687	3,111	14%
Haringey	22,978	372	60	18,422	2,439	11%
Wandsworth	22,138	813	52	19,957	316	2%
Barnet	21,367	119	65	14,630	5,031	24%
Southwark	21,256	1,054	41	18,649	1,003	5%
Hammersmith	14,232	1,620	0	12,388	0	0%
Greenwich	13,828	931	1	11,342	27	0%
Bromley	10,886	1,184	11	9,217	1	0%
Harrow	10,730	1,010	0	6,743	27	0%
Waltham Forest	10,463	888	80	6,761	2,501	25%
Barking	9,743	11	0	6,893	10	0%
Merton	8,846	235	176	3,972	4,247	50%
Islington	7,655	494	0	6,846	0	0%
Sutton	7,484	753	0	5,857	605	8%
Kingston	7,259	400	2	6,623	71	1%
Hounslow	6,338	4,095	56	1,712	236	5%
Hillingdon	6,183	757	-2	4,341	793	13%
Richmond	5,013	164	6	4,145	195	4%
Camden	4,939	1,953	94	2,459	37	3%
Bexley	4,811	295	13	4,337	1	0%
Havering	3,709	7	0	3,589	0	0%

Appendix C - Capital Strategy

1. Introduction

- 1.1 The Capital Strategy sets out the strategic approach for the Council's capital management and investment plans of capital resources across the medium term, combining service planning and the budget setting process. It sets out the principles for prioritising the Council's capital investment under the prudential system. This will optimise the ability of the Council to achieve its overarching vision and priorities. It represents an essential element of the Council's overall Medium-Term Financial Strategy (MTFS).
- 1.2 The Strategy sets out the approach of the Council towards capital investment over the next three and future years and provides a structure through which the resources of the Council, and those provided by key partners, are allocated to help meet the priorities outlined within the Council's Strategic Framework. It is concerned with all aspects of the Council's capital expenditure programme: planning; prioritisation; management; and funding.

2. Operating framework

- 2.1 Local Government capital finance is governed and operates under the Prudential Framework in England, Wales and Scotland. The Prudential Framework is an umbrella term for a number of statutory provisions and professional requirements that allow authorities largely to determine their own plans for capital investment, subject to an authority following due process in agreeing these plans and being able to provide assurance that they are prudent and affordable. The Prudential Code is a framework designed by the Chartered Institute of Public Finance and Accountancy (CIPFA updated version 2021), which underpins local authority capital investment.
- 2.2 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].
- 2.3 Newham's Corporate Delivery Plan – Building a Fairer Newham, lays out the Priorities which guide the targeting of financial resources and inform the Capital Strategy:
- A healthier Newham and ageing well
 - Newham's inclusive economy to support you in these hard times
 - Your neighbourhood
 - Safer Newham
 - Homes for our residents
 - Supporting our young people
 - People powered Newham and widening participation
 - A campaigning Council

3. Continuous Improvement of Capital Strategy

- 3.1 In summer 2022 the Council launched the Building a Fairer Newham Strategy. Building a Fairer Newham takes forward the achievements of the Council from the past four years with a clear purpose to serve the people of Newham. The Corporate Plan outlines actions and desired outcomes across all the Council's priorities, and it is now tasked with delivering.
- 3.2 Capital Investment in the Borough has a key role to play in delivering these priorities as well as ensuring underpinning requirements such as Health & Safety are met.
- 3.3 However, finite resources throughout the lifespan of the Capital Plan demand a framework for comparing and prioritising capital funding requests to ensure the Council maximises the outcomes that can be delivered in line with corporate plans. The capital budget process requires capital options to be considered, assessed and evaluated against each other, taking into account potential future needs and affordability in the near and long term.
- 3.4 Prioritising non-related projects from different services against each other with significantly differing financial and non-financial benefits and over an extended time frame is clearly a complex undertaking.
- 3.5 During 2022/23 The Council developed a high-level pipeline of all capital investment needs over a 10-year horizon to enable recommendations to be informed by the longer-term strategic planning and prevent short sighted decision making on a first come first served basis.
- 3.6 The Capital Pipeline has been maintained and updated annually and will continue to be on a rolling basis going forward to reflect the changing landscape, influenced by factors such as central government policies and the changing needs of Newham's residents and businesses. Holding schemes in a state of readiness within the pipeline enables the Council to be more agile in reacting to these changing needs, set medium term financial strategy, and attract external funding opportunities arising such as competitive government grant applications.
- 3.7 The Council continues to assess capital proposals using the annual prioritisation process which enables the Council to prioritise its use of limited resources to bring forward schemes from the pipeline into the budgeted capital programme on an annual basis as part of the budget setting process, through consideration of:
- Alignment to the delivery of Building a Fairer Newham outcomes and the Local Plan
 - Schemes that have a strong financial case
 - Schemes that minimise risk and enable operational efficiency (i.e. Health & Safety / ICT)
 - Schemes that are ready to go and deliverable from 2025/26
- 3.8 **In light of the emerging challenges on the revenue budget greater emphasis is being placed on schemes with a strong financial case which can contribute towards delivery of revenue savings.**
- 3.9 With due consideration to the wider pipeline a holistic approach can then be taken

to ensure decisions taken on investment in this budget don't disproportionately constrain financial resources available to meet future capital investment needs in future budgets thus ensuring financial sustainability.

- 3.10 The Council also undertakes a critical review of the existing Capital Programme to consider the potential for re-prioritisation/reduction/deferral of allocated funds to reduce the burden of Debt Servicing costs for those schemes funded by borrowing.

4. Overview of Capital Strategy

- 4.1 The Council has extensive plans for the borough as defined through the Building a Fairer Newham Corporate Plan, but budgets remain under pressure and vulnerable to the ongoing uncertainties presented by economic volatility resulting from national and international issues compounded by continued political uncertainty as the new government establishes its priorities. Local Government funding remains uncertain. Capital Delivery is also exposed to constraints in the supply chain and price inflation on key materials.
- 4.2 There is a key interrelationship between revenue and capital budgets which places constraints on the size of the financial envelope available to fund further capital investment without the need to find savings elsewhere in Council budgets. A large proportion of the funding invested in capital delivery is sourced from prudential borrowing. The Council must set aside revenue budget to fund the interest and repayment of this borrowing.
- 4.3 Equally capital investment has the potential to create income generating assets or to enable efficiencies and transformation in service delivery resulting in cost reduction. It is therefore important that the current and future additions to the capital programme are built on strong foundations with strong linkages to delivery of Council Priorities and Outcomes, Value for Money / Return on Investment, and deliverability so as not to unnecessarily constrain revenue budgets which are needed to fund the day to day operations of council service delivery.
- 4.4 The Council seeks to identify and prioritise alternative sources of funding to minimise the borrowing requirement such as Grant Funding and Planning Contributions from developers, but the Council does rely on borrowing. The table below gives a simplified illustrative example of the average annual revenue impact of borrowing £1m dependant on the life of the asset.

Charge to Revenue	5yr Asset	50yr Asset
Interest @ 5.5%	£0.06m	£0.06m
MRP*	£0.2m	£0.02m
Total	£0.26m	£0.08m

*MRP (Minimum Revenue Provision) is a charge to the revenue account that effectively spreads the cost of the borrowing over the economic life of the asset

- 4.5 With funding constrained the Council cannot afford to pursue all capital projects it would like. Therefore, as part of the annual capital strategy process, a financially sustainable strategic mix of schemes is sought. For additions to the 2025/26 budget greater emphasis is being placed on prioritising those schemes which

have a strong financial case and can contribute to the delivery of revenue savings to support the management of significant pressures on the revenue budget.

- 4.6 With significant budgetary challenges in year and in the years ahead, in the same way Revenue savings have been sought, the Capital programme has also been subject to critical review to identify projects that might be Stopped, Reduced, or Delayed.
- 4.7 Extensive work is being carried out to look at ways in which the Council can either reduce or delay MRP costs by reducing or delaying capital expenditure across the capital programme which requires the use of borrowing.
- 4.8 Initial focus is a review of those schemes that have not yet commenced or have limited spend as this minimises the risk of incurring abortive costs. The remainder of the capital programme is under review with a view to recommend to delay spend into future years. This does not reduce the lifetime budgets of those schemes but simply delays a % of spend into future years to reduce the immediate financial pressures resulting from MRP and Interest costs in the next two years
- 4.9 Whilst the capital programme is being streamlined, the MTFS assumes a retained borrowing budget envelope of £100m in 2025/26 specifically for housing acquisitions to address the housing and homelessness crisis, and £60m new investment to fund new urgent and essential priorities. Consideration to reduce these envelopes will be given as part of the prioritisation process noting the benefit to the revenue budget of not committing to new borrowing.

5. Governance of Capital Programme Approvals

- 5.1 The Council's Constitution and Financial Regulations require the Council to agree the Capital Strategy and capital programme each year. In practice the capital programme is updated for new schemes, revised profiling, slippage, and changes in expenditure and is presented to full Council every year for approval.
- 5.2 Council approval of the capital programme as part of the budget setting process each year allocates an overall capital budget to each directorate within the Council, split down into individual capital projects. The capital programme reported here covers the current MTFS reporting period of 4 years. However, financing costs are monitored beyond this period as many of the longer-term capital investments in the capital programme extend significantly beyond 4 years.
- 5.3 Cabinet also approves new inclusions to the capital programme in line with the scheme of delegation and the financial procedures.
- 5.4 Any bids for capital funding from borrowing outside the corporate budget framework must be presented to full Council in the MTFS or the mid-year review report for approval.
- 5.5 The capital programme is taking place against a background of austerity and significant uncertainty in the future sources of funding for local government. It is therefore a key aim of the Councils Capital Strategy that the overall programme

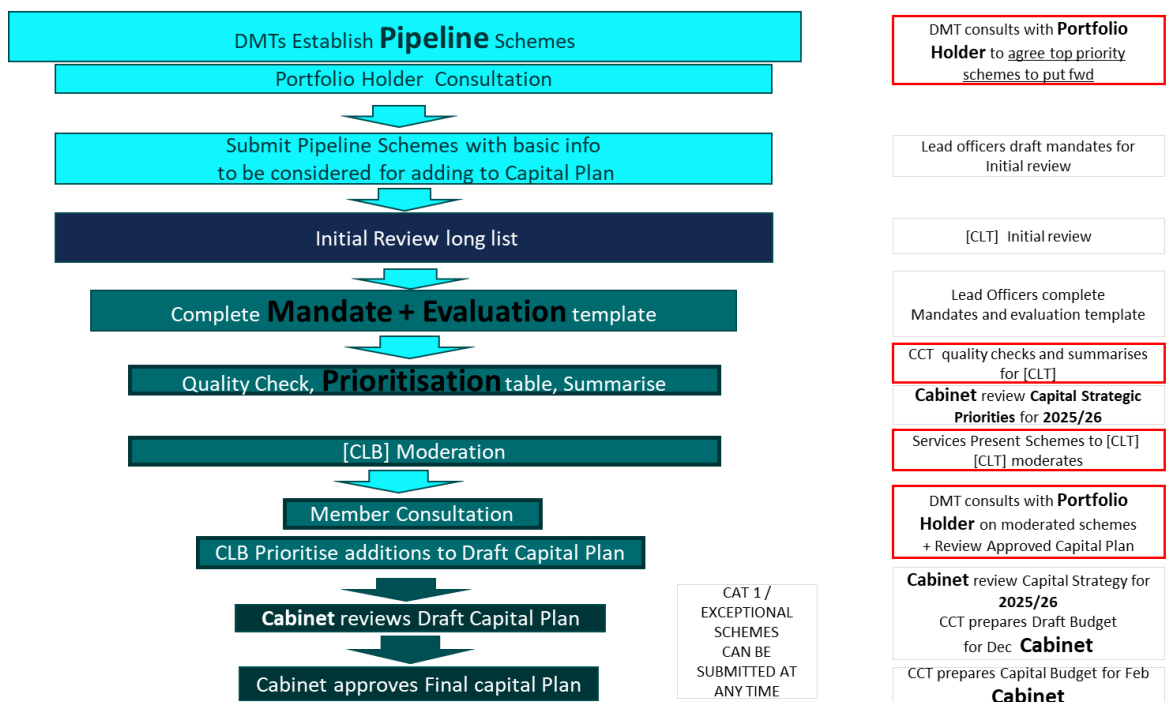
delivers a financial return on investment, such as capital receipts or new revenue streams, or delivers key strategic priorities.

5.6 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.

5.7 In line with guidance from CIPFA and the Department for Levelling Up, Housing and Communities (DLUHC) the Council has a policy of not investing in purely commercial projects and instead invests in service delivery. A large proportion of the Council’s capital investment is primarily related to increasing and improving the provision of housing, providing a rich mix of tenures that help to address the acute housing need in the borough with a return built in to ensure the schemes pay for themselves in the long term.

6. Capital Schemes under review

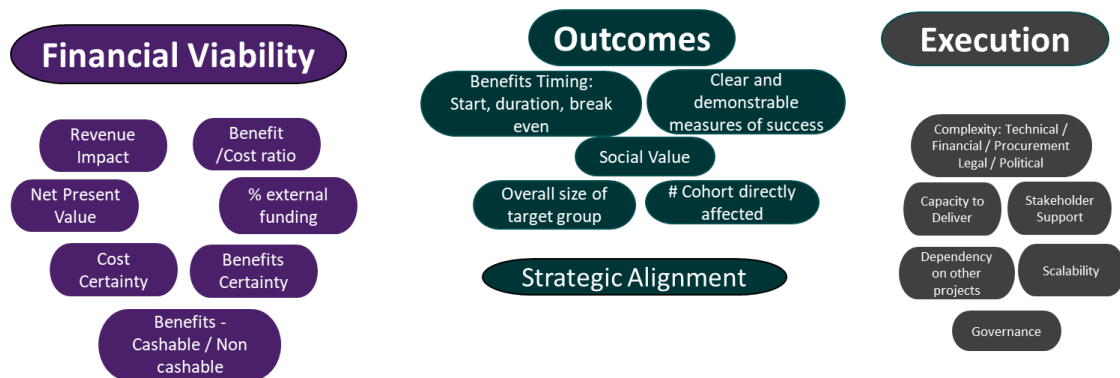
6.1 The process of bringing schemes out of the pipeline for consideration for prioritisation as part of the budget setting process is underway. A summary of the process is illustrated below:



6.2

6.3 Schemes brought out of the pipeline are initially reviewed in summary form and categorised to support the break down and analysis of schemes to inform decision making.

6.4 The agreed capital strategy development process contains 3 main areas of evaluation as illustrated below. For the 2025/26 budget round there is a particular emphasis on schemes that can contribute to the delivery of revenue savings backed by a strong financial case to support the challenging budgetary position faced by the council.



- 6.5 The demand for capital from those schemes submitted far exceeds this and so not all schemes can be added to the capital programme without further revenue savings in the budget to free up the funding to enable this.
- 6.6 There is also an option of allocating less than the planned £160m which would deliver a further revenue saving related to the avoided financing costs planned for in the MTFS.
- 6.7 The Council has a clear priority related to housing and temporary accommodation which is strongly underpinned by the acquisitions programme. A number of other schemes are categorised as business critical in that they deliver or maintain key infrastructure that underpins ongoing service delivery or meet statutory obligations such as health and safety requirement to avoid key points of failure. These schemes will therefore be recommended for inclusion in the capital programme as part of the budget alongside a number of projects already included in the capital programme which are seeking to bring forward their budgets from future years into 2025/26 to enable delivery.

Existing Schemes seeking Budgets brought forward

- 6.8 The schemes listed in the table below are already incorporated in the Capital programme and are simply seeking budgets held in future years be brought forward. This will therefore not result in an increase in the overall borrowing requirement but will impact the profile of borrowing costs. It is recommended that these budget movements are approved.

Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	FYs
Keep Newham Moving	Keeping Newham Moving	EST	£3.6m	£3.6m	£0.2m	£3.6m	-	-	(£3.6m)
Active & sustainable Travel	Highways	EST	£11.2m	-	-	-	£5.6m	£5.6m	(£11.2m)
New Shipman Youth Zone Building	Property	RES	£0.5m	£0.5m	0.03	£0.5m	-	-	(£0.5m)
Beckton Community Centre	Property	RES	£0.6m	-	-	£0.6m	-	-	(£0.6m)
New Shipman Youth Zone FF&E	Youth Zones	CYPS	£0.4m	£0.4m	0.02	£0.4m	-	-	(£0.4m)
Public Sector Decarbonisation Scheme	Asset Investment	RES	£0.1m	-	-	£0.1m	-	-	(£0.1m)
Dockside Dilapidations	Asset Investment	RES	£0.5m	£0.5m	0.03	£0.5m	-	-	(£0.5m)
Plaistow Library Investment	Property	RES	£0.8m	£0.8m	0.04	£0.8m	-	-	(£0.8m)
Various	Acquisitions	RES	£29.6m	£29.6m	£1.63m	£29.6m	-	-	(£29.6m)
Youth Zones Development	Property	RES	£0.3m	£0.3m	-	£0.3m	-	-	(£0.3m)
Total			£47.6	£35.7	£1.95m	£36.4m	£5.6	£5.6m	(£47.6m)

Business Critical Schemes

6.9 The capital strategy prioritisation process prioritises business critical schemes and the housing acquisitions programme.

6.10 The table below lists schemes that are assessed as Business Critical in that they deliver or maintain key infrastructure that underpins service delivery or meet statutory obligations such as Health and Safety Requirements to avoid key points of failure. These schemes are therefore recommended for Approval

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
1	Libraries ICT (PCS)	Resident Engagement	MKT	£0.35m	£0.35m	£0.02m	£0.35m	-	-	-
2	Keeping Newham Moving - year 11	Keeping Newham Moving	EST	£5.25m	£5.25m	£0.29m	£5.25m	-	-	-
3	East Ham Town Hall	Property	RES	£0.75m	£0.75m	£0.04m	£0.50m	£0.10m	£0.15m	-
4	Internal Day Centre - infrastructure improvements	Operations & Safeguarding	APH	£0.13m	£0.13m	£0.01m	£0.13m	-	-	-
5	CCTV	Community Safety	EST	£1.00m	£1.00m	£0.06m	£0.25m	£0.25m	£0.25m	£0.25m
Recommend Approve Total				£7.48m	£7.48m	£0.42m	£6.48m	£0.35m	£0.40m	£0.25m

Acquisitions

6.11 The acquisition programme assists with alleviating pressures on costly nightly

paid accommodation with budget utilised to incl. families and individuals who fall into homeless families within Housing, Adults and CYPS areas of work. As all three client groups contribute to significant accommodation spend which can be alleviated through this work stream.

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
1	Acquisition	Property	RES	£70.4m	£70.4m	£3.87m	£70.4m		-	-
Recommend Approve Total				£70.4m	£70.4m	£3.87m	£70.4m	-	-	-

6.12 The rest of the schemes seeking investment are subject to further scrutiny and prioritisation through the assessment. Given the overall financial challenges facing the Council greater emphasis has been placed on identifying schemes that deliver a financial contribution by way of revenue budget savings that more than cover the cost of the scheme to deliver a net benefit to the MTFs, or at least cover the cost of the scheme to ensure a net neutral impact on the MTFs whilst enabling improved service delivery. These are summarised in the tables below, which are broken down by investment category. As outlined in 6.3, a range of other non-financial criteria are used to assess schemes enabling schemes that aim to deliver non-financial benefits aligned to strategic objectives can also be considered for prioritisation within the financial framework

Invest to Save

6.13 These schemes are designed to deliver revenue savings that exceed the cost of the scheme resulting in a net benefit to the MTFs. The top table shows the GF schemes, and the bottom table shows the HRA funded schemes. The HRA schemes will be approved as part of the HRA Business Plan.

GF schemes

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
1	Technology Enabled Care (Devices)	Operations & Safeguarding	APH	£0.5m	£0.5m	£0.03m	£0.2m	£0.15m	£0.15m	-
4	Modular Housing Development	Acquisitions Programme	IEH	£25.00m	£5.00m	£0.28m	£5.00m	£10.00m	£10.00m	-
Total				£25.5m	£5.5m	£0.31m	£5.2m	£10.15m	£10.15m	-

HRA schemes

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
2	Romford Road Refurbishment	Asset Investment-Stock	HRA	£1.14m	£1.14m	£0.06m	£1.14m	-	-	-
3	Bow Street Refurbishment	Asset Investment-Stock	HRA	£2.30m	£2.30m	£0.13m	£2.30m	-	-	-
Total				£3.44m	£3.44m	£0.19m	£3.44m	-	-	-

Service Improvement External Focus

6.14 These schemes primarily deliver improvements for service users. Whilst these may deliver savings/cost reductions as a result this is not their primary aim.

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	FY's
1	Residential Children's Home	Operations & Safeguarding	CYP	£3m	£1.50m	£0.08m	£3.00m	-	-	-
2	Manor Park Gym Fit Out	Leisure	APH	£2.10m	£1.60m	£0.09m	£2.10m	-	-	-
3	Commercial Property Improvements	Property	RES	£3m	£3m	£0.17m	£1.00m	£1.00m	£1.00m	-
4	Old Town Hall Stratford	Property	RES	£2.7m	£2.7m	£0.15m	£0.5m	£2.0m	£0.2m	-
Total				£10.8m	£8.8m	£0.49m	£6.6m	£3.0m	£1.2m	-

New Externally Funded Schemes

6.15 Funding is available to complete this partially completed project to connect residential estate with the Becton District Park and so this scheme is recommended for approval with no impact on the borrowing requirement.

Rank	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
1	Beckton District Park North Entrance and connections	Parks & Open Spaces	EST	£0.1m	-	-	-	£0.1m	-	-
	Food Waste Service – New Burdens		EST	£2.07m	-	-	£2.07m	-	-	-
Recommend Approve Total				£2.17m	-	-	£2.07m	£0.1m	-	-

Schemes to remain in the pipeline

6.16 The schemes below are not recommended for approval and will remain in the pipeline pending further development of proposals for future consideration.

Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	FY's
Tunmarsh Centre Rebuild	Property	RES	£40.1m	£40.1m	£2.2m	£0.1m	£20m	£20m	-
Outdoor Play & Physical Activity Infrastructure Programme 2	Parks & Open Spaces	APH	£8.8m	£8.8m	£0.48m	£3.5m	£5.3m	-	-
Leisure Infrastructure Plan (inc joint work with Housing)	Leisure	APH	£76.00m	£76.00m	£4.18m	£0.50m	£0.50m	£15.00m	£60.00m
Total			£124.9m	£124.9m	£6.86m	£4.1m	£25.8m	£35.0m	£60.0m

Options to reduce the existing Capital Programme

6.17 In considering the refresh of the capital programme each year a review of the existing programme and the schemes within is undertaken to consider potential for re-prioritisation. The initial phase of this review is undertaken as a desktop review by the capital finance team followed by critical challenge to services to test assumptions of the desktop review and identify any potential further opportunities to realise savings in the capital programme. Reductions in the existing capital programme release capital funds which can be recycled to fund new schemes and reduce new borrowing which benefits the revenue position by reducing the cost of financing that borrowing.

6.18 A number of schemes were identified during the initial phase as having limited spend to date and/or no spend so far in 2024/25. The schemes below are those

that are considered to be no longer required resulting in a saving of £6.2m reduction in the capital programme.

Details	Description	2024/25 Spend to Date	Total Project Spend	Total Remaining Budget	Borrowing	Recommendation
GC0658	Early Help - four family hubs	0	0	£2.89m	£2.89m	Delete
GC0659	Fostering and adoption	0	0	£0.25m	£0.25m	Delete
GI0132	Cloud migration	0	0	£0.53m	£0.53m	Delete
GQ0056	Victoria Street Cladding Removal	0	0	£0.48m	£0.48m	Delete
GI0125	Network Infrastructure Project	0	£0.25m	£1.69m	£1.69m	Delete
GI0110	Dockside Meeting Room	0	£0.15m	£0.15m	£0.15m	Delete
GT0843	Transport Business Sys Re-Procurement	0	£0.05m	£0.02m	£0.02m	Delete
GT0941	OpenView CCTV Parking Enforcement	0	£0.95m	£0.03m	£0.03m	Delete
GC0644	Folkestone Road Depot (Emergency Works)	0	£0.29m	£0.01m	£0.01m	Delete
GC0324	Stratford Roofing	0	£0.22m	£0.07m	£0.07m	Delete
GQ0053	Tennis membership scheme	0	0	£0.10m	£0.10m	Reduce budget - £240k to £100k
Total		0	£1.91m	£6.22m	£6.22m	

6.19 In Summary if the above recommendations are followed the MTFS planned borrowing requirement would be reduced by £60.6m as illustrated in the table below. **This would reduce the growth to the revenue borrowing budget by circa £1.6m.**

	Acquisitions £m	Other Priorities £m	
MTFS Borrowing Allocation	£100	£60	
Recommend to Approve:			
Acquisitions	£70.4		
Business Critical		£7.5	
Invest to Save		£8.9	
Service Improvement		£8.8	
Envelope for new in year schemes		£10m	
Total New Borrowing	£70.4	£35.2	
Reduction in New MTFS Borrowing	£29.6	£24.8	
Reduction in Borrowing for Exiting Capital Programme		£6.2	
Total Reduction in Planned MTFS Borrowing	£29.6	£31.0	£60.6m

Regeneration

6.20 The pipeline also includes large Regeneration schemes which are assessed separately from the above but are not disassociated with overall capital prioritisation. Whilst these schemes are submitted on the basis that they will eventually be self-financing over the life of the project, this needs to be tested as the passage of time can change the viability of assumptions made when initial business cases were developed. Revised modelling and separate cabinet papers will address these points. Additionally, there is an income drag where expenditure

is incurred some years before the income arising from the investment is received which can impact on the overall cash flow and affordability. Consideration needs to be given therefore to how far in the future payback occurs and whether the carrying costs of debt incurred each year until payback occurs are affordable. Work is underway to consolidate the new modelling and cross reference with the Treasury Management position. Prioritisation may therefore still be required.

- 6.21 3 Schemes propose expenditure in 25/26. The Former West Ham Courthouse Refurbishment will not be required if the associated decision to dispose of the asset (MTFS Saving Ref: B2) is approved. Otherwise, it is recommended to proceed with these 3 schemes as planned, to be revisited in the 26/27 budget setting round in line with the capital strategy process.

Regeneration

Rank	Scores/100	Project Title	Programme	Dir	Total Capital	Borrowing	Borrowing Cost	25/26	26/27	27/28	Future Years
1	76	Carpenters Phase 3	Populo - Loans	POP	£214.09m	£193.64m	£10.65m	-	-	-	£214.09m
2	76	The Rex Site	Populo - Loans	POP	£82.4m	£82.4m	£4.53m	£5.86m	£15.44m	£32.02m	£29.1m
3	76	Pier Road Site	Populo - Loans	POP	£133.08m	£133.08m	£7.32m	-	£49.55m	£47.93m	£35.60m
4	76	Cyprus Site	Populo - Loans	POP	£36.80m	£36.8m	£2.02m	-	-	£14.68m	£22.13m
5	73	Custom House (Phase 1 Area) - sub phase 4	CTCH Regeneration	IEH	£32m	£2.95m	£0.16m	-	£9.3m	£16m	£6.7m
6	69	Canning Town Estate Regeneration (phases 3-10)	CTCH Regeneration	IEH	£458m	£10.5m	£0.58m	-	-	£30m	£428m
7	69	Canning Town Estate Regeneration Phase 2	CTCH Regeneration	IEH	£73m	£7.5m	£0.41m	-	£13m	£37m	£23m
8	67	Custom House (Phase 1 Area) - sub phase 6	CTCH Regeneration	IEH	£121.96m	£11.51m	£0.63m	-	-	-	£122.0m
9	67	Custom House (Phase 1 Area) - sub phase 5	CTCH Regeneration	IEH	£41.7m	£20.45m	£1.12m	-	-	£10.5m	£31.20m
10	59	Custom House (Phase 1 Area) - sub phase 3	CTCH Regeneration	IEH	£26.25m	(£1.45m)	(£0.08m)	-	£7.5m	£13m	£5.8m
11	47	Queens Market & Hamara Ghar Strategic Site	Community Wealth Building	IEH	£200m	£200m	£11m	£0.3m	£1.7m	£3m	£195m
12	34	Former West Ham Courthouse Refurbishment	Property	RES	£15m	£15m	£0.83m	£0.4m	£7.4m	£7.2m	-
13	0	Carpenters Phase 2	Populo - Loans	POP	£226.03m	£175.97m	£9.68m	-	£34.74m	£100.05m	£91.24m
Recommend Approve Total					£1,660.3m	£888.4m	£48.85m	£6.6m	£138.6m	£311.4m	£1,203.7

- 6.22 Carpenters: The Capital Strategy assumes that Phase 2 (Lund Quarter) and Phase 3 (Station Quarter) of the Carpenters Masterplan will be progressing in line with the Carpenters Cabinet report being presented at February cabinet. Phase 2, Lund Quarter has had the first design stage completed and includes c500 homes incorporating part of Biggerstaff Terrace. Phase 2, Station Quarter, strategy now refined to split the Station Quarter phase up into three parcels and deliver first two tower plots early, followed by the larger 30-storey Tower. Phase 1, James Riley Point (JRP) is within existing budgets and remains subject to a CPO appeal. Vacant possession is likely to be in Q2 of 2025, which will unlock some material works, such as enabling works, to progress construction to the site.

- 6.23 Canning Town: This masterplan is due to be presented at cabinet over the coming months and approval will be sought to progress to Phase 2. The Capital Strategy also sets out the remaining phases of the masterplan (Phase 3-10) for future investment requirements, however these are subject to change which could impact the profile of the borrowing requirement. Phase 1 (Vincent Street) is within the existing budget and completion is expected in summer 2026.
- 6.24 Custom House: This masterplan is due to be presented at cabinet over the coming months and approval will be sought to progress to sub-phase 3. The Capital Strategy sets out the remaining sub phases of the masterplan for Phase 1 for future investment requirements, however these are subject to change which could impact the profile of the borrowing requirement. Sub Phase 1 and 2 are within the existing budgets and are either nearing completion (Phase 1) or at design stages (Phase 2).
- 6.25 Populo: The Rex, Pier Road and Cyprus are all independent, stand-alone schemes that are progressing to construction stage as set out in cabinet reports approved in July 2024 (The Rex) and December 2024 (Pier Road and Cyprus). These schemes will be delivered via a Development Management Services agreement with Populo and aligns to the Populo Business Plan being presented at Cabinet in March 2025.

7. Prioritisation of Capital Scheme Proposals

- 7.1 Finite resources throughout the lifespan of the Capital Plan demand a framework for comparing and prioritising capital funding requests to ensure the Council maximises the outcomes that can be delivered in line with corporate plans. The Annual Capital Programme Update process requires capital options to be considered, assessed and evaluated against each other, taking into account potential future needs and affordability in the near and long term.
- 7.2 Services are required to complete a robust business case for review and approval by the appropriate body before the project can be added to the capital programme. The business case will outline the key financial and social benefits that are expected to be delivered by the scheme in line with the Council's objectives and priorities.
- 7.3 Decision makers have a defined financial envelope and understand the consequences of exceeding it. When balancing the varied ambitions of the Council against this envelope, decision makers use the governance process outlined in this strategy to enable effective evidence-based decision making in the form of a prioritisation framework for comparatively rating and ranking schemes. It's also important that external funding opportunities are maximised, and alternative funding opportunities considered to reduce the financial burden of delivering existing plans.
- 7.4 Prioritising non-related projects from different services against each other with significantly differing financial and non-financial benefits and over an extended time frame is complex. This framework is aimed at enabling project managers to submit bids that clearly articulate the key elements of a scheme and that enables decision makers to make evidence-based decisions when comparing bids against each other, taking the Council's potential future capital requirements into account. The prioritisation framework has been developed in consultation with Members.

- 7.5 Due to the degree of unpredictability in the early stages of capital project development, and the history of slippage, a reserve pipeline list of projects has been developed as part of maintaining a 10-year plan to enable long term capital planning. Pipeline projects are those which are sufficiently developed, or likely to be in the short-term. The pipeline can be part funded to create a planned mechanism for in-year funding requests during agreed windows, in line with the principles of the annual process. This will help to avoid an ad-hoc process where decisions are made in isolation and with unintended consequences for the delivery of organisational priorities by avoiding a first come first serve methodology which could result in the early draining of limited resources with no resources available for later schemes that might more justifiably require funding.
- 7.6 The presence of a pipeline ensures the availability of 'shovel ready' projects, ready and waiting to take up slippage or additional grant funding that may be released by central government.
- 7.7 Approval to spend on individual capital schemes will only be given once procedural guidelines have been complied with and assessed to the satisfaction of the CMT and/or Cabinet if required.
- 7.8 Realistic phasing must be provided from the outset. Without this, the limited funding available could be assigned to a project which is delayed, preventing an alternative viable project from proceeding. In many cases grants and external funding are time limited and delays in the project could lead to losing precious external funds

8. Capital Expenditure and Financing Prudential Indicators

- 8.1 The council's capital programme forms part of the medium-term financial strategy and is agreed annually as part of the Budget report.
- 8.2 Since the 2024/25 transitional budget approved by Cabinet in February 2024, there have been a number of additional approvals representing policy decisions. There has also been a re-profiling of budgets to reflect updated timelines.
- 8.3 The total budget for inclusion in the capital programme is included in the table below. The proposed budget below includes an additional £10m for new investment in capital proposals and a further additional £74m for Residential Acquisition bids.
- 8.4 The Council is planning capital expenditure of £2.931m in 2025/26 and future years as included in the detailed capital programme annexe.
- 8.5 All capital expenditure must be financed, either from external sources (government grants and other contributions, such as S106 and CIL), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). An explanation of each of these funding sources is set out in detail in the next section. The planned financing of the above expenditure is as follows:

9. Capital Programme Funding Streams

9.1 The Council's Capital Programme is financed from a mixture of sources including: -

Prudential Borrowing – The introduction of the Prudential Code in 2004 allowed the Council to undertake unsupported borrowing. This borrowing is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. Prudential borrowing will be considered where:

- (i) Capital investment will result in future revenue savings and the cost of borrowing can be met from the savings; or
- (ii) The Council has a significant unmet capital need. The borrowing is repaid from revenue over the life of the asset and this implication is taken into account when assessing the affordability of the proposal; or
- (iii) It contributes towards the overall investment approach, subject to clear and demonstrable business case.

The majority of borrowing required will fund our housing and regeneration projects together with large individual projects such as Keep Newham Moving and Active and Sustainable Travel.

Grants – The Council receives capital grants from the government for various services and from Transport for London for highways. Any grant that the Council receives for council housing (HRA grant) is ring-fenced. Grants have been an important source of funding for the Council's capital expenditure in recent years and it is expected that this will continue to be the case.

Significant grants in recent years have been those from the Department for Education for additional school places and from TfL for highways. The Council also receives significant grant from the GLA towards our Affordable Homes programme together with numerous smaller individual grants in areas such as adult social care and the Good Growth Programme.

Revenue Funding – The Council can use revenue resources to fund capital projects on a direct basis. Revenue contributions from the services are minimal in view of the pressures on revenue budgets however some areas are planning to make small revenue contributions where no other funding sources are available.

Capital Receipts – The Council is able to generate capital receipts through the sale of surplus assets such as land and buildings. The Council seeks to maximise the level of these resources which will be available to support the Council's plans.

The main use of capital receipts is by the HRA through the use of Right to Buy (RTB) receipts. The use of General Fund capital receipts is currently limited awaiting further clarification around Government proposals on potential new flexibilities to use capital receipts for revenue purposes in the future.

Flexible use of Capital Receipts – In the Spending Review 2015, the Chancellor made changes to the rules regarding the application of capital receipts. It was announced that for the financial years 2016/17, 2017/18 and 2018/19 (subsequently extended) the government would allow local authorities to spend up to 100% of their capital receipts (excluding RTB) to fund the revenue costs of service reform and transformation, provided that the expenditure yields ongoing savings to an

authority's net service expenditure. Most recently the new government announced that it will extend the flexible use of capital receipts to 2030 and has amended some of the restrictions on how it can be used. The Council is reviewing the eligible spend with a view to seeking secretary of state approval to utilise this flexibility in support of the Council's Transformation programme and invest to save as part of the 2025/26 budget.

Sale and Leaseback - A sale and leaseback arrangement is a contract between a seller and a buyer where the seller sells an asset to the buyer and then enters into a second contract to lease the asset back from the buyer. The advantage for the Council of entering this type of arrangement is that it provides us with an immediate inflow of cash that can be used to meet existing service need. The lease payments are then made over the life of the lease, which may be over many years. In substance therefore the Council is accessing a form of credit. Another benefit of using sale and leaseback arrangements is that often the Council can purchase assets cheaper than the private sector, but in doing so would tie up large amounts of cash. By immediately reselling the asset to a 3rd party and then leasing the asset back, the Council has obtained the benefit of both the low purchase price and a period of credit over which to pay for it. Newham currently has no sale and leaseback arrangements in place.

Developer Contributions – Developer Contributions are generated by planning permissions typically granted by the Council as Local Planning Authority – these are Section 106 Agreements and the Community Infrastructure Levy (CIL). The CIL Infrastructure list is included at section 11 below.

A Section 106 Agreement (also known as a deed of planning obligation) is secured pursuant to the Town and Country Planning Act 1990. These Agreements are used to restrict or control development to ensure that proposed development mitigates forecast or arising impacts and they can include payments to the Council. The types of payments which may be received could be, for example, towards the provision of affordable housing (where it cannot be provided on site); funding of additional school places; and employment and skills programmes – each planning application is assessed, and the impacts are considered on a case-by-case basis.

Contributions and fees from Section 106 Agreements must be spent in accordance with the agreement to which they relate. Typically, contributions are capital in nature and relate to the provision of infrastructure in a specific location, close to the development site; not all contributions have spatial restrictions and sometimes they may be spent across the borough; some contributions and fees may be for revenue costs. A governance process ensures that monies are only allocated to projects which achieve the Council's obligations. The Council's accounts will ensure that where there are a range of funding streams for a project the most restrictive funding source is applied first.

Community Infrastructure Levy (CIL) is collected from eligible developments and may be applied to a broad range of infrastructure to support the growth and development of the area. The income from this levy is held corporately and the Council will decide (via an internal governance process) how to allocate these funds to relevant infrastructure projects. The infrastructure list sets out the themes of the projects which may be funded over the current and next financial year. CIL may only be applied to infrastructure but has less restrictions than Section 106 Agreements.

Finance, together with Planning actively allocate S106 contributions to eligible

projects. An in-depth review of available S106 funds and their associated agreements is being undertaken with the aim of maximising their use against eligible projects as part of the budget.

10. Community Infrastructure Levy (CIL) Infrastructure List 2024/25

10.1 Introduction

The Council is required to publish a list annually on our website of the types of projects we may fund with the CIL we collect from development across the borough.

The Council act as the CIL charging authority for the parts of the borough where it is the local planning authority, this means setting the rates which developers pay and also setting the priorities for expenditure. It is a statutory requirement for the publication of the CIL Infrastructure List pursuant to Regulation 121A of the Community Infrastructure Levy Regulations 2010 (as amended). The revised Infrastructure List was approved by Cabinet as part of the budget in February 2023 and reflects the broad scope of the new Corporate Plan – Building a Fairer Newham alongside the Local Plan and the demands for investment emergent through the capital strategy and overarching MTFS.

The list is unchanged for 2025/26.

10.2 Purpose of the Infrastructure List

We want to be open about our plans for what we will or may wholly or partly fund via CIL. This is to ensure that our residents, businesses and those who want to invest in the borough know what the Council intends to fund from CIL – but also what it is not proposing to invest in this year.

The Council have identified that there is a need for investment across all of the borough – not just where the new homes are being built or where jobs are being created. Further work will continue to develop and prioritise capital schemes emerging (from the pipeline or new) that can support growth in the borough, support delivery of Building a Fairer Newham and the Local plan and make best use of the CIL.

10.3 What are the Council's Priorities for Investment?

The law says that the Strategic CIL cannot be spent on housing or affordable housing. Also, the Council cannot use the Strategic CIL to fund employability or economic support programmes like Our Newham Work.

The CIL infrastructure list determines the prioritisation and use of the CIL in Newham. By ensuring the priorities listed within the list are comprehensive and aligned to Building a Fairer Newham will enable maximisation of the use of the CIL within the capital programme funding mix – reducing borrowing & reducing the build-up of the CIL in reserves.

For 2025/26 the themes of projects which the Council will or may wholly or partly fund via CIL are listed in the table below. The CIL infrastructure list remains unchanged from that which was agreed in 2023/24.

Provision, improvement, operation and maintenance of:
Town centres, local centres and employment uses; civic uses and community facilities
Public Realm – including walking and cycling initiatives which connect social and green infrastructure to our residents
Newham’s parks, open spaces, green spaces
Play equipment; outdoor gym equipment in Newham’s parks and housing areas
Newham’s sports facilities
Newham’s Education Facilities
Newham’s Health & Social Care Facilities
Newham’s Cultural Facilities
Newham’s Carbon reduction initiatives and energy infrastructure e.g. District heating Schemes
Newham’s Flood Defence

The types of investment made will be subject to robust governance processes and ensure that the investment made achieves corporate priorities and fulfils the Councils requirements in law and set out in government guidance.

The use of Community Infrastructure Levy funds for the next financial year will focus on projects or operations of the Council.

11. Capital financing Requirement

- 12.1 The Capital Financing Requirement (CFR) measures the authority’s underlying need to borrow for capital purposes. The Council’s cumulative outstanding amount of debt finance is measured by the CFR. It denotes the Councils underlying need to borrow for capital purposes. The CFR increases with new debt-financed capital expenditure, and reduces when MRP is set aside, or when direct funding from capital receipts, capital grants and revenue contributions to capital (RCCOs) are used to fund the capital programme or to replace debt.
- 12.2 The authority has an integrated Treasury Management Strategy and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. The Council has, at any point in time, a number of cash flows, both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved Treasury Management Strategy and practices.

12. Treasury Management Strategy (TMS) and Environment Social Governance (ESG)

- 13.1 The Council’s treasury team is responsible for managing the Council’s treasury activity in accordance with the approved Treasury Management Strategy Statement (TMSS). The TMSS governs the Council’s treasury activities and ensures that the

capital programme is both affordable and sustainable. The TMSS borrowing strategy seeks to minimise over the long term, the costs of meeting the Council's financing needs. (The TMSS is included at Appendix 13 of this agenda.)

- 13.2 Only schemes that are in the capital programme may receive debt finance and this is managed centrally by the Pensions and Treasury team in the Finance Service. The Council's debt portfolio is funded from a central capital finance budget built into the Council's Medium Term Financial Strategy (MTFS). Council Borrowing is centralised to take advantage of economies of scale and to access capital markets as efficiently as possible. Moreover, it enables the Council to manage its treasury activities in accordance with statutory prudential and treasury limits.
- 13.3 There will be occasions when capital finance may become available for specific schemes within the capital programme, such as those that serve a particular ESG purpose, which may be cheaper than the PWLB certainty rate and other mainstream providers. The TMSS provides flexibility to use specialist debt for particular schemes such as ESG, but only if it is of sufficient scale and ease of administration to make it cost effective to do so. The treasury team will need to assess that the funding source is suitable, compliant with the TMSS, and cost effective.

13. Revenue Budget Implications from Capital Investment Decisions

- 13.1 All capital schemes have a potential impact on the revenue position, due to the cost of borrowing through interest payments and the setting aside of Minimum Revenue Provision (MRP), or through the loss of investment income on funds invested. In the event that interest rates rise above the assumed rate in the capital forecast model, the revenue interest cost to the Council would increase for all borrowing not yet entered into (the Council would typically borrow on fixed rate terms).
- 13.2 As set out above, capital expenditure for the Council is financed through a variety of sources, typically:
- Capital grants (either restricted or unrestricted)
 - External contributions such as S106 or Community Infrastructure Levy
 - Receipts from the sale of capital assets
 - The use of reserves or revenue budget contributions
- 13.3 Resources are typically applied in this order of preference, i.e. from the most restrictive to the least restrictive. Any capital expenditure not financed by the above sources will need to be funded by prudential borrowing, which can be external or internal. The council can temporarily utilise other resources in lieu of external borrowing to fund capital expenditure - this is referred to as internal borrowing. External borrowing refers to loans from third parties e.g. banks or the Public Works Loans Board.
- 13.4 In approving the inclusion of schemes and projects within the capital programme, the Council ensures that all of the capital and investment plans are affordable, prudent and sustainable. In doing so the Council will take into account the arrangements for the repayment of debt, through a prudent MRP policy and in line with MRP guidance produced by DLUHC.

- 13.5 The capital financing cost and any additional income and running costs arising from capital investment decisions are incorporated within the annual budget and medium-term financial plans. This enables Members to consider the consequences of capital investment (such as servicing debt, asset maintenance and operation costs) alongside other competing priorities for revenue funding.

14. Reducing Debt Servicing Costs

- 14.1 As well as simply reducing the amount of borrowing within the capital programme other options to reduce Minimum Revenue Provision (MRP) and interest costs include

- Repay outstanding historical borrowing using capital receipts.
Because MRP is charged over a period of time, the use of receipts in this way similarly spreads the impact rather than us seeing an immediate saving equal to the full amount of the receipt. For instance, if we incur £100m of unfunded capital expenditure today, against an asset with an expected life of 50 years, the MRP charge to repay that borrowing will be incurred over 50 years. On a straight-line basis, that would work out at a £2m charge to revenue per year over the next 50 years. If next year we were to then use £100m of capital receipts to repay that borrowing, the benefit of that £100m would also be gained at £2m per year over a 50-year period.

If we decide to use capital receipts to repay borrowing, the biggest short-term gains will be achieved by repaying borrowing that has the shortest number of repayment years left. This might be done by repaying borrowing that was incurred a number of years ago and therefore has fewer repayment years remaining, or it might be done by repaying borrowing that has been incurred against assets with a shorter expected life such as IT rather than buildings.

- Fund new Capital Expenditure
Capital Receipts can be utilised to directly fund new capital expenditure to minimise the use of new borrowing and the resulting impact on the revenue account (MRP & Interest)
- Fund Revenue Transformation to enable future savings
Capital Receipts can also be utilised (subject to development of a strategy requiring sign off by the Secretary of State) to fund revenue expenditure on one-off transformational activity that can demonstrably deliver recurrent revenue savings.

- 14.2 Regarding Interest, there is an existing flexibility that allows local authorities to capitalise some of its interest charges incurred against major capital projects whilst the asset is still under construction. Whilst unlike other options above this does not reduce debt it increases it however it has the benefit that the revenue impact of a project can be delayed until after the asset is operationally complete. The purpose of this flexibility is to allow authorities to delay the revenue financing costs of a project until the project is capable of generating either a service or economic return to offset the cost of debt. Newham adopted this policy for the first time in 2024/25. It is anticipated that we will be able to capitalise £1.3m of interest in 2024/25 and, up to, a further £27m across the next 10 years. However, this amount is based on high level forecasts and will be dependent on the level of

actual expenditure against eligible capital schemes.

- 14.3 In reality is likely that a mixture of these actions will deliver the most optimal benefit to the Council in the short/medium and long term and there are a number of considerations in determining the optimal application. Finance Officers will quantify and compare opportunities as they arise to ensure decisions on the use of these limited one off funds are well informed.

15. Standard Capital Financing Assumptions

Interest Rate

- 15.1 A standard interest rate for the cost of borrowing is to be used for all reports. The rate is reviewed each quarter and is based on the PWLC certainty rate at the start of the quarter plus a small uplift to reflect risk.
- 15.2 Where rates move close to the established rate, the Corporate Director of Resources can require a different rate to be used. This will be kept closely under review given the current inflation environment.

Borrowing Period

- 15.3 The length of any loan is determined by treasury management policies.

Standard Economic Assumptions

- 15.4 Better than expected headline inflation rate of 3.9% in November 2023 was reported. The market was expecting the December figure to be 3.7% but it increased slightly to 4.0% and core inflation remained at 5.1%. Nonetheless the outlook on interest rates is very tied to the outlook on inflation and Capital Economics' forecast for the CPI measure of inflation is to drop below 2% by April 2024. The standard assumption is that base case models should use a 2.5% long term assumption for inflation in line with long term assumptions on RPI.
- 15.5 It is acknowledged that inflation estimates are widely available, and it may be appropriate to use specific rates in some circumstances, for example, where HRA rents are driven by the recorded CPI in September each year.

Treatment of Capital receipts, Right to Buy and other funding sources

- 15.6 The standard assumption is that, save where specific grant has been provided to fund a project, none of the above should be included within the base case model. The approach that this paper sets out is that they are sources of funding for approved projects, and that there is an opportunity cost to applying them to any project.
- 15.7 This will allow the Council to compare the potential cost of each project on a similar basis, with identical Interest and MRP assumptions.
- 15.8 It is acceptable to model the project with application of receipts as a sensitivity, but the base case should be presented first and be clear to readers and decision makers.

15.9 This approach will allow the Corporate Director of Resources to take a strategic decision as to where to allocate financial resources to maximise use of available funding in line with the capital strategy.

16. Minimum Revenue Provision (MRP) – Changes to statutory guidance and regulations

17.1 Following consultation, in April 2024 the government introduced amendments to the Local Authorities (Capital Finance and Accounting) (England) Regulations in April 2003.

17.2 The amendments “explicitly prevent” the common practices by which some local authorities were underpaying MRP. These practices included using proceeds from asset sales to replace the MRP revenue charge, and not making MRP on debt associated with investments, “in the belief the assets would accumulate or retain value and can be sold to repay debt”.

17.3 The guidance now explicitly states that capital receipts cannot be used to directly replace, in whole or part, the prudent MRP charge to revenue, although specific exceptions were introduced for non-commercial capital loans to third parties.

17.4 These amendments will not have an impact on Newham as with the exception of capital loans to third parties, the Council already make MRP for all capital expenditure funded from borrowing. Specifically, in addition to making MRP for unfunded capital expenditure in our capital programme we also make MRP for Finance Leases, PFIs and any other debt (excluding capital loans to third parties) associated with both our commercial and non-commercial investments. Furthermore, we have only ever used capital receipts to reduce our Capital Financing Requirement (CFR), something that is allowable under both the old and the new regulations, never to directly replace the MRP charge to revenue.

17.5 The amendments also include provisions to reduce the risks of unintended consequences where a local authority borrows and lends the money to a third party as a capital loan.

17.6 The amendments now make it explicit that local authorities that have capital expenditure which relates to ‘commercial’ capital loans must make MRP for that expenditure. However, the option to reduce the MRP charge by the loan repayment under regulation is allowable for ‘non-commercial’ loans. If a loan repayment is used to reduce the MRP charge against a non-commercial loan, it can only be used to reduce the MRP charge relating to the loan for which the payment is received. It is also stated explicitly that the option to reduce the MRP charge by the loan repayment cannot be used in lieu of making MRP with respect to Expected Credit Losses (ECL) or impairments. Where a non-commercial loan incurs an ECL or impairment, an MRP charge equal to the ECL or impairment must be made in that year.

17.7 Although Newham have a number of capital loans out to 3rd parties, none of these are held primarily for financial return and do not meet the definition of commercial loans. Whilst we may receive a moderate return, the primary purpose of the loans is to enable the strategic delivery of Council objectives. As is allowable by both

the old and the new regulations, we do not provide MRP on our strategic capital loans, none of which have incurred an ECL to date.

Annex – Capital Project Summaries

Existing schemes seeking budgets brought forward

Keep Newham Moving - The Borough's annual maintenance programme consists of footway and carriageway resurfacing works on Borough roads. This programme and budget were approved at cabinet in 2016.

Active & Sustainable Travel - The Active and Sustainable Travel programme is intended to match fund and accelerate the delivery of sustainable transport projects with Transport for London, as included in the Newham Sustainable Transport Strategy and delivery plan. This includes (but not limited to) Healthy School Streets, 20mph speed limit measures, protected cycle tracks, low traffic neighbourhoods, and cycle hangars.

New Shipman Youth Zone Building - Re GC0323 Shipman Youth Zone Building, we are in contract with the contractor and need to finalise payments to them for works completed on site. The budget should not have really been pushed out to future years as the project was live and on site and payments need to be made to finalise the project and close it down.

Beckton Community Centre - This project was completed in November 2024, however, a budget for the Final Account and for outstanding Project Management Team fees for Q3 / Q4 and FY 25/26. In addition, a budget will be required for expected Retention fees in November 2025 (FY25/26).

New Shipman Youth Zone FF&E - Mostly Equipment and furniture and fitting budget. £0.4m from the budget was moved from 24/25 into future years in February 2024 as part of capital savings. The service has incurred over £100k of expenditure in 2024/25, hence requires the budget to be moved forward to 2025/26.

Public Sector Decarbonisation Scheme - Urgent work to accommodate the new ways of working in 2025 to provide the right temperature in Dockside. These costs are related to heat pumps components and thermostat.

Dockside Dilapidations - The current heating and cooling system is old – has been there since base build (pre 2009 which is when we moved in). There has been undertaking routine planned and preventive maintenance to keep the system going which is controlled by a BMS, however, given the age of the system, we are at risk of not being able to obtain parts as they may be or become obsolete and we also have challenges heating and cooling the building.

Plaistow Library Investment - This project was formally approved in December 2024. The key officer decision report has been finalised and the forward plan entry published. Awaiting confirmation that the report can be published for the decision to be made. Once this is received, work to start on site in FY25/26, hence the request.

Various Acquisitions - Acquisitions: related expenditure for existing schemes £29.6m - Charlie Court / Donald Hunter House / Street Acquisitions. Offset to £100m new investment for 25/26 reduced requirement to £70.4m new investment

Youth Zones Development - £0.1m from the budget was moved from 24/25 into future years in February 2024 as part of capital savings. Since then, the service has reduced the work to essential health and safety/compliance/DDA works only. These equates to circa £70K of works to be completed and hence the request to bring the £0.1m to 2025/26.

Business Critical Schemes

Libraries ICT (PCS)- The devices used by residents in Newham's libraries are in need of replacement. They are seven years old, are Windows 10 devices, and are end of life. Many have now failed (15%) or run too slow to be usable, and all will be unsupported by Microsoft by October 2025, making them less secure. This increases the risk to residents who use them and is a reputational risk for the council. The number of devices failing has increased noticeably over the past year. Microsoft has also announced that it will not support Windows 10 from 14 October 2025, increasing the urgency of replacement.

Keeping Newham Moving – year 11- To extend Keeping Newham Moving Programme, to continue the renewal of Borough roads and footpaths, but also to include the investment into the boroughs ageing structures, street tree stock and some significant issues with failing carriageway and drainage. Current KNM programme ends in the next financial year, 2025/26. Challenge Point: KNM is seeking new investment of £5.25m as well as bringing forward existing budgets of £3.6m in the table above. Is it realistic that £8.85m will be spent in 25/26?

East Ham Town Hall- Capital works to upgrade the electrics and complete H&S, DDA and compliance works. The age and condition of the electrical wiring, which is over 20 years old, requires that this is addressed otherwise it may lead to in the future having to close the building as health safety requirements won't be met. Link to Saving B2. The refurbishment will help in reducing ongoing revenue costs to undertake maintenance/repairs and keeping the building safe and compliant for resident and staff use.

Internal Day Centre – Infrastructure improvements -Upgrades to / fit out of Council owned and managed multi use facility at Chargeable Lane. Fit costs associated with the need to transfer the Positive Behaviour Service from Mariner Road to Chargeable Lane. Mariner Road is owned by Anchor Housing, and they have given notice of the end of June to the Council to vacate the Service. The Service supports Care Act eligible residents, as such if we are unable to move it into Chargeable Lane, we will need to commission it externally. The residents have Autism and / or Learning Disabilities accompanied by behaviours that challenge (e.g. self-harm, aggression to staff and other residents, shouting, smearing, inappropriate sexualised behaviours, etc.).

CCTV-To ensure the borough 24/7 CCTV system remains operational and compliant, whilst ensuring appropriate contribution to statutory responsibilities to reduce crime & duty under S17 CDA. Strategic capital investment will deal/reduce with known and potential future costs, whilst possibly identifying opportunities to reduce revenue spend through introducing alternative/emerging technology. The CCTV system itself provides a fundamental crime fighting and public safety tool, without which there is likely to an increase in crime and disorder with a significant reduction in public confidence. The Council enforcement and local policing teams rely heavily on evidential CCTV produced by the system whilst also assisting in the identification, response and earlier resolution of incidents and emergency situations, often involving threats to life. CCTV is fundamental to officer safety across all enforcement teams and blue-light partners.

Acquisitions

Acquisition Programme- The acquisition programme assists with alleviating pressures on costly nightly paid accommodation. It is proposed for this year's budget to include families and individuals who fall into homeless families within Housing, Adults and CYPS areas of work. As all three client groups contribute to significant spend when in Temporary Accommodation.

Invest to Save

Technology Enabled Care (Devices)- Tech Care: Fund for investment in technology devices as part of the ASC Technology Enabled Care Transformation project. £1.75m saving linked to A18

Modular Housing Development- This mandate is for a capital programme delivering modular housing and is subject to further approval by cabinet. Officers are seeking approval of a feasibility budget to identify the viable delivery of meanwhile use and fixed homes delivered through modular construction. This exercise will identify if modular construction provides better value to the council than the acquisition programme and if future regeneration sites can be used for meanwhile use TA. The programme is at initial feasibility stage RIBA 0 and if feasibility approved, design development and engagement with planners and suppliers will progress. Once this work is completed, officers will present the findings to cabinet with the intention of unlocking this budget. Modular homes will provide solutions to homeless nightly paid accommodation needs, supported living arrangements and the rehousing of former looked-after children leaving the care system. A mix of family homes and single person homes will be developed to low carbon standards. The risks of modular construction are well known, and the intended process will navigate and reduce these risks with relevant mitigations, however, spend will be closely monitored to ensure that consultants and contractors are tightly controlled.

Romford Road Refurbishment- This is an indicative scheme that will be considered for approval in 2025/26 under a full business case. This is part of the Newham Living work to increase accommodation relating to support needs, and reduce expenditure in the General Fund, creating an MTFs saving. The building is an unused 22-bed hostel-type scheme, which could be refurbished and repurposed to provide accommodation for vulnerable single homeless people. The proposal uses HRA Capital resourcing to refurbish the property, as the building will remain within the HRA. The scheme will generate rent and service charge income that will provide a rental income to the Council and pay for service delivery including support staff. Options include leasing the property to a third-party specialist Registered Provider

Bow Street Refurbishment- This is an indicative scheme that will be considered for approval in 2025/26 under a full business case. This is part of the Newham Living work to increase accommodation relating to support needs, and reduce expenditure in the General Fund, creating an MTFs saving. The building is an unused 23-bed hostel-type scheme, which could be refurbished and repurposed to provide accommodation for vulnerable single homeless people. The proposal uses HRA Capital resourcing to refurbish the property, as the building will remain within the HRA. The scheme will generate rent and service charge income that will provide a rental income to the Council and pay for service delivery including support staff. Options include leasing the property to a third-party specialist Registered Provider.

Service Improvement External Focus

Residential Children's Home - Subject to DFE match funding bid. This proposal aims to improve outcomes for adolescents with complex needs requiring residential care. The focus is on providing timely, appropriate placements for children needing intensive support, such as solo homes with higher staffing or step up/down from alternative settings. Initially, we plan to establish two specialised 2-bed children's homes with a 2-to-1 support ratio, offering tailored care. The long-term goal is to scale this model annually to create a network of units - hence identified ongoing investment requirement for incremental provision. Capital investment options may include purchasing homes from the open market, (in and out of borough) repurposing existing stock and renovations required or designating new build, i.e. from Populo housing developments/garage

sites. LBN has the opportunity to bid for 50% of costs from DFE capital money (see link in comments) between 5th November - 28th February 2025 as part of a major investment from Central Government into this type of provision. Our LBN bid will be strengthened significantly if capital is identified and secured as part of the bidding process in advance of final submission.

Manor Park Gym Fit Out - Fit out costs for the new Manor Park Gym, currently under construction as part of the Greenhill Housing Development. This site will be added to the existing leisure portfolio and added to the new leisure management contract with GLL. The site will be handed to the Council/leisure from the developer as shell and core, funding is required to take it from shell and core to an operational facility. £500k LUF has been allocated to the scheme to support the fit out/transition to an operational site. Additional funds are required and are being requested via the capital programme.

Commercial Property Improvements - Commercial property improvements to maximise sales/income. Investment would be made only if conditions are met to either save void costs or increase rent by more than the cost of capital, or to meet legal compliance standards in vacant or other buildings where the Council retains a maintenance responsibility.

Old Town Hall Stratford - Capital works to upgrade the electrics and complete H&S, boiler renewal, DDA and compliance works.

New Externally Funded Schemes

Beckton District Park North - Entrance and connections- Delivery of new entrance and connections in Beckton District Park North. This will be a much-needed update for residents, park users and backed by ward members.

Food Waster Service – New Burdens – This scheme will enable the delivery of a weekly food waste service including the purchase of food bins, including internal kitchen caddies, external kerbside caddies, and communal bins for flats and for food waste collection vehicles.

Schemes to remain in the pipeline

Tunmarsh Centre Rebuild- Demolition and rebuild of the Pupil Referral Unit (PRU) at the Tunmarsh Centre - The Tunmarsh Centre building is in a poor condition and comprises several mobile classrooms that are at the end of life. This building is not conducive to the current curriculum requirements, therefore does not provide the requirements to fully deliver the service. New Directions and Phoenix school students are also part of the PRU; however, they are based in the old Storey school in North Woolwich. The New PRU will merge all the students together in a purpose-built provision. Both Centre's currently remain open, however DFE capital funding is being used for any urgent or compliance works which exceed the school's budgets or are considered a capital project.

Note: Further work being undertaken to explore alternative options.

Outdoor Play & Physical Activity Infrastructure Programme 2 - Cross departmental (Leisure and Parks), multi-year children's physical activity and play area improvement programme will deliver on multiple corporate priorities across the Public Health area in addition to those in Environment & Sustainable Transport. Feedback through engagement with residents, young people and partners has highlighted the lack of excellent quality, engaging and accessible facilities for physical activity and play purposes. Priority sites for 2025/26:

1 - Plashet Park, 2 - Beckton North/Lake, 3 - Memorial Recreation Ground, 4 - Central Park

Leisure Infrastructure Plan (including joint work with Housing) - Newham currently has an ageing portfolio of leisure assets. The recent Build Leisure Needs Assessment has also highlighted that our current facilities will not be able to meet future need based on our projected growth in the borough. Therefore, not only do we need to invest in our current sites we also need to consider future requirements and priority areas for investment in new facilities. Our leisure infrastructure requires development. An infrastructure plan will be developed, with medium- and longer-term aspirations. The plan looks to invest in and develop new leisure infrastructure across the borough, creating healthy places for our residents. The programme will be closely coordinated with other directorates within the Council and look at opportunities to provide new housing and social infrastructure alongside leisure uses.

Regeneration

Carpenters Phase 3 - Direct Development of high quality private and affordable housing units

The Rex Site - In July 2024, Cabinet approved to enter a conditional development agreement with Hollybrook to purchase Hollybrook and Morgan Wealth parcels of land to fund this development of up to 179 homes. The scheme will be developed Hollybrook and handed over to the Council on completion. It will deliver 114 high qualities private and 65 affordable housing units

Pier Road Site - Direct Development of 223 high qualities private and 127 affordable housing units with public realm improvements

Cyprus Site - Direct Development of 148 high qualities private and 67 affordable housing units including courtyards and public realm works to improve the environment to benefit all residents

Custom House (Phase 1 Area) - sub phase 4 - Custom House - Sub phase 4 comprises blocks G, H, J. This project is seeking to implement delivery of the Custom House regeneration programme. This specific element of the scheme will deliver c. 101 additional homes, including new affordable (55) and private housing (46). This is part of the wider outline masterplan; commencing the masterplan demonstrates the commitment of the Council to this scheme. It will also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme.

Canning Town Estate Regeneration (phases 3-10) - These phases form part of the Canning Town Estate regeneration programme. This mandate covers multiple phases and will deliver new homes, as part of the strategic masterplan which is delivering over 1350 homes of which 50% are to be affordable. In these phases there will also be improvements to the wider estate will significantly benefit residents and create economic wealth for the community. Progression of these phases could also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme. A Resident Ballot was held in summer 2024 with residents voting in favour of regeneration. There is an outline planning application due to be made in 2025. Construction on these phases would follow on the back of the delivery of Phase 2, which is a separate mandate.

Canning Town Estate Regeneration Phase 2 - Canning Town Estate Sub phase 2 is the next development phase of Canning Town. This project is seeking to implement early delivery of the Canning Town regeneration. This specific element of the scheme will deliver new homes, as part of the strategic masterplan which is delivering over 1350 homes of which 50% are to be affordable. In this phase there will also be improvements to the wider estate will significantly

benefit local residents and create economic wealth for the community. Progression of this phase will also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme. It is intended to take the masterplan design and progress by way of a Pre-Construction Services Agreement. A contractor and Employers Agent will be procured to develop the design to Reserved Matters application and detailed costing. Open book assessment of the cost will determine if the contractor is delivering value for money and the council will then seek approval to enter into the second stage (construction).

Custom House (Phase 1 Area) - sub phase 6 - "Custom House - Sub phase 6 comprises blocks B and C. This project is seeking to implement delivery of the Custom House regeneration programme. This specific element of the scheme will deliver c. 242 additional homes of which c.155 will be private, 55 for affordable shared ownership and 30 for affordable rent. This is part of the wider outline masterplan; commencing the masterplan demonstrates the commitment of the Council to this scheme. It will also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme. "

Custom House (Phase 1 Area) - sub phase 5 - Custom House - Sub phase 5 comprises blocks K and L. This project is seeking to implement delivery of the Custom House regeneration programme. This specific element of the scheme will deliver c. 77 additional homes for affordable housing. This is part of the wider outline masterplan; commencing the masterplan demonstrates the commitment of the Council to this scheme. It will also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme.

Custom House (Phase 1 Area) - sub phase 3 -Custom House - Sub phase 3. This project is seeking to implement early delivery of the Custom House regeneration. This specific element of the scheme will deliver about 60 new homes, as part of the strategic masterplan which is delivering over 700 homes of which 50% are to be affordable. In this phase there will also be some new commercial space which will significantly benefit local residents and create economic wealth for the community. Progression of this phase will also enable a proportion of the costs the Council has incurred to date to be capitalised against the scheme.

Queens Market & Hamara Ghar Strategic Site - This project is at inception/feasibility stage and responds to a number of opportunities and constraints in the Green Street area, namely the Hamara Ghar sheltered housing block, the Green Street market and a medium sized retail area. The site also provides storage and facilities for the market plus a library and medical centre. The area has been put forward as a strategic regeneration project and feasibility work undertaken over the last 24 months has been unable to meet all deliverables and remain viable. Now within the Affordable Homes/Estate Regen team the revised approach is to review the strategy in the context of place-making, identify what Green Street needs to provide and focus upon a lean combination of maintaining the existing use of the site whilst bringing forward social and private housing

Former West Ham Courthouse Refurbishment - Refurbishment of the former West Ham courthouse, which was severely damaged by a fire in 2013 and is currently being held up with scaffolding to ensure structural stability, costing £200k per year.

Carpenters Phase 2 - Direct Development of high quality private and affordable housing units

Detailed breakdown of the capital programme

	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m	Future Years Budget £m	Total Budget £m
Adults & Public Health					
DFG	3.61	0.00	0.00	0.00	3.61
Health Venture Investment	15.50	5.00	0.00	28.32	48.82
New Internal Day Centre - infrastructure improvements	0.13	0.00	0.00	0.00	0.13
Leisure Capital Investment – Prudential Borrowing	2.73	0.00	0.00	0.00	2.73
Manor Park Fitness centre	0.49	0.00	0.00	0.00	0.49
New Manor Park Gym Fit Out	2.10	0.00	0.00	0.00	2.10
Purchase of Lady Helen Seymour House	1.53	7.10	0.87	0.00	9.50
New Technology Enabled Care (Devices)	0.20	0.15	0.15	0.00	0.50
Adults & Public Health Total	26.28	12.26	1.02	28.32	67.88
Children & Young People					
46 Clova Road (Homelessness Prevention)	0.48	0.97	0.28	0.00	1.73
Flagship Youth Zone	0.00	0.00	0.00	0.00	0.00
New Shipman Youth Zone FF&E	0.05	0.00	0.00	0.00	0.05
New Residential Children's Home	3.00	0.00	0.00	0.00	3.00
Stratford Youth Zone Tech	0.00	0.00	0.00	0.00	0.00
Children & Young People Total	3.53	0.97	0.28	0.00	4.78
Corporate					
New Acquisition Budget approved Feb 2024	70.40	0.00	0.00	0.00	70.40
CCTV Community Safety Enforcement Cameras	0.25	0.00	0.39	0.30	0.94
Residential, Semi independent and Care Leavers schemes	8.49	0.00	0.00	0.00	8.49
New Unallocated Funds	10.00	0.00	0.00	0.00	10.00
Corporate Total	89.15	0.00	0.39	0.30	89.84
Digital					
Libraries ICT Refresh	0.00	0.00	0.00	0.00	0.00
OneSource Split and Modernisation	4.55	0.10	0.00	0.00	4.65
Digital Total	4.55	0.10	0.00	0.00	4.65
Environment & Sustainable Transport					
269-271 Stratford S106	0.00	0.00	0.00	0.00	0.00
A112 CFR7 Phase 1A Leyton Road	0.00	0.00	0.00	0.00	0.00
Active and Sustainable Travel	3.00	5.60	5.60	14.93	29.13
New Beckton District Park North - Entrance and connections	0.00	0.10	0.00	0.00	0.10
Bus Accessibility Scheme	0.00	0.00	0.00	0.00	0.00
C22 Wayfinding	0.00	0.00	0.00	0.00	0.00
Car Club Newham	0.00	0.00	0.00	0.00	0.00
New CCTV	0.25	0.25	0.25	0.25	1.00
CCTV Network	0.07	0.00	0.05	0.08	0.20
Channelsea	0.04	0.00	0.00	0.00	0.04
COF23 Healthy School Streets Phase 5	0.00	0.00	0.00	0.00	0.00
COF25 Low Traffic Neighbourhoods (W.Ham Park)	0.10	0.00	0.00	0.00	0.10
Corridor Improvement	0.00	0.00	0.00	0.00	0.00
Cundy Park – Play Area Refurbishment	0.13	0.00	0.00	0.00	0.13
DfT HS2 CAPITAL FUNDING	0.00	0.00	0.00	0.00	0.00
E&ST - Business Systems	0.00	0.00	0.07	0.00	0.07
Fly Tipping Intervention	0.00	0.00	0.00	0.00	0.00
Folkestone road depot	1.74	0.00	2.31	2.77	6.82
New Food Waste Service - New Burdens	2.07	0.00	0.00	0.00	2.07
Forest Lane Park	0.02	0.00	0.00	0.00	0.02
Future Bus: A118 Stratford High St	0.00	0.00	0.00	0.00	0.00
G382 PTOW RD/A114 CLEGG ST	0.00	0.00	0.00	0.00	0.00
GR381-A112/TOLLGATE ROAD	0.00	0.00	0.00	0.00	0.00
Greenspace Planned Establishment Maintenance	0.03	0.03	0.00	0.00	0.06
Greenway Extension	0.00	0.00	0.00	0.00	0.00
Healthy School Streets Phase 4	0.00	0.00	0.00	0.00	0.00
New Keeping Newham Moving - year 11	5.25	0.00	0.00	0.00	5.25
KNM - Planned Maintenance	3.60	0.00	0.00	0.00	3.60
LEYTON ROAD	0.00	0.00	0.00	0.00	0.00
Little Ilford Park and Warrior Square (and surroundings)	0.38	0.00	0.00	0.00	0.38
LOW TRAFFIC NEIGHBOURHOOD TOP-UP - LTN 2	0.00	0.00	0.00	0.00	0.00
Low Traffic Neighbourhoods 8	0.00	0.00	0.00	0.00	0.00
Memorial Recreation Ground – 3G Pitch Refurbishment	0.00	0.00	0.00	0.00	0.00
Mitchell Walk - LUF	0.00	0.00	0.00	0.00	0.00
MOVING TRAFFIC CONTRAVENTIONS	0.00	0.00	0.00	0.00	0.00
NEW006 STRATFORD STATION NEW SW ENTRANCE	0.00	0.00	0.00	0.00	0.00
NEW021 WAYFINDING	0.00	0.00	0.00	0.00	0.00
NEW046 PRINCE REGENT LANE PHASE 2	0.00	0.00	0.00	0.00	0.00

NEW047 SUPERLOOP SL2	0.00	0.00	0.00	0.00	0.00
NEW048 SIDING STREET BUS PRIORITY	0.00	0.00	0.00	0.00	0.00
NEW049 TWELVETREES BUS CORRIDOR	0.00	0.00	0.00	0.00	0.00
NEW050 MONTFICHET ROAD BUS LANE	0.00	0.00	0.00	0.00	0.00
Open Space (S106) 160-188 Hi	0.00	0.00	0.00	0.00	0.00
Parking Review and Implementation	0.00	0.00	0.00	0.00	0.00
Physical Activity and Play Infrastructure	0.73	0.00	0.00	0.00	0.73
Residential Cycle Parking provision and Membership schemes & Cycle Hire	0.00	0.00	0.00	0.00	0.00
River Lea Service Bridge	0.03	0.03	0.03	0.39	0.47
Romford Rd Active Travel Corridor and Jn Improvements	0.00	0.00	0.00	0.00	0.00
S106 - 14-26 High St Stratford	0.00	0.00	0.00	0.00	0.00
S106 - Dock Road Toucan Cross	0.00	0.00	0.00	0.00	0.00
S106 - Maryland Works	0.10	0.00	0.00	0.00	0.10
S106 14-26 Hgh strt Stratforda	0.00	0.00	0.00	0.00	0.00
S106 14-26 Hgh strt Stratfordc	0.00	0.00	0.00	0.00	0.00
S106 -89Greengate Cycle Link	0.00	0.00	0.00	0.00	0.00
S106 Bidder Street Area - Transport	0.00	0.00	0.00	0.00	0.00
S106 -UEL Stratford Campus	0.00	0.00	0.00	0.00	0.00
S106 -West Entry Royal Vic Dck	0.00	0.00	0.00	0.00	0.00
Stratford City Commuted Sum	0.15	0.15	0.15	0.52	0.97
Stratford Padel Tennis	0.00	0.00	0.00	0.00	0.00
Stratford Park Tennis Hub	0.13	0.13	0.00	0.00	0.26
STRATFORD TO WEST HAM PARK	0.00	0.00	0.00	0.00	0.00
Street Lighting and Illuminated Assets Upgrade	0.00	0.00	0.00	0.00	0.00
Structural Replacement of Failed Lamp Columns	1.40	0.60	0.00	0.00	2.00
Sustainable Neighbourhoods	0.00	0.00	0.00	0.00	0.00
TfL -Stratford Gytratory	0.00	0.00	0.00	0.00	0.00
Tolgate Road	0.00	0.00	0.00	0.00	0.00
Upton Lane Public Realm	0.00	0.00	0.00	0.00	0.00
Urban Greening	0.02	0.00	0.00	0.00	0.02
Valetta Grove Play Area Resurfacing	0.01	0.00	0.00	0.00	0.01
Westfield Avenue	0.00	0.00	0.00	0.00	0.00
Westfield Avenue TFL funding	0.00	0.00	0.00	0.00	0.00
WOOLWICH MANOR WAY (CFR9 PHASE 1)	0.00	0.00	0.00	0.00	0.00
Environment & Sustainable Transport Total	19.25	6.89	8.46	18.94	53.53
Inclusive Economy & Housing					
Acquisitions and Buybacks	8.00	8.00	8.00	1.66	25.66
Broadway Market Power Units	0.00	0.00	0.00	0.00	0.00
Canning Town -Area 7 Develop	0.10	0.00	1.94	0.00	2.04
Canning Town Estate Regeneration (phases 3-10)	0.00	0.00	30.00	428.00	458.00
Canning Town Estate Regeneration Phase 2	0.00	13.00	37.00	23.00	73.00
Canning Town Leisure Centre	1.39	1.10	0.00	0.00	2.49
Carpenters Primary School	0.18	2.04	0.00	0.00	2.22
Carpenter's Total Programme costs	1.65	1.10	0.05	0.00	2.80
CH - Commercial Transactions	0.12	0.35	0.45	4.47	5.40
CH - Phase 1 Housing Offer and Vacant Possession	0.00	0.20	0.31	0.26	0.77
CH - Phase 1 Masterplan Design and PCSA	0.55	0.80	0.85	1.00	3.20
CH - Project Management and Professional Fees	0.50	0.46	0.28	0.00	1.24
CH- Phase 1 Acquisitions and Buybacks	1.45	1.30	0.75	7.07	10.57
CT - Acquisitions and Buybacks	2.50	2.50	2.50	0.00	7.50
CT - Design and project management costs	2.00	1.00	0.79	0.00	3.79
CT - Housing Offer and Vacant Possession	1.00	1.00	1.00	1.38	4.38
CT - Vincent Street Stage 1 PCSA contract	1.30	1.07	0.50	0.00	2.87
Custom House (Phase 1 Area) - subphase 4	0.00	9.30	16.00	6.70	32.00
Custom House (Phase 1 Area) - subphase 3	0.00	7.50	13.00	5.75	26.25
Custom House (Phase 1 Area) - subphase 5	0.00	0.00	10.50	31.20	41.70
Custom House (Phase 1 Area) - subphase 6	0.00	0.00	0.00	121.96	121.96
Custom House Estates Regen Ph 1 Plot H&K	17.66	33.87	5.24	48.22	105.00
Custom House Meanwhile	0.00	0.00	0.00	0.00	0.00
Dark Fibre Upgrade project	0.19	0.00	0.00	0.00	0.19
Good Growth Programme	1.76	0.12	0.00	0.00	1.87
Leaway Regeneration Framework	0.00	0.00	0.00	0.00	0.00
Leaway Walk (2)	0.00	0.00	0.00	0.00	0.00
Local Space Disrepair (Damp & Mould)	0.60	0.60	0.00	0.00	1.20
Local Space Growth Conversion	1.32	0.00	0.00	0.00	1.32
Lochnager Bridge - LUF	0.15	0.95	0.00	0.00	1.10
LUF 195 Connections to Oppty General	0.19	0.00	0.00	0.00	0.19
LUF 296 15 Minute Nhood General	0.28	0.00	0.00	0.00	0.28
LUF Creative Public Realm	0.02	0.00	0.00	0.00	0.02
Meanwhile Projects	0.60	2.96	0.00	0.00	3.56

New	Modular Housing Development	5.00	10.00	10.00	0.00	25.00
	Newham Heritage Centre	4.13	0.00	0.00	0.00	4.13
	Newham High Sts phase 1 - CWB LUF Delivery	0.26	0.00	0.00	0.00	0.26
	North Woolwich Over the Tracks	0.17	0.00	0.00	0.00	0.17
	Phase 2 Lund Quarter	1.31	1.35	0.00	0.00	2.67
	Phase 3 Station Quarter	3.38	2.00	0.00	0.00	5.38
	Queen's Market	0.00	0.00	0.00	0.00	0.00
New	Queens Market & Hamara Ghar Strategic Site	0.30	1.70	3.00	195.00	200.00
	Queens Market Investment Works	0.43	0.00	0.34	0.00	0.77
	Rathbone Market - development	0.00	0.00	0.00	0.00	0.00
	SFL R3 Improvement Works	0.00	0.00	0.00	0.00	0.00
	Shape Newham	0.01	0.00	0.00	0.00	0.01
	Stock Street	0.73	0.00	0.00	0.00	0.73
	Stratford Community Wealth Building Programme: Active Indoor Spaces	0.02	0.00	0.00	0.00	0.02
	Stratford Market Village	0.50	0.00	0.00	0.00	0.50
	Tate Institute	0.08	0.00	0.00	0.00	0.08
	UK Community Renewal Fund	0.00	0.00	0.00	0.00	0.00
	Victoria Street Demolition & Rebuild	1.42	0.00	0.00	0.00	1.42
	Wild Royal Docks	0.15	0.00	0.00	0.00	0.15
	Will Thorne Pavilion	0.52	0.00	0.00	0.00	0.52
Inclusive Economy & Housing Total		61.93	104.26	142.50	875.67	1184.36
Marketing						
	Beckton Rotunda/Globe (DCMS funded)	0.00	0.00	0.00	0.00	0.00
	Digital Inclusion	0.00	0.00	0.00	0.00	0.00
New	Libraries ICT (PCS)	0.35	0.00	0.00	0.00	0.35
	Library self service equipment	0.36	0.00	0.00	0.00	0.36
Marketing total		0.71	0.00	0.00	0.00	0.71
OneSource						
	Fusion Payroll- Re-build	0.00	0.00	0.00	0.00	0.00
	IT Stabilisation Programme	0.00	0.00	0.00	0.00	0.00
	OneSource Stabilisation & Network Upgrade	1.80	0.20	0.00	0.00	2.00
	Oracle Cloud Infrastructure and Interface Upgrade	0.00	0.00	0.00	0.00	0.00
	Telephony Infrastructure	0.00	0.00	0.00	0.00	0.00
OneSource total		1.80	0.20	0.00	0.00	2.00
Populo						
	Carpenters Phase 2	0.00	34.74	100.05	91.24	226.03
	Carpenters Phase 3	0.00	0.00	0.00	214.09	214.09
	Cyprus Site	0.00	0.00	14.68	22.13	36.80
	Pier Road Site	0.00	49.55	47.93	35.60	133.08
	Populo - DMS	2.12	0.00	0.00	0.00	2.12
	Populo Living	11.68	7.53	23.51	33.64	76.37
New	The Rex Site	5.86	15.44	32.02	29.09	82.40
Populo Total		19.66	107.26	218.18	425.78	770.89
Resources						
	44-46 Balaam Street	0.05	0.00	0.00	0.00	0.05
	Acquisition of Olympus House	0.00	0.00	0.00	0.00	0.00
	Atherton Leisure Centre	0.21	0.00	0.00	0.00	0.21
	Beam Park	0.00	0.00	0.00	0.00	0.00
	Beckton Community Centre Refurbishment	0.66	0.00	0.00	0.00	0.66
	Building Renewals & Improvement Programme	3.95	0.36	0.00	0.00	4.31
	Carbon Offset Project	0.00	0.00	0.00	0.00	0.00
	Central Park Café – Changing Places Toilet Refurbishment	0.01	0.00	0.00	0.00	0.01
	Charlie Court Beckton Road	5.50	0.00	0.00	0.00	5.50
New	Commercial Property Improvements	1.00	1.00	1.00	0.00	3.00
	Donald Hunter House	1.63	0.32	0.00	0.00	1.95
New	East Ham Town Hall	0.50	0.10	0.15	0.00	0.75
	East Ham Town Hall refurb	0.03	0.00	0.00	0.00	0.03
New	Former West Ham Courthouse Refurbishment	0.40	7.40	7.20	0.00	15.00
	IFRS 16 Software	0.02	0.02	0.00	0.00	0.05
	Land and Property Disposals	0.05	0.00	0.00	0.00	0.05
	Leisure Centre 10 Yr Cap Prog	3.40	0.00	0.00	0.00	3.40
	Libraries and Community Centres LED programme	0.37	0.00	0.00	0.00	0.37
	Major Road Baptist Church	0.00	0.00	0.00	33.08	33.08
	Merchants Yard	0.00	0.00	0.00	6.58	6.58
	New Dockside - Dilapidations	0.50	0.00	0.00	0.56	1.06
	New Market Place	0.00	0.00	0.00	0.00	0.00
	New Shipman Youth Zone Building	0.36	0.14	0.00	0.00	0.50
	Oak Crescent	0.00	0.00	0.00	0.00	0.00
New	Old Town Hall Stratford	0.50	2.00	0.20	0.00	2.70
	Plaistow Library Investment	2.50	0.60	0.01	0.00	3.11

Preventative Eviction Acquisitions	17.03	0.00	0.00	0.00	17.03
Public Sector Decarbonisation Scheme	0.10	0.00	0.00	0.30	0.40
Rick Roberts Way (Stratford Regeneration)	0.00	0.00	0.00	0.00	0.00
Small Sites and Modular Construction	0.33	0.50	0.14	0.00	0.97
Street Acquisitions	5.40	0.00	0.00	0.00	5.40
Youth Zones - Development	0.26	0.00	0.00	0.00	0.26
Resources Total	44.76	12.45	8.70	40.52	106.42
Schools (Capital)					
2025/26 School Condition Programme	0.00	0.00	0.00	0.00	0.00
Basic Need Allocation 2020/21	0.00	0.00	0.00	0.00	0.00
Basic Need Allocation 2022/23	6.00	0.00	4.00	0.00	10.00
Brampton Manor School	0.00	0.00	0.00	0.00	0.00
Cap Maint Prog 2020/21	0.00	0.00	0.00	0.00	0.00
Cap Maint Prog 2021/22	0.09	0.00	0.00	0.00	0.09
Cap Maint Prog 2022/23	0.02	0.00	0.00	0.00	0.02
Cap Maint Prog 2023/24	0.00	0.00	0.00	0.00	0.00
Cap Maint Prog 2024/25	0.00	0.00	0.00	0.00	0.00
Carpenters Primary -Remodel	0.00	0.00	0.00	0.00	0.00
CHILDCARE EXPANSION GRANT	0.00	0.00	0.00	0.00	0.00
Colegrave Primary -Remod /expa	0.00	0.00	0.00	0.00	0.00
Debden House Pathway and Pipework	0.00	0.00	0.00	0.09	0.09
Earlham Primary	0.00	0.00	0.00	0.00	0.00
Eleanor Smith/Lansbury	0.00	0.00	0.00	0.00	0.00
Forest Gate School	0.00	0.00	0.00	0.00	0.00
Hallsville Primary -Remodel	0.00	0.00	0.00	0.00	0.00
JFK Beckton New Building	2.35	0.00	0.00	0.00	2.35
LA Funded Access Programme	0.00	0.00	0.00	0.00	0.00
Langdon School	0.00	0.00	0.00	0.00	0.00
Little Ilford	0.00	0.00	0.00	0.00	0.00
New Autism Unit	0.00	0.00	0.00	0.00	0.00
North Street School Refurbishment	0.00	0.00	0.00	0.00	0.00
PCP development costs	0.09	0.00	0.00	0.00	0.09
Ranelagh Primary - Remodel	0.00	0.00	0.00	0.00	0.00
SEND Capital Funding 2018-2021	0.00	0.00	0.00	0.00	0.00
SEND High Needs Capital 2022 – 2025	3.82	5.40	0.89	0.00	10.12
Storey/New Directions Refurbishment	0.00	0.00	0.00	0.00	0.00
Tunmarsh Centre (Refurb)	0.10	0.00	0.00	0.00	0.10
Winsor Primary – Kitchen replacement	0.00	0.00	0.00	0.00	0.00
Schools (Capital) Total	12.47	5.40	4.89	0.09	22.86
Housing Revenue Account					
Additional Supply Programme	0.00	0.00	0.00	0.00	0.00
AHfN - 236 Romford Road E17	0.25	0.00	0.00	0.00	0.25
AHfN - 559 Romford Rd	1.86	0.00	0.00	0.00	1.86
AHfN - Adine Street E13	0.06	0.00	0.00	0.00	0.06
AHfN - Army/Navy N Barn St E13	5.30	0.29	0.00	0.00	5.59
AHfN - Bramell Close	0.00	0.00	0.00	0.00	0.00
AHfN - Burgoynes/Medford E6	6.99	0.00	0.00	0.00	6.99
AHfN - Custom House - Building F K5	21.46	0.62	0.00	0.00	22.07
AHfN - Development Contingency	14.44	48.95	39.84	0.00	103.23
AHfN - Greenhill Centre E12	15.96	0.54	0.00	0.00	16.49
AHfN - Hathaway Cres 1-5 E12	4.62	0.00	0.00	0.00	4.62
AHfN - John St Boxing Club E15	5.46	0.39	0.00	0.00	5.85
AHfN - Leather Gardens E15	0.00	0.00	0.00	0.00	0.00
AHfN - Leyes Road E16	21.77	21.77	0.90	0.00	44.44
AHfN - Morse Close E13	3.02	0.00	0.00	0.00	3.02
AHfN - New City Road E13	0.98	0.00	0.00	0.00	0.98
AHfN - Plashet Road E13	0.00	0.00	0.00	0.00	0.00
AHfN - Sutton Road E13	0.00	0.00	0.00	0.00	0.00
AHfN - Vandome Close	13.54	0.40	0.00	0.00	13.94
Asbestos Survey	0.20	0.00	0.00	0.00	0.20
Boiler Replacement	2.50	0.00	0.00	0.00	2.50
Bow Street Refurbishment	2.30	0.00	0.00	0.00	2.30
Building Safety (Safety Case)	0.30	0.00	0.00	0.00	0.30
Building Safety Works	8.50	7.50	14.00	0.00	30.00
Canning Town Decants	0.00	0.00	0.00	0.00	0.00
Canning Town Estate Regen - Vincent Street	14.76	14.76	14.00	0.00	43.53
Capitalised Repairs	6.00	5.00	2.00	0.00	13.00
Capitalised SalariesLBN	2.20	2.20	1.50	0.00	5.90
Carpenters Leaseholder buyback	0.00	0.00	0.00	0.00	0.00
Community Centre Refurbishment	0.00	0.00	0.00	0.00	0.00

Community Road HRA	2.07	0.00	0.00	0.00	2.07
Contingency	9.13	0.00	30.94	0.00	40.07
CT & CH Refurbishment	0.00	0.00	0.00	0.00	0.00
Cyclical Preventative Works	1.59	1.59	0.00	0.00	3.18
DH Sgl Failure - Houses Roofs	3.42	0.00	0.00	0.00	3.42
Disrepair capitalised works	2.50	2.50	2.00	0.00	7.00
Door Entry System	0.00	0.00	0.00	0.00	0.00
East Ham Working Men's Club	0.00	0.00	0.00	0.00	0.00
Energy Performance Cert LBN	0.00	0.00	0.10	0.00	0.10
Fire Doors	5.00	5.00	2.00	0.00	12.00
Fire Safety improvement works	0.00	0.00	0.00	0.00	0.00
Fire Safety Works AM	2.00	0.00	0.00	0.00	2.00
Future Affordable Homes for Newham 2021-2026	10.00	23.45	44.45	0.00	77.90
Hamara Ghar Cladding	5.60	0.00	0.00	0.00	5.60
James Riley Point (JRP) – Carpenter's	20.16	48.86	0.00	0.00	69.02
Landlord Electrical Ph1 CCTV	0.10	0.00	0.00	0.00	0.10
Lift Programme	0.00	0.00	0.00	0.00	0.00
Loft & Energy Pilot (Populo)	0.00	0.00	0.00	0.00	0.00
Major Works	10.50	8.30	7.30	0.00	26.10
Property Adaptations	1.20	0.00	0.50	0.00	1.70
Retrofit Programme	3.50	1.50	20.00	0.00	25.00
Rewire	0.70	0.00	0.00	0.00	0.70
Romford Road Refurbishment	1.14	0.00	0.00	0.00	1.14
Streetscene/Envir Improvements	3.00	3.00	2.00	0.00	8.00
Sussex Road Soil Stacks	0.00	0.00	0.00	0.00	0.00
Three Towers	5.00	0.00	0.00	0.00	5.00
Water Tanks LBN	1.50	0.00	0.00	0.00	1.50
Windows Programme	2.00	0.00	2.00	0.00	4.00
Housing Revenue Account Total	242.57	196.62	183.52	0.00	622.72
Grand Total	526.65	446.41	567.95	1389.62	2930.62

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Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	ALLOTMENTS AND PARK BOOKING							
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Full Plot	75.57	15.11	90.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Full Plot	61.43	12.29	75.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Full Plot	66.82	13.36	80.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Full Plot	72.10	14.42	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Full Plot	69.49	13.90	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Full Plot	72.16	14.43	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Full Plot	59.89	11.98	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Reynolds-Allotments-Full Plot	72.16	14.43	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Beckton Market Garden - Allotments- Full Plot	20.00	4.00	25.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Full Plot-Senior Citizen	50.97	10.19	60.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Full Plot-Out Borough	126.44	25.29	150.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Half Plot	50.97	10.19	60.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Half Plot-Senior Citizen	37.84	7.57	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	St Marys-Allotments-Half Plot-Out Borough	87.24	17.45	105.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Full Plot - Senior Citizen	36.82	7.36	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Full Plot - Out Borough	111.36	22.27	135.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Half Plot	36.82	7.36	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Half Plot-Senior Citizen	24.16	4.83	30.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	South Beckton-Allotments-Half Plot-Out Borough	62.14	12.43	75.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Reynolds-Allotments-Full Plot-Senior Citizen	46.83	9.37	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Reynolds-Allotments-Full Plot-Out Borough	72.16	14.43	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Full Plot-Senior Citizen	44.89	8.98	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Full Plot-Out Borough	119.48	23.90	145.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Half Plot	44.89	8.98	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Half Plot-Senior Citizen	32.20	6.44	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Leyes Road-Allotments-Half Plot-Out Borough	70.28	14.06	85.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Full Plot-Senior Citizen	47.49	9.50	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Full Plot-Out Borough	122.70	24.54	145.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Half Plot	47.49	9.50	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Half Plot-Senior Citizen	34.50	6.90	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Folkestone-Allotments-Half Plot-Out Borough	73.48	14.70	90.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Full Plot-Senior Citizen	42.22	8.44	50.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Full Plot-Out Borough	117.14	23.43	140.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Half Plot	42.22	8.44	50.00	20%	N	

2025/26

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Half Plot-Senior Citizen	29.36	5.87	35.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cyprus-Allotments-Half Plot-Out Borough	68.48	13.70	80.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Full Plot-Senior Citizen	47.56	9.51	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Full Plot-Out Borough	122.82	24.56	145.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Half Plot	47.56	9.51	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Half Plot-Senior Citizen	34.53	6.91	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Connaught-Allotments-Half Plot-Out Borough	73.62	14.72	90.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Full Plot-Senior Citizen	35.29	7.06	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Full Plot-Out Borough	109.78	21.96	130.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Half Plot	35.29	7.06	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Half Plot-Senior Citizen	22.65	4.53	25.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Bridle Path-Allotments-Half Plot-Out Borough	60.58	12.12	75.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Jala -Allotments-Half Plot	46.82	9.36	55.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Jala -Allotments-Half Plot -Senior Citizen	34.16	6.83	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Key Charges	25.00	5.00	30.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Commercial Events 1-499 estimated attendance	627.00	125.40	750.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	500 – 2000	2512.00	502.40	3015.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	2001 – 10,000	6225.00	1245.00	7470.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	10,000+	12910.00	2582.00	15490.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Community Events 1-499 estimated attendance	176.00	35.20	210.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	500 – 2000	291.00	58.20	350.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	2001 – 10,000	467.00	93.40	560.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	10,000+	1176.00	235.20	1410.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	School Sports Days (max 500 people)	56.00	11.20	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Returnable Deposit 1-499 estimated attendance	229.00	45.80	275.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	500 – 2000	576.00	115.20	690.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	2001 – 10,000	1152.00	230.40	1380.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	10,000+	5700.00	1140.00	6840.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Circus/Fun Fair - Set up Day (Discretionary)	116.00	23.20	140.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Circus/Fun Fair - Trading Day	816.00	163.20	980.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Football Pitch - Senior Pitch 13 game season	597.00	119.40	715.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Senior Pitch 13 game season (out of borough team)	715.00	143.00	860.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Junior Pitch 13 game season	296.00	59.20	355.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Junior Pitch 13 game season (out of borough team)	362.00	72.40	435.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Senior Pitch one off match	84.00	16.80	100.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Junior Pitch one off match	38.00	7.60	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	School Match	11.00	2.20	15.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cricket Pitch - Senior Pitch one off match	84.00	16.80	100.00	20%	N	

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Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cricket Pitch - Junior Pitch one off match	38.00	7.60	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Cricket Pitch - School Match	11.00	2.20	15.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Tennis Court - Non-member fee (floodlight booking) per hour	10.00	2.00	10.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Tennis Court - Family Membership (individual/household) Annual Subscription	37.00	7.40	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Member floodlight surcharge per hour	3.00	0.60	5.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	Non-member fee per hour	6.00	1.20	5.00	20%	N	
G3600B-Environment and Sustainable Transport	Allotments and Park booking	School bookings per hour	5.00	1.00	5.00	20%	N	
G3600B-Environment and Sustainable Transport	BULKY WASTE							
G3600B-Environment and Sustainable Transport	Bulky Waste	Collection of up to 6 items	25.00	5.00	30.00	20%	Y	
G3600B-Environment and Sustainable Transport	CEMETERY & MORTUARY							
G3600B-Environment and Sustainable Transport	East Ham Public Mortuary charges	Annual Charge to Redbridge	20338.00	4067.60	24405.00	20%	Y	
G3600B-Environment and Sustainable Transport	East Ham Public Mortuary charges	Reduced rate for Redbridge (any case), per body	422.00	84.40	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	East Ham Public Mortuary charges	Fees for routine post-mortem	1011.00	202.20	1215.00	20%	Y	
G3600B-Environment and Sustainable Transport	East Ham Public Mortuary charges	Fees for Second post-mortem (inc. Defence post-mortem)*	982.00	196.40	1180.00	20%	Y	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Interment fee (Adult)	1460.00	292.00	1750.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Interment fee (Stillborn - 1 month)	541.00	108.20	650.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Interment fee (Child 1 month - 12 yrs)	790.00	158.00	950.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 25 years ("G" Plot)	855.00	171.00	1025.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 50 years (Zone A) (New)	3010.00	602.00	3610.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 50 years (Zone 1)	1423.00	284.60	1710.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 50 years (Zone 2)	1715.00	343.00	2060.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 50 years (Zone 3)	2139.00	427.80	2565.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation 50 years (Zone 3 Front Row)	2733.00	546.60	3280.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Unreserved grave incl interment & memorial	2326.00	465.20	2790.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 50 years	1670.00	334.00	2005.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 40 years	1342.00	268.40	1610.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 30 years	1018.00	203.60	1220.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 25 years	856.00	171.20	1025.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 20 years	713.00	142.60	855.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Reservation renewal for 10 years	360.00	72.00	430.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Ground frame	180.00	36.00	215.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Chapel hire (per half hour)	112.00	22.40	135.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Chapel hire on Weekend (New)	176.00	35.20	210.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Temporary plaque	100.00	20.00	120.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Garden of remembrance (incl 1st interment) for 20 years	1021.00	204.20	1225.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Communal rose garden	119.00	23.80	145.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Ash grave (incl 1st interment) for 20 years	934.00	186.80	1120.00	20%	N	
G3600B-Environment and Sustainable Transport	West Ham Cemetery charges	Stonemason permit - full memorial	250.00	50.00	300.00	20%	N	
G3600B-Environment and Sustainable Transport	LICENSING & REGULATIONS							
G3600B-Environment and Sustainable Transport	Licensing Charges	Licensing Act 2003					Y	Statutory Fees ONLY
G3600B-Environment and Sustainable Transport	Licensing Charges	Gambling Act 2005					Y	Statutory Fees ONLY
G3600B-Environment and Sustainable Transport	Licensing Charges	Film classification	50.00	10.00	60.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Street Trading Application	90.00	18.00	110.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Street Trading Local Trader per week	32.00	6.40	40.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Street Trading National trader per Week	45.00	9.00	55.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Licensing Charges	Pre-application advice - Small application Up to 3 hours officer time	240.00	48.00	290.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Charges	Pre-application advice - Medium application Up to 6 hours officer time	480.00	96.00	575.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Charges	Pre-application advice - Large application with multiple site visits	1280.00	256.00	1535.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Charges	Pre-application advice - Bolt On further officer time.	197.00	39.40	235.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Charges	Transfers, Change of DPS, Gambling etc. General advice on application processes.	80.00	16.00	95.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Charges	Marriage Premises Size of PremisesTo Accommodate number of persons Grant of Approval(3 year registration) Renewal (10% Less)	1035.00	207.00	1240.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Marriage Premises Size of PremisesTo Accommodate number of persons Grant of Approval(3 year registration) Renewal (10% Less)	1280.00	256.00	1535.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Marriage Premises Size of PremisesTo Accommodate number of persons Grant of Approval(3 year registration) Renewal (10% Less)	1387.00	277.40	1665.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Marriage Premises Size of PremisesTo Accommodate number of persons Grant of Approval(3 year registration) Renewal (10% Less)	1760.00	352.00	2110.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Full Penalty Cost	400.00	80.00	480.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing Charges	Discount Penalty Cost	240.00	48.00	290.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Massage	814.00	162.80	975.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Massage Variation	489.00	97.80	585.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Laser	1297.00	259.40	1555.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Laser Variation	487.00	97.40	585.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Other Treatment Licences - New licence	582.00	116.40	700.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Other Treatment Licences - Renewal	487.00	97.40	585.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Other Treatment Variation	247.00	49.40	295.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST New Therapist registration	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Therapist Renewal registration	51.00	10.20	60.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Variation to current Licence	45.00	9.00	55.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	MST Shows/Events	234.00	46.80	280.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (industrial, trade or business premises)	Copy of Licence (paper copy and ID card)	15.00	3.00	20.00	20%	Y	
G3600B-Environment and Sustainable Transport	Health & Safety	Primary Authority Agreement	110.00	22.00	130.00	20%	N	
G3600B-Environment and Sustainable Transport	Food Safety Team	FHRS Re- Rate	243.00	48.60	290.00	20%	Y	
G3600B-Environment and Sustainable Transport	Food Safety Team	Health Certificate	79.00	15.80	95.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	New registration to store up to 250kg of explosives	119.00	23.80	145.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Renewal registration to store up to 250kg of explosives	59.00	11.80	70.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	New Licence to store 250g - 2000kg explosives	202.00	40.40	240.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Renewal Licence to store 250kg - 2000kg of explosives	94.00	18.80	115.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Licence to sell fireworks year round	500.00	100.00	600.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Scrap Metal Licensing: Licence Site	827.00	165.40	990.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Scrap Metal Licensing: Collectors Licence	464.00	92.80	555.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Scrap Metal Licensing: Variation Licence Site	192.00	38.40	230.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Variation of Collector's Licence other than to change the licence to site licence	181.00	36.20	215.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Variation of Collector's Licence to site licence	624.00	124.80	750.00	20%	Y	
G3600B-Environment and Sustainable Transport	Manufacture and Storage of Explosives Regulations 2005	Issue of Duplicate Licence	29.00	5.80	35.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Stray dog collection - first collection	62.00	12.40	75.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Stray dog collection - second collection	88.00	17.60	105.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Stray dog collection - third collection	119.00	23.80	145.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Stray dog boarding (overnight fee)	17.00	3.40	20.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Dog boarding on behalf of other Council services (per day or part thereof)	17.00	3.40	20.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Cat boarding (per day or part thereof)	13.00	2.60	15.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Animal collection (in Newham)	37.00	7.40	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Animal collection (outside Newham)	53.00	10.60	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Dog re-homing	55.00	11.00	65.00	20%	Y	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Cat re-homing	34.00	6.80	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Pit Bull type dog boarding (per day or part thereof)	25.00	5.00	30.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Dog boarding (per day or part thereof)	17.00	3.40	20.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Two dogs from the same household boarding together	32.00	6.40	40.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Two cats from the same household boarding	15.00	3.00	20.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Two cats from the same household boarding	15.00	3.00	20.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Dog boarding on behalf of other Councils (per day or part thereof)	17.00	3.40	20.00	20%	N	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Social Services cost: Attendance of x2 Officers per hour	61.00	12.20	75.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Social Services cost: Collection of animals cancellation without 48 hours' notice	58.00	11.60	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Social Services cost: Required dog and cat vaccination fee	65.00	13.00	80.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Officers microchipping a dog when mop attends Animal Welfare office	20.00	4.00	25.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Evictions per hour- to attend plus boarding fees if animals are removed - per hour	117.00	23.40	140.00	20%	N	
G3600B-Environment and Sustainable Transport	Animal Welfare Fees and Charges for 2013/14	Warning Notice	73.00	14.60	90.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Selling animals as pets licence - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Selling animals as pets licence - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Selling animals as pets licence - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding New Licence (Including vet inspection fee) - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding New Licence (Including vet inspection fee) - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding New Licence (Including vet inspection fee) - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding licence renewal - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding licence renewal - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog breeding licence renewal- 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Home boarding Licence- 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Home boarding Licence- 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Home boarding Licence - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog boarding in kennels Licence - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog boarding in kennels Licence - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dog boarding in kennels Licence- 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Cat boarding in Cattery Licence - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Cat boarding in Cattery Licence - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Cat boarding in Cattery Licence - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Doggy day care licence - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Doggy day care licence - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Doggy day care licence - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Hiring out Horses Licence plus vet inspection fees	220.00	44.00	265.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Breeding of Dogs Act Licence - 1 year	420.00	84.00	505.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Breeding of Dogs Act Licence - 2 year	751.00	150.20	900.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Breeding of Dogs Act Licence - 3 year	1135.00	227.00	1360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Keeping to training animals 3 year licence	1072.00	214.40	1285.00	20%	Y	
G3600B-Environment and Sustainable Transport	Licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018)	Dangerous Wild Animals Licence	350.00	70.00	420.00	20%	Y	
G3600B-Environment and Sustainable Transport	COMMERCIAL WASTE							
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	For 1-3 batches of 52 bags	180.00	36.00	215.00	20%	N	
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	For 4 batches of 52 bags	695.00	139.00	835.00	20%	N	
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	240ltr	627.50	125.50	755.00	20%	N	
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	360ltr	740.50	148.10	890.00	20%	N	
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	660ltr	1109.50	221.90	1330.00	20%	N	
G3600B-Environment and Sustainable Transport	Commercial Waste-excl. vat	1100ltr	1255.00	251.00	1505.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	Schools 1100ltr	900.00	180.00	1080.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	240ltr	476.50	95.30	570.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	360ltr	508.00	101.60	610.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	660ltr	848.00	169.60	1020.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	660ltr	718.00	143.60	860.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	1100ltr	767.00	153.40	920.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	240ltr RECYCLE	370.00	74.00	445.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	660ltr RECYCLE	718.00	143.60	860.00	20%	N	
G3600B-Environment and Sustainable Transport	Discount Schools/Hospital/Charity/places of worship 1st and 2nd collections (each)	1100ltr RECYCLE	776.00	155.20	930.00	20%	N	
G3600B-Environment and Sustainable Transport	Ad-hoc Collections	Up to 660ltr	25.00	5.00	30.00	20%	N	
G3600B-Environment and Sustainable Transport	Ad-hoc Collections	1100ltr	30.00	6.00	35.00	20%	N	
G3600B-Environment and Sustainable Transport	WASTE & RECYCLING							
G3600B-Environment and Sustainable Transport	Developer Bins	Refuse 1100 ltr	408.13	81.63	490.00	20%	N	
G3600B-Environment and Sustainable Transport	Developer Bins	Recycling 1100ltr	391.80	78.36	470.00	20%	N	
G3700B-Marketing	COMMUNICATIONS							
G3700B-Marketing	External Advertising in Newham Magazine	Full page advert (297mm (H) 210 mm (W)	2454.10	490.82	2945.00	20%	N	
G3700B-Marketing	External Advertising in Newham Magazine	Full advert back page - (297mm (H) 210 mm (W)	2848.89	569.78	3420.00	20%	N	
G3700B-Marketing	External Advertising in Newham Magazine	Inside back (297mm (H) 210 mm (W)	2630.16	526.03	3155.00	20%	N	
G3700B-Marketing	External Advertising in Newham Magazine	Half page advert - 147mm (H) 210mm (W)	1371.10	274.22	1645.00	20%	N	
G3700B-Marketing	External Advertising in Newham Magazine	Quarter page advert - 147mm (H) 103.5mm (W)	768.24	153.65	920.00	20%	N	
G3700B-Marketing	Local page adverts	1 panel - 41.5mm (H) 96mm (W)	144.05	28.81	175.00	20%	N	
G3700B-Marketing	Local page adverts	2 panels - 86.75 (H) 96mm (W)	261.42	52.28	315.00	20%	N	
G3700B-Marketing	Local page adverts	3 panels - 132mm(H) 96mm (W)	378.79	75.76	455.00	20%	N	
G3700B-Marketing	Local page adverts	6 panels - 132mm(H) 199mm (W)	746.90	149.38	895.00	20%	N	
G3000B-Children and Young People	CYPS							
G3000B-Children and Young People	Debden House and Campsite -Newham	Conference facility non-residential - employees per day	50.55	10.11	60.00	20%		

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3000B-Children and Young People	Debden House and Campsite -Newham	Conference facility non-residential - employees per day - Bronze Package	31.87	6.37	40.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Conference facility residential - employees per day/night - Gold Package	93.42	18.68	110.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Conference facility residential - B&B only per day	43.96	8.79	55.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Conference facility residential - Bed only per day	38.47	7.69	45.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - waged: residential	137.38	27.48	165.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - waged: single occupancy supplement	21.98	4.40	25.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - waged: non-residential	87.92	17.58	105.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - unwaged: residential	87.92	17.58	105.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - unwaged: single occupancy supplement	21.98	4.40	25.00	20%		
G3000B-Children and Young People	Debden House and Campsite -Newham	Weekend course - unwaged: non-residential	65.94	13.19	80.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Adult	10.99	2.20	15.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Children U16	5.50	1.10	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Set Camp (Newham School Groups)	10.99	2.20	15.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Set Camp (Newham Adult Groups)	16.49	3.30	20.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Duke of Edinburgh Student	8.79	1.76	10.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Duke of Edinburgh Adult	12.09	2.42	15.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Electric hook up	5.50	1.10	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Dog	3.30	0.66	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Gazebos	5.50	1.10	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Additional car	4.40	0.88	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Newham	Day visitors	4.40	0.88	5.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Conference facility non-residential per day	58.25	11.65	70.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Conference facility non-residential - Bronze Package	35.17	7.03	40.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Conference facility residential - per day/night - Gold Package	137.38	27.48	165.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Conference facility residential - B&B only per day	49.46	9.89	60.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Conference facility residential - Bed only per day	43.96	8.79	55.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Weekend course - residential	153.86	30.77	185.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Weekend course - single occupancy supplement	65.94	13.19	80.00	20%		
G3000B-Children and Young People	Debden House Centre & Campsite - Non Newham	Weekend course - non residential	109.90	21.98	130.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Adult	13.19	2.64	15.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Children U16	6.59	1.32	10.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Electric hook up	6.59	1.32	10.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Set Camp (Non-Newham School Groups)	13.19	2.64	15.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Set Camp (Non-Newham Adult Groups)	19.78	3.96	25.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Dog	3.30	0.66	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Gazebos	6.59	1.32	10.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Additional car	4.40	0.88	5.00	20%		
G3000B-Children and Young People	Campsite - Per person per night charge: Non Newham	Day visitors	5.50	1.10	5.00	20%		
G3000B-Children and Young People	Training Room Only Hire- Both Newham & Non Newham Prices	Lecture Theatre (Full Day)	549.51	109.90	660.00	20%		

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3000B-Children and Young People	Training Room Only Hire- Both Newham & Non Newham Prices	Lounge (Full Day)	241.78	48.36	290.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Conference Room (Full Day)	208.81	41.76	250.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Study (Full Day)	208.81	41.76	250.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Library (Full Day)	109.90	21.98	130.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Lecture Theatre (Half Day)	274.75	54.95	330.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Lounge (Half Day)	120.89	24.18	145.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Conference Room (Half Day)	104.41	20.88	125.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Study (Half Day)	104.41	20.88	125.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Library (Half Day)	54.95	10.99	65.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Lecture Theatre (Weekend Hire)	824.26	164.85	990.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Lounge (Weekend Hire)	351.68	70.34	420.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Conference Room (Weekend Hire)	274.75	54.95	330.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Study (Weekend Hire)	274.75	54.95	330.00	20%		
G3000B-Children and Young People	CYPS Fees and Charges	Library (Weekend Hire)	164.85	32.97	200.00	20%		
G3000B-Children and Young People	Fairplay House Outdoor Education Centre Newham Schools 5 day course: fee per student	Fairplay House Activities: fee per student	320.00	64.00	385.00	20%		
G3000B-Children and Young People	Fairplay House Outdoor Education Centre Weekend and 2 1/2 day courses – fee per student :	Fairplay House Activities: fee per student	176.06	35.21	210.00	20%		
G3700B-Marketing	EAST HAM TOWN HALL							
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Per Hour Private Hire	250.00	50.00	300.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak Per Hour Private Hire	350.00	70.00	420.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Per Hour Commercial	350.00	70.00	420.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak per Hour Commercial	450.00	90.00	540.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Community / Educational	150.00	30.00	180.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak per hour Community / Educational	200.00	40.00	240.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking private	550.00	110.00	660.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking commercial	750.00	150.00	900.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking community / educational	300.00	60.00	360.00	20%	N	
G3700B-Marketing	Kitchen - Fees	On the day additional hours = 1.5x hourly rate Low	225.00	45.00	270.00	20%	N	
G3700B-Marketing	Kitchen - Fees	On the day additional hours = 1.5x hourly rate High	675.00	135.00	810.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Off Peak per hour private	65.00	13.00	80.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Peak per hour private	95.00	19.00	115.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Off Peak per hour commercial	95.00	19.00	115.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Peak per hour commercial	145.00	29.00	175.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Off Peak per hour community / educational	30.00	6.00	35.00	20%	N	
G3700B-Marketing	Lister - Fees	Lister - Peak per hour community / educational	45.00	9.00	55.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber - Off Peak per hour private	100.00	20.00	120.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber - Peak per hour private	150.00	30.00	180.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber - Off Peak per hour commercial	150.00	30.00	180.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber - Peak per hour commercial	250.00	50.00	300.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber- Off Peak per hour community / educational	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Council Chamber - Fees	Council Chamber - Peak per hour community / educational	75.00	15.00	90.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms - Off Peak per hour private	45.00	9.00	55.00	20%	N	
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms - Peak per hour private	65.00	13.00	80.00	20%	N	
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms- Off Peak per hour commercial	65.00	13.00	80.00	20%	N	
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms - Peak per hour commercial	95.00	19.00	115.00	20%	N	
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms- Off Peak per hour community / educational	20.00	4.00	25.00	20%	N	
G3700B-Marketing	Committee Rooms - Fees	Committee Rooms - Peak per hour community / educational	30.00	6.00	35.00	20%	N	
G3700B-Marketing	Other - Fees	Door Supervisors (min 6 hours)	75.00	15.00	90.00	20%	N	
G3700B-Marketing	Other - Fees	Technician (min 4 hours)	75.00	15.00	90.00	20%	N	
G3700B-Marketing	Other - Fees	Committee Rooms - additional cost per hour if unique booking (no other rooms booked)	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Other - Fees	Additional Cleaning	45.00	9.00	55.00	20%	N	
G3600B-Environment and Sustainable Transport		COMMUNITY SAFETY						
G3600B-Environment and Sustainable Transport	Littering	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Littering	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Fly tipping	Full Penalty Cost	400.00	80.00	480.00	20%	Y	
G3600B-Environment and Sustainable Transport	Fly tipping	Discount Penalty Cost	350.00	70.00	420.00	20%	Y	
G3600B-Environment and Sustainable Transport	Nuisance Parking	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Nuisance Parking	Discount Penalty Cost	60.00	12.00	70.00	20%	Y	
G3600B-Environment and Sustainable Transport	Abandoned Vehicle	Full Penalty Cost	200.00	40.00	240.00	20%	Y	
G3600B-Environment and Sustainable Transport	Abandoned Vehicle	Discount Penalty Cost	120.00	24.00	145.00	20%	Y	
G3600B-Environment and Sustainable Transport	Graffiti and flyposting	Full Penalty Cost	80.00	16.00	95.00	20%	Y	
G3600B-Environment and Sustainable Transport	Graffiti and flyposting	Discount Penalty Cost	50.00	10.00	60.00	20%	Y	
G3600B-Environment and Sustainable Transport	Unlicensed Street Trading	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Unlicensed Street Trading	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Giving out literature on designated land without permission	Full Penalty Cost	80.00	16.00	95.00	20%	Y	
G3600B-Environment and Sustainable Transport	Giving out literature on designated land without permission	Discount Penalty Cost	50.00	10.00	60.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to produce authority (waste carrier's license)	Full Penalty Cost	300.00	60.00	360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to produce authority (waste carrier's license)	Discount Penalty Cost	180.00	36.00	215.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to furnish documentation (waste transfer notes)	Full Penalty Cost	300.00	60.00	360.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to furnish documentation (waste transfer notes)	Discount Penalty Cost	180.00	36.00	215.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with Community Protection Notice (CPN)	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with Community Protection Notice (CPN)	Discount Penalty Cost	70.00	14.00	85.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a Public Space Protection Order (PSPO)	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a Public Space Protection Order (PSPO)	Discount Penalty Cost	80.00	16.00	95.00	20%	Y	
G3600B-Environment and Sustainable Transport	Noise from dwellings	Full Penalty Cost	110.00	22.00	130.00	20%	Y	
G3600B-Environment and Sustainable Transport	Noise from dwellings	Discount Penalty Cost	60.00	12.00	70.00	20%	Y	
G3600B-Environment and Sustainable Transport	Displaying and advertisement in contravention of regulations	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Displaying and advertisement in contravention of regulations	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (residential premises)	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition imposed by an abatement notice (residential premises)	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention of condition of street trading licence or temporary licence	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention of condition of street trading licence or temporary licence	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Making false statement in connection with application for street trading licence or temporary licence	Full Penalty Cost	125.00	25.00	150.00	20%	Y	
G3600B-Environment and Sustainable Transport	Making false statement in connection with application for street trading licence or temporary licence	Discount Penalty Cost	80.00	16.00	95.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Resisting or obstructing authorised officer	Full Penalty Cost	250.00	50.00	300.00	20%	Y	
G3600B-Environment and Sustainable Transport	Resisting or obstructing authorised officer	Discount Penalty Cost	165.00	33.00	200.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to produce street trading licence on demand	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to produce street trading licence on demand	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Erecting a scaffold or other structure without permission of the highway authority	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Erecting a scaffold or other structure without permission of the highway authority	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip deposited on highway without permission under s139 of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip deposited on highway without permission under s139 of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - failure to remove or reposition s140 of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - failure to remove or reposition s140 of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip removal under s1394c of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip removal under s1394c of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - failure to comply skip licence conditions under s139d of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - failure to comply skip licence conditions under s139d of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip removal under s1394c of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip removal under s1394c of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip deposited on highway without lighting/unmarked/no details under s139a & 139b of Highways Act	Full Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Skip offences - skip deposited on highway without lighting/unmarked/no details under s139a & 139b of Highways Act,	Discount Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a waste receptacle notice	Full Penalty Cost	110.00	22.00	130.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a waste receptacle notice	Discount Penalty Cost	60.00	12.00	70.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a CPN for WIFG	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with a CPN for WIFG	Discount Penalty Cost	70.00	14.00	85.00	20%	Y	
G3600B-Environment and Sustainable Transport	Duty of Care (Household)	Full Penalty Cost	400.00	80.00	480.00	20%	Y	
G3600B-Environment and Sustainable Transport	Duty of Care (Household)	Discount Penalty Cost	350.00	70.00	420.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition	Full Penalty Cost	400.00	80.00	480.00	20%	Y	
G3600B-Environment and Sustainable Transport	Contravention or Failure to comply with requirements or prohibition	Discount Penalty Cost	265.00	53.00	320.00	20%	Y	
G3600B-Environment and Sustainable Transport	Painting or otherwise inscribing or affixing a picture etc. upon a surface of a highway or upon a tree structure or works or on a highway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Painting or otherwise inscribing or affixing a picture etc. upon a surface of a highway or upon a tree structure or works or on a highway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Wilful obstruction of highway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Wilful obstruction of highway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Erecting a building fence or hedge on a highway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Erecting a building fence or hedge on a highway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring removal of tree or shrub	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring removal of tree or shrub	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Using of a stall etc. for roadside sales in certain circumstances	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Using of a stall etc. for roadside sales in certain circumstances	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing materials on a made up carriageway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing materials on a made up carriageway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing materials etc. within 15 ft. from centre of a made up carriage way	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing materials etc. within 15 ft. from centre of a made up carriage way	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Deposit anything on a highway – interruption of use	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Deposit anything on a highway – interruption of use	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Pitching of booths stalls or stands or encamping on a highway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	

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G3600B-Environment and Sustainable Transport	Pitching of booths stalls or stands or encamping on a highway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring works to prevent soil or refuse escaping onto street or into sewer	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring works to prevent soil or refuse escaping onto street or into sewer	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring removal of projection of a building	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failure to comply with notice requiring removal of projection of a building	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failing to comply with notice requiring alteration of a door / gate or bar opening outward into street	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Failing to comply with notice requiring alteration of a door / gate or bar opening outward into street	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Keeping of animals straying, laying on the side of highway	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Keeping of animals straying, laying on the side of highway	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing a things on the highway which cause injury or danger	Full Penalty Cost	100.00	20.00	120.00	20%	Y	
G3600B-Environment and Sustainable Transport	Depositing a things on the highway which cause injury or danger	Discount Penalty Cost	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Smoking offences - failure to erect smoking signs	Full Penalty Cost	200.00	40.00	240.00	20%	Y	
G3600B-Environment and Sustainable Transport	Smoking offences - failure to erect smoking signs	Discount Penalty Cost	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Smoking offences - smoking in smoke free places	Full Penalty Cost	50.00	10.00	60.00	20%	Y	
G3600B-Environment and Sustainable Transport	Smoking offences - smoking in smoke free places	Discount Penalty Cost	30.00	6.00	35.00	20%	Y	
G4500B-Environment and Sustainable Transport	Security Monitoring	Per alarmed property monitored	2900.00	580.00	3480.00	20%	N	
G4500B-Environment and Sustainable Transport	Security Monitoring	Sale of CCTV footage to Insurance companies as per s35 of the Data Protection Act	110.00	22.00	130.00	20%	N	
G4500B-Housing Revenue Account	HOUSING COMPLIANCE							
G4500B-Housing Revenue Account	Housing Compliance	Charges for fobs for door entries	24.00	4.80	30.00	20%	N	
G4500B-Housing Revenue Account	Housing Compliance	Reference letter confirming tenure and rights of occupation	91.00	18.20	110.00	20%	N	
G4500B-Housing Revenue Account	Housing Compliance	Second permit for private controlled parking areas on Carpenters estate	121.00	24.20	145.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Visitor permits for private controlled parking areas on Carpenters estate (in line with parking charges across Borough) per book Minimum	12.25	2.45	15.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Visitor permits for private controlled parking areas on Carpenters estate (in line with parking charges across Borough) per book Maximum	25.50	5.10	30.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Minimum Visitor permits for private controlled parking areas on Carpenters estate (in line with parking charges across Borough) per book	14.37	2.87	15.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Maximum Visitor permits for private controlled parking areas on Carpenters estate (in line with parking charges across Borough) per book	29.93	5.99	35.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Rent reference letter for Building Society or private Landlord	91.00	18.20	110.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold services - sublet fee	121.00	24.20	145.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold Services - Pre assignment pack	243.00	48.60	290.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold Services- Notice of charge	85.00	17.00	100.00	20%	N	

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G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold Services- transfer fee	85.00	17.00	100.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold Services- Deed of covenant	85.45	17.09	105.00	20%	N	
G4500B-Housing Revenue Account	Visitor permits for private controlled parking areas on Carpenters estate	Leasehold Services- Administrative fee for legal referrals (arrears and breach of lease)	48.83	9.77	60.00	20%	N	
G3100B-Inclusive Economy & Housing	MARKETS							
G3100B-Inclusive Economy & Housing	Queens Market	Permanent Pitch per week	104.76	20.95	125.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Casual Pitch weekdays	30.42	6.08	35.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Casual Pitch Saturday	36.04	7.21	45.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Kiosk Pitch small	12.39	2.48	15.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Kiosk Pitch Med	19.15	3.83	25.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Casual Pitch Sunday	18.14	3.63	20.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Pre booked casual pitch - Sunday (New)	14.94	2.99	20.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Market	Table Hire	2.45	0.49	5.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Square	Permanent	116.08	23.22	140.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Square	Casual Pitch weekdays	30.42	6.08	35.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Square	Casual Pitch Saturday	36.04	7.21	45.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Square	Casual Pitch Sunday	18.14	3.63	20.00	20%	N	
G3100B-Inclusive Economy & Housing	Queens Square	Pre booked casual pitch - Sunday (New)	14.94	2.99	20.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Indoor Market	Permanent pitch	133.38	26.68	160.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Indoor Market	Casual Pitch per day	34.92	6.98	40.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Indoor Market	Casual Pitch Saturday	34.92	6.98	40.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Indoor Market	Sunday Pitch for casual trader	30.42	6.08	35.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Outdoor Market	Permanent pitch per week	98.00	19.60	120.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Outdoor Market	Casual pitch per day	30.42	6.08	35.00	20%	N	
G3100B-Inclusive Economy & Housing	Stratford Outdoor Market	Sunday pitch	30.42	6.08	35.00	20%	N	
G3100B-Inclusive Economy & Housing	Kelland Road Market	Permanent pitch per week	96.03	19.21	115.00	20%	N	
G3100B-Inclusive Economy & Housing	Pilgrims Way Market	Permanent Pitch	96.03	19.21	115.00	20%	N	
G3100B-Inclusive Economy & Housing	Pilgrims Way Market	Casual Pitch	19.15	3.83	25.00	20%	N	
G3100B-Inclusive Economy & Housing	Woodgrange Road Market	Community Market - 10 pitches	0.00	0.00	0.00		N	
G3100B-Inclusive Economy & Housing	The Grove	Permanent pitch per week (New)	98.00	19.60	120.00	20%	N	
G3100B-Inclusive Economy & Housing	The Grove	Casual pitch per day (New)	24.79	4.96	30.00	20%	N	
G3100B-Inclusive Economy & Housing	The Grove	Sunday pitch (New)	24.79	4.96	30.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Arrears Letter	10.67	2.13	15.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	New Licence	32.01	6.40	40.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Licence renewal	32.01	6.40	40.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Licence Transfer	32.01	6.40	40.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Licence Variation	16.01	3.20	20.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Licence Replacement	26.68	5.34	30.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Reminder Letter	10.67	2.13	15.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Revocation Letter	10.67	2.13	15.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Registration and ID for New Assistant	5.34	1.07	5.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Assistant Card 6 month Renewal	3.20	0.64	5.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Replacement ID Card	3.20	0.64	5.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Copy Invoice	5.34	1.07	5.00	20%	N	
G3100B-Inclusive Economy & Housing	Administration Costs	Revocation Meeting Charge	160.05	32.01	190.00	20%	N	
G3600B-Environment and Sustainable Transport	MOT							
G3600B-Environment and Sustainable Transport	MOT Class 1 & 2	Motor bicycles	29.65	5.93	35.00	20%	N	
G3600B-Environment and Sustainable Transport	MOT Class 1 & 2	Motor bicycles with side car	37.80	7.56	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 3 (up to 450 kg unladen weight)	3 wheeled vehicles	37.80	7.56	45.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Cars (up to 8 passenger seats)	40.00	8.00	50.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Motor caravans	54.85	10.97	65.00	20%	N	

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G3600B-Environment and Sustainable Transport	Class 4	3 wheeled vehicles (over 450 kg unladen weight)	54.85	10.97	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Quads (max unladen weight 400 kg - for goods vehicles 550 Kg and max net power of 15 kw)	54.85	10.97	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Dual purpose vehicles	54.85	10.97	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Private hire and public service vehicles (up to 8 seats)	54.85	10.97	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Ambulances and taxis	54.85	10.97	65.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Private passenger vehicles and ambulances (9-12 passenger seats)	57.30	11.46	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 4	Class 4a (includes seat belt installation check)	64.00	12.80	75.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 5 (with more than 13 passenger seats)	Private passenger vehicles and ambulances - 13-16 passenger seats	59.55	11.91	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 5 (with more than 13 passenger seats)	Private passenger vehicles and ambulances - more than 16 passenger seats	80.65	16.13	95.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 5a (includes seat belt installation check)	13-16 passenger seats	80.50	16.10	95.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 5a (includes seat belt installation check)	More than 16 passenger seats	124.50	24.90	150.00	20%	N	
G3600B-Environment and Sustainable Transport	Class 7	Goods vehicles (over 3,000 kg up to 3,500 kg DGW)	58.60	11.72	70.00	20%	N	
G3100B-Inclusive Economy & Housing	PLANNING							
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 1 Dwelling	855.83	171.17	1025.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 2 Dwellings	1165.34	233.07	1400.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 3 Dwellings	1437.78	287.56	1725.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 4 Dwellings	1664.58	332.92	1995.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 5 Dwellings	1889.95	377.99	2270.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 6 Dwellings	2186.63	437.33	2625.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 7 Dwellings	2377.77	475.55	2855.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 8 Dwellings	2567.48	513.50	3080.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 9 Dwellings	2757.19	551.44	3310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation 10 Dwellings	2948.31	589.66	3540.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost up to £1,000	249.61	49.92	300.00	20%	Y	

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G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £1,001 to £5,000	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £5,001 to £10,000	534.90	106.98	640.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £10,001 to £15,000	641.87	128.37	770.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £15,001 to £20,000	748.85	149.77	900.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £20,001 to £25,000	855.83	171.17	1025.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £25,001 to £30,000	962.80	192.56	1155.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £30,001 to £40,000	1176.76	235.35	1410.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £40,001 to £50,000	1355.05	271.01	1625.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £50,001 to £60,000	1497.70	299.54	1795.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £60,001 to £70,000	1640.33	328.07	1970.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £70,001 to £80,000	1782.97	356.59	2140.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £80,001 to £90,000	1925.61	385.12	2310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Works Cost £90,001 to £100,000	2068.24	413.65	2480.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Erection or extension of Garages up to 60m ²	534.90	106.98	640.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Extensions up to 40m ²	784.51	156.90	940.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Extensions up to 60m ²	998.46	199.69	1200.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Loft conversion up to 60m ² without dormer	606.21	121.24	725.00	20%	Y	

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G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Loft Conversion up to 60m ² with dormer	784.51	156.90	940.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation The extension or creation of a Basement up to 60m ² Inc U/pin	1283.73	256.75	1540.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Alteration to create a Through lounge in a dwelling	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Underpinning per 5m length	178.30	35.66	215.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Regularisation Additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 1 Dwelling	342.33	68.47	410.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 2 Dwellings	466.14	93.23	560.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 3 Dwellings	575.12	115.02	690.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 4 Dwellings	665.93	133.19	800.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 5 Dwellings	755.97	151.19	905.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 6 Dwellings	874.65	174.93	1050.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 7 Dwellings	951.11	190.22	1140.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 8 Dwellings	1027.00	205.40	1230.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 9 Dwellings	1102.87	220.57	1325.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge 10 Dwellings	1179.33	235.87	1415.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for more than 10 units please contact Building Control for an individual determined charge	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £1,000	249.61	49.92	300.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £1,001 to £5,000	427.92	85.58	515.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £5,001 to £10,000	213.95	42.79	255.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £10,001 to £15,000	256.75	51.35	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £15,001 to £20,000	299.53	59.91	360.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £20,001 to £25,000	342.33	68.47	410.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £25,001 to £30,000	385.12	77.02	460.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £30,001 to £40,000	470.70	94.14	565.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £40,001 to £50,000	542.02	108.40	650.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £50,001 to £60,000	599.08	119.82	720.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £60,001 to £70,000	656.12	131.22	785.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £70,001 to £80,000	713.19	142.64	855.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £80,001 to £90,000	770.25	154.05	925.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for works Cost up to £90,001 to £100,000	827.29	165.46	995.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for estimated costs greater than £100,000 please contact Building Control for an individual determined charge	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Erection or extension of Garages up to 60m ²	213.95	42.79	255.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Extensions up to 40m ²	313.81	62.76	375.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Extensions up to 60m ²	399.38	79.88	480.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Loft conversion up to 60m ² without dormer	242.49	48.50	290.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Loft Conversion up to 60m ² with dormer	313.81	62.76	375.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for the extension or creation of a Basement up to 60m ² Inc U/pinning	513.50	102.70	615.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Alteration to create a Through lounge in a dwelling	171.71	34.34	205.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Full plan charge for Underpinning per 5m length	71.32	14.26	85.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 1 Dwelling	513.50	102.70	615.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 2 Dwellings	699.21	139.84	840.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 3 Dwellings	862.67	172.53	1035.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 4 Dwellings	998.75	199.75	1200.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 5 Dwellings	1133.97	226.79	1360.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 6 Dwellings	1311.98	262.40	1575.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 7 Dwellings	1426.66	285.33	1710.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 8 Dwellings	1540.48	308.10	1850.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 9 Dwellings	1654.31	330.86	1985.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for 10 Dwellings	1768.99	353.80	2125.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £5,001 to £10,000	320.86	64.17	385.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £10,001 to £15,000	385.12	77.02	460.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £15,001 to £20,000	449.31	89.86	540.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £20,001 to £25,000	513.50	102.70	615.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £25,001 to £30,000	577.68	115.54	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £30,001 to £40,000	706.05	141.21	845.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £40,001 to £50,000	813.03	162.61	975.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £50,001 to £60,000	898.62	179.72	1080.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £60,001 to £70,000	984.20	196.84	1180.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £70,001 to £80,000	1069.78	213.96	1285.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £80,001 to £90,000	1155.36	231.07	1385.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Works Cost £90,001 to £100,000	1240.95	248.19	1490.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.49	85.50	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Erection or extension of Garages up to 60m ²	320.93	64.19	385.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Extensions up to 40m ²	470.70	94.14	565.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Extensions up to 60m ²	599.08	119.82	720.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Loft conversion up to 60m ² without dormer	363.73	72.75	435.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Loft Conversion up to 60m ² with dormer	470.70	94.14	565.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for the extension or creation of a Basement up to 60m ² Inc U/pin	770.25	154.05	925.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Alteration to create a Through lounge in a dwelling	256.75	51.35	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Inspection Charge for Underpinning per 5m length	106.98	21.40	130.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 1 Dwelling	855.83	171.17	1025.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 2 Dwellings	1165.34	233.07	1400.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 3 Dwellings	1437.78	287.56	1725.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 4 Dwellings	1664.58	332.92	1995.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 5 Dwellings	1889.95	377.99	2270.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 6 Dwellings	2186.63	437.33	2625.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 7 Dwellings	2377.77	475.55	2855.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 8 Dwellings	2567.48	513.50	3080.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 9 Dwellings	2757.19	551.44	3310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for 10 Dwellings	2948.31	589.66	3540.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for more than 10 units please contact Building Control for an individual determined charge	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost up to £1,000	249.61	49.92	300.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £1,001 to £5,000	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £5,001 to £10,000	534.90	106.98	640.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £10,001 to £15,000	641.87	128.37	770.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £15,001 to £20,000	748.85	149.77	900.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £20,001 to £25,000	855.83	171.17	1025.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £25,001 to £30,000	962.80	192.56	1155.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Works Cost £30,001 to £40,000	1176.76	235.35	1410.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £40,001 to £50,000	1355.05	271.01	1625.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £50,001 to £60,000	1497.70	299.54	1795.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £60,001 to £70,000	1640.33	328.07	1970.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £70,001 to £80,000	1782.97	356.59	2140.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £80,001 to £90,000	1925.61	385.12	2310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Works Cost £90,001 to £100,000	2068.24	413.65	2480.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for estimated costs greater than £100,000 please contact Building Control for an individual determined charge	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Erection or extension of Garages up to 60m ²	534.90	106.98	640.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Extensions up to 40m ²	784.51	156.90	940.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Extensions up to 60m ²	998.46	199.69	1200.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Loft conversion up to 60m ² without dormer	606.21	121.24	725.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Loft Conversion up to 60m ² with dormer	784.51	156.90	940.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for the extension or creation of a Basement up to 60m ² Inc U/pin	1283.73	256.75	1540.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Alteration to create a Through lounge in a dwelling	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice charge for Underpinning per 5m length	178.30	35.66	215.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Building notice Additional Charge where Part P electrical work is carried out by person or company not registered on a Competent Persons scheme	427.92	85.58	515.00	20%	Y	
G3100B-Inclusive Economy & Housing	Building Control Fees	Solicitors Letters/ Completion Certificate	142.64	28.53	170.00	20%	Y	

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing		Demolition Notice (New)	285.28	57.06	340.00	20%	Y	
	Building Control Fees							
G3100B-Inclusive Economy & Housing	Land Charges	Land Charge Fee - LLC1	26.68	5.34	30.00	20%	Y	
G3100B-Inclusive Economy & Housing	Land Charges	Land Charge Fee - CON29	122.71	24.54	145.00	20%	N	
G3100B-Inclusive Economy & Housing	Land Charges	Land Charge Fee - CON290	21.34	4.27	25.00	20%	N	
G3100B-Inclusive Economy & Housing	Land Charges	Land Charge Fee - Extra Parcel Fee	32.90	6.58	40.00	20%	N	
G3100B-Inclusive Economy & Housing	All Outline Applications	£385 per additional hectare for sites up to and including 2.5 hectares	623.70	124.74	750.00	20%	Y	
G3100B-Inclusive Economy & Housing	All Outline Applications	£9,527 + £115 for each 0.1 excess of 2.5 hectares to a maximum of £125,000	15433.20	3086.64	18520.00	20%	Y	
G3100B-Inclusive Economy & Housing	All Outline Applications	£115 for each 0.1 excess of 2.5 hectares to a maximum of £125,000	186.30	37.26	225.00	20%	Y	
G3100B-Inclusive Economy & Housing	All Outline Applications	Alterations/extensions to a single dwelling, including works within boundary	257.50	51.50	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	Alterations/extensions to two or more dwellings, including works within boundaries minor	508.75	101.75	610.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	Alterations/extensions to two or more dwellings, including works within boundaries major	508.75	101.75	610.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	New dwellings (up to and including 50) minor	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	New dwellings (up to and including 50) major	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	£22,859 + £138per additional dwelling in excess of 50 up to a maximum fee of £300,000	22859.00	4571.80	27430.00	20%	Y	
G3100B-Inclusive Economy & Housing	Full Applications (and First Submissions of Reserved Matters)	Additional amount per dwelling in excess of 50 up to Maximum fee of £300,000	138.00	27.60	165.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	No increase in gross floor space of no more than 40m ²	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	More than 40m ² but no more than 75m ²	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	More than 75m ² but no more than 999m ²	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	Per 1,000m up to 3,749m ²	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	More than 3,750m ² (per additional dwelling)	30859.65	6171.93	37030.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	Starting amount	30859.65	6171.93	37030.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):	Per additional dwelling	138.00	27.60	165.00	20%	Y	
G3100B-Inclusive Economy & Housing	The erection of buildings (on land used for agriculture for agricultural purposes)	Not more than 465m ²	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	The erection of buildings (on land used for agriculture for agricultural purposes)	More than 465m ² but not more than 540m ²	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	The erection of buildings (on land used for agriculture for agricultural purposes)	More than 540m ² but not more than 4,215m ²	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	The erection of buildings (on land used for agriculture for agricultural purposes)	More than 4,215m ²	122997.00	24599.40	147595.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	Not more than 5 hectares (for each 0.1 hectares or part thereof)	462.00	92.40	555.00	20%		
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	More than 5 hectares	22859.00	4571.80	27430.00	20%		

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Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	Starting amount	22859.00	4571.80	27430.00	20%		
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	Each 0.1 hectare (or part thereof) in excess of hectares up to a maximum of £300,000	138.00	27.60	165.00	20%		
G3100B-Inclusive Economy & Housing	Erection of glasshouses (on land used for the purposes of agriculture)	Not more than 465m ²	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection of glasshouses (on land used for the purposes of agriculture)	More than 465m ²	3225.00	645.00	3870.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	Not more than 5 hectares	623.70	124.74	750.00	20%	Y	
G3100B-Inclusive Economy & Housing	Erection/alterations/replacement of plant and machinery	More than 5 hectares	22997.00	4599.40	27595.00	20%	Y	
G3100B-Inclusive Economy & Housing	Applications other than Building Works	Car parks, service roads or other accesses (existing)	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Not more than 1 hectare	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Not more than 15 hectares -for each 0.1 hectare (or part thereof)	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	More than 15 hectares £34,934 + £138 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £78,000	34934.00	6986.80	41920.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	More than 15 hectares £34,934 + £138 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £78,000	138.00	27.60	165.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Other operations (not coming within any of the above categories). Any site area - for each 0,1 hectare (or part thereof) up to a maximum Of £2,028	234.00	46.80	280.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Operations connected with exploratory drilling for oil or natural gas. Not more than 7.5 hectares	508.00	101.60	610.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	More than 7.5 hectares	38221.00	7644.20	45865.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Not more than 15 hectares	257.00	51.40	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	More that 15 hectares	38671.00	7734.20	46405.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	More that 15 hectares	35072.00	7014.40	42085.00	20%	Y	
G3100B-Inclusive Economy & Housing	Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)	Other operations (not coming within any of the above categories). Any site area	234.00	46.80	280.00	20%	Y	
G3100B-Inclusive Economy & Housing	Lawful Development Certificate	LDC - Existing Use - in breach of a planning condition	96.00	19.20	115.00	20%	Y	
G3100B-Inclusive Economy & Housing	Lawful Development Certificate	LDC - Existing Use LDC - lawful not to comply with a particular condition	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Lawful Development Certificate	LDC - Proposed Use	0.00	0.00	0.00	0%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Agricultural and Forestry buildings & operations or demolition of buildings	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Telecommunications Code Systems Operators	577.50	115.50	695.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use to State Funded School or Registered Nursery	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of Agricultural Building to a State-Funded School or Registered Nursery	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of Agricultural Building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels, or Assembly or Leisure	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwelling house)	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of Agricultural Building to a Dwelling house (Use Class C3), where there are no Associated Building Operations	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of Agricultural Building to a Dwelling house (Use Class C3), and Associated Building Operations	257.50	51.50	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwelling house), where there are no Associated Building Operations	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwelling house), and Associated Building Operations	257.50	51.50	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Notification for Prior Approval for a Change Of Use from Storage or Distribution Buildings (Class B8) and any land within its curtilage to Dwelling houses (Class C3)	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwelling houses (Class C3)	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwelling houses (Class C3), and Associated Building Operations	257.50	51.50	310.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Prior Approval	Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Cafés (Class A3), and Associated Building Operations	257.50	51.50	310.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Notification for Prior Approval for a Change of Use from Shops (Class A1) and Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops (Sui Generis Uses) to Assembly and Leisure Uses (Class D2)	120.00	24.00	145.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Application for approval of reserved matters following outline approval - Full fee due or if full fee already paid then £462 due minor	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Application for approval of reserved matters following outline approval - Full fee due or if full fee already paid then £462 due major	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Application for removal or variation of a condition following grant of planning permission minor	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Application for removal or variation of a condition following grant of planning permission major	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Prior Approval	Request for confirmation that one or more planning conditions have been complied with	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	up to 9 dwellings (each)	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	10 to 50 dwellings (each)	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	Not more than 50 dwellings	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	More than 50 dwellings £34,934 + £138 for each in excess of 50 up to a maximum of £300,000	0.00	0.00	0.00		Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	Starting amount	34934.00	6986.80	41920.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	For each in excess of 50 up to a maximum of £300,000	138.00	27.60	165.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	Other Changes of Use of a building or land minor	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Change of Use of a building to use as one or more separate dwelling houses, or other cases	Other Changes of Use of a building or land major	462.00	92.40	555.00	20%	Y	
G3100B-Inclusive Economy & Housing	Advertising	Relating to the business on the premises	165.00	33.00	200.00	20%	Y	
G3100B-Inclusive Economy & Housing	Advertising	Advance signs which are not situated on or visible from the site directing the public to a business	165.00	33.00	200.00	20%	Y	
G3100B-Inclusive Economy & Housing	Advertising	Other advertisements	577.50	115.50	695.00	20%	Y	
G3100B-Inclusive Economy & Housing	Applications for a Non material Amendment Following a Grant of Planning Permission	Applications in respect of householder development	42.50	8.50	50.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Applications for a Non material Amendment Following a Grant of Planning Permission	Applications in respect of other developments	292.50	58.50	350.00	20%	Y	
G3100B-Inclusive Economy & Housing	Applications for a Non material Amendment Following a Grant of Planning Permission	Applications for Permission in Principle (valid from 1st June 2018) Minor	502.50	100.50	605.00	20%	Y	
G3100B-Inclusive Economy & Housing	Applications for a Non material Amendment Following a Grant of Planning Permission	Applications for Permission in Principle (valid from 1st June 2018) Major	502.50	100.50	605.00	20%	Y	
G3100B-Inclusive Economy & Housing	NEW TBC	Project planning performance agreements (PPPA)	Bespoke			0%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	Pre-application A small scale first meeting	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	Pre-application A small scale follow up meeting	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	A.1 Charge for written advice: (excludes advice for development already commenced)	0.00	0.00	0.00		N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	A.2 Charge for written advice for development already commenced or subject to a live enforcement matter	144.00	28.80	175.00	20%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	A.3 Charge for written advice for development spanning more than a single dwelling	144.00	28.80	175.00	20%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	A.4 Charge for an on-site meeting with Officers (15 Mins)	96.00	19.20	115.00	20%	N	
G3100B-Inclusive Economy & Housing	Category A) Any alteration or extension to a residential dwelling	A.5 Charge for meeting at the Council offices (30 Mins)	96.00	19.20	115.00	20%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	Pre-application B medium scale first meeting	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	Pre-application B medium scale follow up meeting	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	B.1 Charge for written advice for proposals.(excludes advice for development already commenced)	240.00	48.00	290.00	20%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	B.2 Charge for written advice for development already commenced or subject to a live enforcement matter	480.00	96.00	575.00	20%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	B.3 Charge for an on-site meeting with Officers	96.00	19.20	115.00	20%	N	
G3100B-Inclusive Economy & Housing	Category B) Extensions to an existing business premises (new floor space not to exceed 50sq.m); Changes of use of an existing business premises (from a use within class A1-A5 to a different use within A1-A5); Works to change the shopfront of an existing business; Signage and advertising on an existing shopfront	B.4 Charge for meeting at the Council offices (30 Mins)	96.00	19.20	115.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	1200.00	240.00	1440.00	20%	N	
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	2400.00	480.00	2880.00	20%	N	
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	480.00	96.00	575.00	20%	N	
G3100B-Inclusive Economy & Housing		Category C: New flat conversions up to 3 units; 1 to 3 residential units; Non-residential developments of 99 sq. m or less; (excluding those in Category B); Changes of use of less than 99 sq. m; (excluding those in Category B); Telecommunication equipment and masts; Advertisements; (excluding those in Category B); Approval of conditions (except reserved matters); Certificates of lawfulness; and Prior approvals within this category.	240.00	48.00	290.00	20%	N	
G3100B-Inclusive Economy & Housing		Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C); Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	0.00	0.00	0.00	0%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C);Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	Pre-application D large major scale follow up meeting	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C);Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	D.1 Charge for written advice which ONLY considers the principle of the development (provided within 14 days of receipt)	5040.00	1008.00	6050.00	20%	N	
G3100B-Inclusive Economy & Housing	Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C);Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	D.2 Detailed Pre-Application report provided in writing following: •An initial meeting at theCouncil offices (up to 1hr) •One revision of drawings following the initial meeting. •Onefollow-up meeting to present revisions (only available for schemes which broadly accordwith the development plan)	5040.00	1008.00	6050.00	20%	N	
G3100B-Inclusive Economy & Housing	Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C);Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	D.3 Any subsequent meeting at the Council offices (up to 1hr)	1008.00	201.60	1210.00	20%	N	
G3100B-Inclusive Economy & Housing	Category D: New flat conversions incorporating 4 to 9 units; 4 to 9 residential units; Non-residential development 100-1999 sq. m floor space; Changes of use 100-999 sq. m of floor space; Extensions or alterations to listed buildings; (excluding those in Categories A-C);Reserved matters pursuant to outline permissions within this category; Certificates of lawfulness; and Prior approvals within this category.	D.4 Charge for an on-site meeting with Officers	504.00	100.80	605.00	20%	N	
G3100B-Inclusive Economy & Housing	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuantto outline permissions within this category; Amendments to previously approvedschemes within this category; Certificates of lawfulness; and Prior approvals withinthis category.	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuantto outline permissions within this category; Amendments to previously approvedschemes within this category; Certificates of lawfulness; and Prior approvals withinthis category.	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuantto outline permissions within this category; Amendments to previously approvedschemes within this category; Certificates of lawfulness; and Prior approvals withinthis category.	E.1 Charge for written advice which ONLY considers the principle of the development (provided within 14 days of receipt)	3780.00	756.00	4535.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	E.2 Detailed Pre-Application report provided in writing following:•An initial meeting at the Council offices (up to 1hr 30mins)•One revision of drawings following the initial meeting. •One follow-up meeting to present revisions (only available for schemes which broadly accord with the development plan)	7560.00	1512.00	9070.00	20%	N	
G3100B-Inclusive Economy & Housing	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	E.3 Any subsequent meeting at the Council offices (up to 1hr 30mins)	2016.00	403.20	2420.00	20%	N	
G3100B-Inclusive Economy & Housing	Category E: 10 to 49 residential units; Non-residential developments of 2,000-4999sq.m of floorspace; Change of use of 1000-4999 sq. m of floor space; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	E.4 Charge for an on-site meeting with Officers	1008.00	201.60	1210.00	20%	N	
G3100B-Inclusive Economy & Housing	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	0.00	0.00	0.00	0%	N	
G3100B-Inclusive Economy & Housing	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	F.1 Charge for written advice which ONLY considers the principle of the development (provided within 14 days of receipt)	5670.00	1134.00	6805.00	20%	N	
G3100B-Inclusive Economy & Housing	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	F.2 Detailed Pre-Application report provided in writing following:•An initial meeting at the Council offices (up to 2hrs)•One revision of drawings following the initial meeting. •One follow-up meeting to present revisions (only available for schemes which broadly accord with the development plan)	11340.00	2268.00	13610.00	20%	N	
G3100B-Inclusive Economy & Housing	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	F.3 Any subsequent meeting at the Council offices (up to 2hrs)	5040.00	1008.00	6050.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Category F: 50-149 residential units; Non-residential development of 5,000-15,000 sq. m of floorspace; Change of use of 5,000-15,000 sq. m of floor space; Development with a site area of between 0.5 and 1 ha; Reserved matters pursuant to outline permissions within this category; Amendments to previously approved schemes within this category; Certificates of lawfulness; and Prior approvals within this category.	F.4 Charge for an on-site meeting with Officers	1008.00	201.60	1210.00	20%	N	
G3100B-Inclusive Economy & Housing	Category G: 150 or more residential units; Non-residential development exceeding 15,000sq.m off floor space; Change of use exceeding 15,000sq.m of floor space; Development involving a site area exceeding 1 ha; Reserved matters pursuant to outline permissions within this category; and Amendments to previously approved schemes within this category.	G.1 Charge for written advice which ONLY considers the principle of the development (provided within 14 days of receipt)	7560.00	1512.00	9070.00	20%	N	
G3100B-Inclusive Economy & Housing	Category G: 150 or more residential units; Non-residential development exceeding 15,000sq.m off floor space; Change of use exceeding 15,000sq.m of floor space; Development involving a site area exceeding 1 ha; Reserved matters pursuant to outline permissions within this category; and Amendments to previously approved schemes within this category.	G.2 Detailed Pre-Application report provided in writing following: •An initial meeting at the Council offices (up to 2hrs) •One revision of drawings following the initial meeting. •One follow-up meeting to present revisions (only available for schemes which broadly accord with the development plan)	15120.00	3024.00	18145.00	20%	N	
G3100B-Inclusive Economy & Housing	Category G: 150 or more residential units; Non-residential development exceeding 15,000sq.m off floor space; Change of use exceeding 15,000sq.m of floor space; Development involving a site area exceeding 1 ha; Reserved matters pursuant to outline permissions within this category; and Amendments to previously approved schemes within this category.	G.3 Any subsequent meeting at the Council offices (up to 2hrs)	7056.00	1411.20	8465.00	20%	N	
G3100B-Inclusive Economy & Housing	Category G: 150 or more residential units; Non-residential development exceeding 15,000sq.m off floor space; Change of use exceeding 15,000sq.m of floor space; Development involving a site area exceeding 1 ha; Reserved matters pursuant to outline permissions within this category; and Amendments to previously approved schemes within this category.	G.4 Charge for an on-site meeting with Officers	2016.00	403.20	2420.00	20%	N	
G3100B-Inclusive Economy & Housing	H Review of financial appraisal/development viability (new)	H Review of financial appraisal/development viability (new)	Bespoke			0%	N	
G3100B-Inclusive Economy & Housing	I environmental impact assessment review (new)	I environmental impact assessment review (new)	Bespoke			0%	N	
G3100B-Inclusive Economy & Housing	J pre-applications within LLDC area	J pre-applications within LLDC area	20% reduction of B – E above			0%	N	
G3100B-Inclusive Economy & Housing	Design Review Panel - Pre-Application Service Category A) Any alteration or extension to a residential dwelling	DRP.1 Summary report provided in writing following: First meeting & presentation at the Council offices (up to 1hr)	5441.70	1088.34	6530.00	20%	N	
G3100B-Inclusive Economy & Housing	Design Review Panel - Pre-Application Service Category A) Any alteration or extension to a residential dwelling	DRP.2 Summary report provided in writing following: Follow up review presentations (up to 1hr)	3521.10	704.22	4225.00	20%	N	
G3100B-Inclusive Economy & Housing	Design Review Panel - Pre-Application Service Category A) Any alteration or extension to a residential dwelling	DRP.3 Design Review Panel chairs workshop	2880.90	576.18	3455.00	20%	N	
G3100B-Inclusive Economy & Housing	Design Review Panel - Pre-Application Service Category A) Any alteration or extension to a residential dwelling	DCMF.1 Review & Presentation to Development Control Members Forum: Presentation to the panel at the Council offices (30mins including open discussion & questions)	3521.10	704.22	4225.00	20%	N	
G3100B-Inclusive Economy & Housing	Planning Enforcement	Enforcement compliance notice	220.00	44.00	265.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Developer Contributions	Confirmation of status of development related to the community infrastructure levy (CIL)	256.08	51.22	305.00	20%	N	
G3100B-Inclusive Economy & Housing	Developer Contributions	Confirmation of compliance with deed of planning obligation (target response time 10 working days).	256.08	51.22	305.00	20%	N	
G3100B-Inclusive Economy & Housing	POLLUTION							
G3100B-Inclusive Economy & Housing	Pollution Control Fees and Charges	Authorisation Fees for processes under Part 1 Environmental Protection Act 1990.	0.00	0.00	0.00		Y	Set by DEFRA
G3100B-Inclusive Economy & Housing	Pollution Control Fees and Charges	Charge for a written report on contaminated land for a specific development/commercial site in area of up to 250m centred upon a specific site produced through the Graphical Information System Charge for a written report upon contaminated land for a residential property produced through the Graphical Information System Charge for a written report upon contaminated land for a specific site for development/commercial including area of up to 250m centred upon a specific site produced through the Graphical Information System. Charge for a written report upon contaminated land for a large site or multiple areas within a large site (e.g. a proposed site for development), an area greater than 250m centred upon a specific site	510.00	102.00	610.00	20%	N	
G3100B-Inclusive Economy & Housing	Pollution Control Fees and Charges	Charge for the production of additional environmental information from files, reports or measured data records.	85.00	17.00	100.00	20%	N	
G3100B-Inclusive Economy & Housing	Pollution Control Fees and Charges	Specialist advice to clients	112.04	22.41	135.00	20%	N	
G3100B-Inclusive Economy & Housing	Pollution Control Fees and Charges	Letter Specifying status with regard to Part 11A EPA 1990 and risk assessment	85.36	17.07	100.00	20%	N	
G3100B-Inclusive Economy & Housing	PRIVATE SECTOR HOUSING							
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	Up to 5 lettings	1400.00	0.00	1400.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	6-9 lettings	1550.00	0.00	1550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	10-14 lettings	1700.00	0.00	1700.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	15-19 lettings	1850.00	0.00	1850.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	20 to 29 Lettings	2600.00	0.00	2600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	30 to 39 Lettings	3350.00	0.00	3350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	40 to 49 Lettings	4100.00	0.00	4100.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	50 to 59 Lettings	4850.00	0.00	4850.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	60 to 69 Lettings	5600.00	0.00	5600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	70 to 79 lettings	6350.00	0.00	6350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee	With £750 overall increase per additional 10 lettings (for 80 lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	Up to 5 lettings	1400.00	0.00	1400.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	6 to 9 lettings	1550.00	0.00	1550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	10 to 14 lettings	1700.00	0.00	1700.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	15 to 19 lettings	1850.00	0.00	1850.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	20 to 29 Lettings	2600.00	0.00	2600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	30 to 39 Lettings	3350.00	0.00	3350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	40 to 49 Lettings	4100.00	0.00	4100.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	50 to 59 Lettings	4850.00	0.00	4850.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	60 to 69 Lettings	5600.00	0.00	5600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	70 to 79 lettings	6350.00	0.00	6350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee	With £750 overall increase per additional 10 lettings (for 80 lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	Up to 5 lettings	1300.00	0.00	1300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	6 to 9 lettings	1450.00	0.00	1450.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	10 to 14 lettings	1600.00	0.00	1600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	15 to 19 lettings	1750.00	0.00	1750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	20 to 29 Lettings	2500.00	0.00	2500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	30 to 39 Lettings	3250.00	0.00	3250.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	40 to 49 Lettings	4000.00	0.00	4000.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	50 to 59 Lettings	4750.00	0.00	4750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	60 to 69 Lettings	5500.00	0.00	5500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	70 to 79 lettings	6250.00	0.00	6250.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord &EPC C or above	With £750 overall increase per additional 10 lettings (for 80 lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	Up to 5 lettings	1300.00	0.00	1300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	6 to 9 lettings	1450.00	0.00	1450.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years

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Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	10 to 14 Lettings	1600.00	0.00	1600.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	15 to 19 Lettings	1750.00	0.00	1750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	20 to 29 Lettings	2500.00	0.00	2500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	30 to 39 Lettings	3250.00	0.00	3250.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	40 to 49 Lettings	4000.00	0.00	4000.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	50 to 59 Lettings	4750.00	0.00	4750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	60 to 69 Lettings	5500.00	0.00	5500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	70 to 79 Lettings	6250.00	0.00	6250.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord &EPC C or above	With £750 overall increase per additional 10 Lettings (for 80 Lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	Up to 5 Lettings	1350.00	0.00	1350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	6 to 9 Lettings	1500.00	0.00	1500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	10 to 14 Lettings	1650.00	0.00	1650.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	15 to 19 Lettings	1800.00	0.00	1800.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	20 to 29 Lettings	2550.00	0.00	2550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	30 to 39 Lettings	3300.00	0.00	3300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	40 to 49 Lettings	4050.00	0.00	4050.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	50 to 59 Lettings	4800.00	0.00	4800.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	60 to 69 Lettings	5550.00	0.00	5550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	70 to 79 Lettings	6300.00	0.00	6300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Initial fee - Accredited Landlord	With £750 overall increase per additional 10 Lettings (for 80 Lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	Up to 5 Lettings	1350.00	0.00	1350.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	6 to 9 Lettings	1500.00	0.00	1500.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	10 to 14 Lettings	1650.00	0.00	1650.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	15 to 19 Lettings	1800.00	0.00	1800.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	20 to 29 Lettings	2550.00	0.00	2550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	30 to 39 Lettings	3300.00	0.00	3300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	40 to 49 Lettings	4050.00	0.00	4050.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	50 to 59 Lettings	4800.00	0.00	4800.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	60 to 69 Lettings	5550.00	0.00	5550.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	70 to 79 Lettings	6300.00	0.00	6300.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Mandatory HMO Renewal fee - Accredited Landlord	With £750 overall increase per additional 10 lettings (for 80 lettings upwards)	750.00	0.00	750.00	0%	Y	Statutory fee - last increased in early 2024 and set for the next 3 years
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - early applications (early bird)	400.00	0.00	400.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - early applications (early bird) New Build/newly rented with EPC C or above	400.00	0.00	400.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - early applications (early bird) accredited landlord & EPC C or above	300.00	0.00	300.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - early applications (early bird) accredited landlord	350.00	0.00	350.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - early applications (early bird) Temporary Accommodation Property/landlord	400.00	0.00	400.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide selective licensing fee - initial	750.00	0.00	750.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide selective licensing fee - renewal	750.00	0.00	750.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - New Build/newly rented with EPC C or above	400.00	0.00	400.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - Accredited Landlord & EPC C or above	650.00	0.00	650.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - Accredited Landlord	700.00	0.00	700.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Selective licensing fee - Temporary Accommodation Property/landlord	400.00	0.00	400.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional (HMO) licensing fee - early applications (early bird)	800.00	0.00	800.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - early applications (early bird) New Build/newly rented with EPC C or above	800.00	0.00	800.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - early applications (early bird) accredited landlord & EPC C or above	700.00	0.00	700.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - early applications (early bird) accredited landlord	750.00	0.00	750.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - early applications (early bird) Temporary Accommodation Property/landlord	800.00	0.00	800.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional (HMO) licensing fee - initial	1250.00	0.00	1250.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional (HMO) licensing fee - renewal	1250.00	0.00	1250.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - New Build/newly rented with EPC C or above	800.00	0.00	800.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - Accredited Landlord &EPC C or above	1150.00	0.00	1150.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - Accredited Landlord	1200.00	0.00	1200.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Borough wide Additional HMO licensing fee - Temporary Accommodation Property/landlord	1250.00	0.00	1250.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Change to licence type - single dwelling is re-let as a House in Multiple Occupation	800.00	0.00	800.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Change to licence type - House in Multiple Occupation is re-let as a single dwelling	150.00	0.00	150.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Reprinting of lost licence (electronic version)	12.00	0.00	10.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Other Fees & Charges	Paper application administration	100.00	0.00	100.00	0%	Y	Last Increase 2022, Fee set for 5 Year (next increase due 2028)
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 1-5)	1000.00	0.00	1000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 6-10)	2500.00	0.00	2500.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 11-15)	5000.00	0.00	5000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 16-20)	7500.00	0.00	7500.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 21-30)	10000.00	0.00	10000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 31-40)	15000.00	0.00	15000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 41-60)	20000.00	0.00	20000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 61-80)	25000.00	0.00	25000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Financial Penalty Notice (Score 81-100)	30000.00	0.00	30000.00	0%	Y	Fee as set by Housing Act 2004
G3100B-Inclusive Economy & Housing	Financial Penalty Notice	Charging Notice	845.00	0.00	845.00	0%	Y	Fee as set by Housing Act 2004
G3700B-Marketing	PROPERTY OLD TOWN HALL STRATFORD							
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Per Hour Private Hire	250.00	50.00	300.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak Per Hour Private Hire	350.00	70.00	420.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Per Hour Commercial	350.00	70.00	420.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak per Hour Commerical	450.00	90.00	540.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Off Peak Community / Educational	150.00	30.00	180.00	20%	N	
G3700B-Marketing	Main Hall - Fees	Main Hall - Peak per hour Community / Educational	200.00	40.00	240.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking private	550.00	110.00	660.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking commercial	750.00	150.00	900.00	20%	N	
G3700B-Marketing	Kitchen - Fees	Kitchen - per booking community / educational	275.00	55.00	330.00	20%	N	
G3700B-Marketing	Kitchen - Fees	On the day additional hours = 1.5x hourly rate	225.00	45.00	270.00	20%	N	
G3700B-Marketing	Dressing Rooms - Fees	Dressing Rooms - per booking private	175.00	35.00	210.00	20%	N	
G3700B-Marketing	Dressing Rooms - Fees	Dressing Rooms - per booking commercial	250.00	50.00	300.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3700B-Marketing	Dressing Rooms - Fees	Dressing Rooms - per booking community / educational	100.00	20.00	120.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Off Peak per hour private	110.00	22.00	130.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Peak per hour private	160.00	32.00	190.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Off Peak per hour commercial	160.00	32.00	190.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Peak per hour commercial	240.00	48.00	290.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Off Peak per hour community / educational	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Will Thorne - Fees	Will Thorne - Peak per hour community / educational	75.00	15.00	90.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - Off peak per hour private	35.00	7.00	40.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - Peak per hour private	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - off peak per hour commercial	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - Peak per hour commercial	70.00	14.00	85.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - off peak per hour community / educational	15.00	3.00	20.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - Peak per hour community / educational	25.00	5.00	30.00	20%	N	
G3700B-Marketing	Tardis & Green Room - Fees	Tardis & Green Room - additional cost per hour if unique booking (no other rooms booked)	50.00	10.00	60.00	20%	N	
G3700B-Marketing	Other - Fees	Door Supervisors (min 6 hours) per hour	75.00	15.00	90.00	20%	N	
G3700B-Marketing	Other - Fees	Bar Hire	350.00	70.00	420.00	20%	N	
G3700B-Marketing	Other - Fees	Technician (min 4 hours) per hour	75.00	15.00	90.00	20%	N	
G3700B-Marketing	Other - Fees	Cleaning	45.00	9.00	55.00	20%	N	
G3700B-Marketing	Both Town Hall - Fees	Booking Fee	20% of Cost	0.00	#VALUE!	20%	N	
G3700B-Marketing	Both Town Hall - Fees	Security Deposit Minimum (refundable)	500.00	100.00	600.00	20%	N	
G3700B-Marketing	Both Town Hall - Fees	Security Deposit Maximum (refundable)	1000.00	200.00	1200.00	20%	N	
G3600B-Environment and Sustainable Transport	REGISTRY OFFICE							
G3600B-Environment and Sustainable Transport	Wedding and Civil Partnership Ceremony Fees	Statutory Ceremony Fee	56.00	11.20	65.00	20%	Y	
G3600B-Environment and Sustainable Transport	Passmore Edwards Suite (Newham Register Office)	Register Office Ceremony Monday & Friday	213.00	42.60	255.00	20%	Y	
G3600B-Environment and Sustainable Transport	Passmore Edwards Suite (Newham Register Office)	Saturday before 1:30pm	341.00	68.20	410.00	20%	Y	
G3600B-Environment and Sustainable Transport	Passmore Edwards Suite (Newham Register Office)	Saturday after 2:00pm	501.00	100.20	600.00	20%	Y	
G3600B-Environment and Sustainable Transport	Passmore Edwards Suite (Newham Register Office)	Sunday and Bank Holidays	630.00	126.00	755.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Register Office Ceremony Monday & Friday	360.00	72.00	430.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Saturday before 1:30pm	515.00	103.00	620.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Saturday after 2:00pm	669.00	133.80	805.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Sunday and Bank Holidays Minimum	659.00	131.80	790.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Sunday and Bank Holidays Maximum	824.00	164.80	990.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Approved Premises Ceremony Monday to Friday	496.00	99.20	595.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Approved Premises Ceremony Saturday	571.00	114.20	685.00	20%	Y	
G3600B-Environment and Sustainable Transport	Old Court Room (Newham register Office)	Approved Premises Ceremony Sunday	635.00	127.00	760.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Notices of Marriage and Civil Partnership	Monday to Friday Statutory Fee	42.00	8.40	50.00	20%	Y	
G3600B-Environment and Sustainable Transport	Certificates	Full Certificate (birth, death or marriage)	12.50	2.50	15.00	20%	Y	
G3600B-Environment and Sustainable Transport	Certificates	Same-day Service Supplemental Fee	38.50	7.70	45.00	20%	Y	
G3600B-Environment and Sustainable Transport	Certificates	Changing details on a birth certificate priority service supplementary fee	83.00	16.60	100.00	20%	Y	
G3600B-Environment and Sustainable Transport	Citizenship Ceremonies	Group Ceremony	80.00	16.00	95.00	20%	Y	
G3600B-Environment and Sustainable Transport	Citizenship Ceremonies	Private Ceremony Levy (per adult)	125.00	25.00	150.00	20%	Y	
G3600B-Environment and Sustainable Transport	Other	General Search Fee (historical records)	18.00	3.60	20.00	20%	Y	
G3600B-Environment and Sustainable Transport	Other	Licence fee for place of worship	29.00	5.80	35.00	20%	Y	
G3600B-Environment and Sustainable Transport	Other	Licence fee for place of marriage	123.00	24.60	150.00	20%	Y	
G3800B-Digital	STREET NAMING							
G3800B-Digital	Street naming and numbering (including 20% VAT)	Numbering / renumbering (per unit) for 1st	119.00	23.80	145.00	20%	Y	
G3800B-Digital	Street naming and numbering (including 20% VAT)	Numbering / renumbering (per unit) for the 2nd - 10th	63.00	12.60	75.00	20%	Y	
G3800B-Digital	Street naming and numbering (including 20% VAT)	Numbering / renumbering (per unit) for the 11th - 50th	32.00	6.40	40.00	20%	Y	
G3800B-Digital	Street naming and numbering (including 20% VAT)	Numbering / renumbering (per unit) for 51 +	19.00	3.80	25.00	20%	Y	
G3800B-Digital	Street naming and numbering (including 20% VAT)	Numbering of a Large Block / Hotel, with no "internal addresses"	819.00	163.80	985.00	20%	Y	
G3800B-Digital	Street naming and numbering (including 20% VAT)	Naming a road or building	365.00	73.00	440.00	20%	Y	
G3900B-Environment and Sustainable Transport	Winter Maintenance							
G3900B-Environment and Sustainable Transport	Standby Charges	High (December, January, February)	17462.90	3492.58	20955.00	20%	N	
G3900B-Environment and Sustainable Transport	Standby Charges	Low (November, March)	11513.78	2302.76	13815.00	20%	N	
G3900B-Environment and Sustainable Transport	Standby Charges	Marginal (October, April)	9826.57	1965.31	11790.00	20%	N	
G3900B-Environment and Sustainable Transport	Standby Charges	Precautionary gritting (per occurrence)	0.00	0.00	0.00	20%	N	
G3600B-Environment and Sustainable Transport	Complete routes (Route 1&2)	10g/sq. m ()	1042.41	208.48	1250.00	20%	N	
G3600B-Environment and Sustainable Transport	Complete routes (Route 1&2)	20g/sq. m (29th)	1626.45	325.29	1950.00	20%	N	
G3600B-Environment and Sustainable Transport	Complete routes (Route 1&2)	40g/sq. m	2071.25	414.25	2485.00	20%	N	
G3600B-Environment and Sustainable Transport	Cold spots (Route 1)	10g/sq. m ()	833.68	166.74	1000.00	20%	N	
G3600B-Environment and Sustainable Transport	Cold spots (Route 1)	20g/sq. m	1659.02	331.80	1990.00	20%	N	
G3600B-Environment and Sustainable Transport	Route 3 (Bark& Dag A13)	10g/sq. m ()	1120.70	224.14	1345.00	20%	N	
G3600B-Environment and Sustainable Transport	Route 3 (Bark& Dag A13)	20g/sq. m (29th)	1626.46	325.29	1950.00	20%	N	
G3600B-Environment and Sustainable Transport	Route 3 (Bark& Dag A13)	40g/sq. m	2071.25	414.25	2485.00	20%	N	
G3600B-Environment and Sustainable Transport	Works -Highways and Traffic Management							
G3600B-Environment and Sustainable Transport	Footbridges and Subways	Mon - Fri Normal Hours	361.12	72.22	435.00	20%	N	
G3600B-Environment and Sustainable Transport	Footbridges and Subways	Mon - Fri & Sat Outside normal hours	592.30	118.46	710.00	20%	N	
G3600B-Environment and Sustainable Transport	Footbridges and Subways	Sun/BH	592.31	118.46	710.00	20%	N	
G3600B-Environment and Sustainable Transport	Footbridges and Subways	Provision of traffic accident data on request	0.00	0.00	0.00			
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding up to 15mtrs in length per 4 week period or any part thereof. To cover administration, inspection costs and coordination.	419.00	83.80	505.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding up to 15mtrs in length up to 4 weeks. To cover administration, inspection costs and coordination.	464.00	92.80	555.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding over 15mtrs in length over 4 weeks and up to a period of 3 months, or any part thereof. To cover administration, inspection costs and coordination per month or part thereof.	617.00	123.40	740.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding over 15mtrs in length over 3 months and up to a period of 6 months, or any part thereof. To cover administration, inspection costs and coordination per month or part thereof.	839.00	167.80	1005.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding over 15mtrs in length over 6 months and up to a period of 12 months, or any part thereof. To cover administration, inspection costs and coordination per month or part thereof	1283.00	256.60	1540.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding over 15mtrs in length over 12 months and up to a period of 18 months, or any part thereof. To cover administration, inspection costs and coordination per month or part thereof	1728.00	345.60	2075.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing of scaffolding or hoarding	Scaffold or Hoarding over 15mtrs in length over 18 months, or any part thereof. To cover administration, inspection costs and coordination per month or part thereof.	1950.00	390.00	2340.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Skips	Band A - Per 7 day period or any part thereof to a maximum of 14 calendar days	58.00	11.60	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Skips	Band B - Per 7 day period or any part thereof for a placement of between 15 and 30 calendar days	86.00	17.20	105.00	20%	N	
G3600B-Environment and Sustainable Transport	Licensing Skips	Band C - Per 7 day period or any part thereof for a placement in excess of 31 calendar days	98.00	19.60	120.00	20%	N	
G3600B-Environment and Sustainable Transport	Builders Materials Licence	Placement on the highway up to a maximum of 14 days.	75.00	15.00	90.00	20%	N	
G3600B-Environment and Sustainable Transport	Builders Materials Licence	An enhanced rate for periods beyond 14 days.	92.00	18.40	110.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for consent to site a crane or platform vehicle on the highway (Low network impact)	464.00	92.80	555.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for consent to site a crane or platform vehicle on the highway (High network impact)	550.00	110.00	660.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for Tower Crane Over-sail (low network impact)	464.00	92.80	555.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for Tower Crane Over-sail (High network impact)	550.00	110.00	660.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Graduated charge per month	104.00	20.80	125.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Graduated charge 1 to 3 months	565.00	113.00	680.00	20%	N	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Graduated charge 4 to 6 months	1125.00	225.00	1350.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Graduated charge 7 to 9 months	1901.00	380.20	2280.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Graduated charge 10 to 12 months	2454.00	490.80	2945.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for consent to site a cherry picker or scissor lift vehicle on the highway (Low network impact)	464.00	92.80	555.00	20%	N	
G3600B-Environment and Sustainable Transport	Application for consent to place a compound, container, porta cabin or similar on the highway	Application for consent to site a cherry picker or scissor lift vehicle on the highway (High network impact)	550.00	110.00	660.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Area up to 18 square metres	925.00	185.00	1110.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Area over 18 square metres	1234.00	246.80	1480.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Annual renewal up to 18 square metres	617.00	123.40	740.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Annual renewal over 18 square metres	925.00	185.00	1110.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Transfer Fee	99.00	19.80	120.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Variation Fee	310.00	62.00	370.00	20%	N	
G3600B-Environment and Sustainable Transport	Amenities Licence (Tables and Chairs)	Business Planning Act (Tables & Chairs)	500.00	100.00	600.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	14(2) Temporary Traffic Regulation Order for temporary prohibition or restriction of traffic on roads (up to 5 days)	1308.00	261.60	1570.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	14(1) Temporary Traffic Regulation Order for temporary prohibition or restriction of traffic on roads (up to 1 month) + advertising. Charges in excess of 3mths are set out below	6368.00	1273.60	7640.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	14(2) Temporary Traffic Regulation Notices for Emergencies up to 21 days	1422.00	284.40	1705.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	16A Temporary Traffic Regulation Order for temporary prohibition or restriction of traffic on roads (up to 3 days) - Includes any Orders + advertising if not annual event	4207.00	841.40	5050.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	16A Temporary Filming Notice/ Order for temporary prohibition or restriction of traffic on roads (1 day for Notice / 7 days for Order) + advertising if required	1308.00	261.60	1570.00	20%	N	
G3600B-Environment and Sustainable Transport	Temporary Traffic Regulation	Application for consent for temporary waiting restriction to be made for a special event off the highway	1308.00	261.60	1570.00	20%	N	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Major PAA- Category 0,1,2&TS	105.00	21.00	125.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Major- Category 0,1,2&TS	240.00	48.00	290.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Standard- Category 0,1,2&TS	130.00	26.00	155.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Minor- Category 0,1,2&TS	65.00	13.00	80.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	ImmediateCategory 0,1,2 & TS	60.00	12.00	70.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Permit Variation	45.00	9.00	55.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Major PAA- Category 3&4	75.00	15.00	90.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Major- Category 3&4	150.00	30.00	180.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Standard- Category 3&4	75.00	15.00	90.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Minor- Category 3&4	42.00	8.40	50.00	20%	Y	

Newham Council Sales, Fees & Charges 2025/26

Directorate	Sub-Heading	Description	Current Fees 24/25	Increase by 20%	Proposed Fees	% Increase / Decrease	Statutory Service (Y/N)	Comment
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Immediate- Category 3&4	37.00	7.40	45.00	20%	Y	
G3600B-Environment and Sustainable Transport	Permitting – Costs determined by DfT	Permit Variation	35.00	7.00	40.00	20%	Y	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Licence (Works)	1040.00	208.00	1250.00	20%	Y	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Licence (Works with no excavation)	795.00	159.00	955.00	20%	Y	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Variation Fees	93.90	18.78	115.00	20%	Y	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Licence (Structure)	227.00	45.40	270.00	20%	N	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Administration/Processing Fee	114.00	22.80	135.00	20%	N	
G3600B-Environment and Sustainable Transport	Sec 171 Highways Act 1980	Per Month Charge Thereafter	57.00	11.40	70.00	20%	N	
G3600B-Environment and Sustainable Transport	Sec 50 NRSWA 1991	Licence	1040.00	208.00	1250.00	20%	Y	
G3600B-Environment and Sustainable Transport	Sec 50 NRSWA 1991	Variation Fee	93.00	18.60	110.00	20%	N	
G3600B-Environment and Sustainable Transport	Parking Signs	Per 5 Signs	186.00	37.20	225.00	20%	N	
G3600B-Environment and Sustainable Transport	Parking Signs	Per 10 Signs	372.00	74.40	445.00	20%	N	
G3600B-Environment and Sustainable Transport	Administration Fee for Site Meetings/Visits etc	Administration Fee for Site Meetings/Visits etc	114.00	22.80	135.00	20%	N	

Appendix E - MTFS Budget Allocations

DIRECTORATE	Budget position as of Quarter 3 Budget Report								Post Dec. Changes				
	Revised budget 2024-25	Remove Temporary Adj	Base Budget 2025-26	Changes in funding	Growth 2025-26	Savings 2025-26	Capital Receipts 2025-26	Budget 2025-26 as at December	Changes in funding	Additional/ Realigned Growth	Additional/ Realigned Savings	Capital Receipts	2025-26 Original budgets
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Children and Young People	123.5	(6.7)	116.8	0.0	12.7	(4.6)	0.9	125.7	0.0	0.4	0.0	0.0	126.1
Inclusive Economy & Housing	49.5	(0.1)	49.4	(2.5)	55.1	(4.9)	0.0	97.1	0.0	0.0	0.0	0.0	97.1
Adults & Health	119.4	(3.1)	116.3	0.0	21.1	(6.7)	0.0	130.7	0.0	0.0	0.0	0.0	130.7
Environment and Sustainable Transport	24.0	(0.1)	23.8	0.0	1.5	(6.1)	1.1	20.3	0.0	1.1	0.0	(1.1)	20.3
Marketing	8.2	0.0	8.2	0.0	0.2	(0.5)	0.1	8.0	0.0	0.0	0.0	0.0	8.0
Digital	1.7	(0.7)	1.1	0.0	0.2	(0.1)	0.2	1.3	0.0	0.0	0.0	0.0	1.3
Transformation	4.7	0.0	4.7	0.0	0.1	(0.1)	6.8	11.5	0.0	0.0	(0.6)	0.0	10.9
Resources	28.3	0.4	28.7	(4.1)	3.6	(1.4)	0.8	27.5	0.0	0.4	(0.3)	0.0	27.7
Dedicated Schools Budget	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Housing Revenue Account	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
oneSource - Non Shared	0.8	0.0	0.8	0.0	0.1	(0.3)	0.0	0.6	0.0	0.0	0.0	0.0	0.6
oneSource	2.5	(0.2)	2.3	0.0	2.2	(0.3)	0.0	4.2	0.0	0.0	0.0	0.0	4.2
Levies, Contingencies, centrally held savings	16.4	10.3	26.7	(4.0)	22.1	(5.1)	1.3	41.1	4.0	(0.4)	0.9	0.0	45.6
Total Services	378.9	(0.2)	378.7	(10.6)	118.9	(30.1)	11.0	467.9	4.0	1.5	0.0	(1.1)	472.4
Treasury Including Acquisitions Growth	24.5	0.0	24.5	0.0	8.1	0.0	0.0	32.5	0.0	(1.6)	0.0	0.0	30.9
Capital Including Acquisitions adjustments	(8.6)	0.0	(8.6)	0.0	1.4	0.0	0.0	(7.2)	0.0	0.0	0.0	0.0	(7.2)
Revenue Expenditure	394.8	(0.2)	394.6	(10.6)	128.4	(30.1)	11.0	493.3	4.0	(0.1)	0.0	(1.1)	496.2
Applied Capital Receipts -Transformation	0.0	0.0	0.0	0.0	0.0	0.0	(11.0)	(11.0)	0.0	0.0	0.0	1.1	(10.0)
Applied Capital Receipts -EFS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(46.2)	(46.2)
Applied Capital Receipts	0.0	0.0	0.0	0.0	0.0	0.0	(11.0)	(11.0)	0.0	0.0	0.0	(45.2)	(56.2)
DIRECTORATE													
Core Financing													
Business Rates	(171.0)	0.0	(171.0)	(2.5)	0.0	0.0	0.0	(173.5)	0.0	0.0	0.0	0.0	(173.5)
Centrally Retained Core Grants													
Revenue Support Grant	(45.4)	0.0	(45.4)	(0.8)	0.0	0.0	0.0	(46.3)	0.0	0.0	0.0	0.0	(46.3)
Local Authority Better Care Grant	(17.2)	0.0	(17.2)	(4.0)	0.0	0.0	0.0	(21.2)	0.0	0.0	0.0	0.0	(21.2)
New Homes Bonus	(2.8)	0.0	(2.8)	(3.1)	0.0	0.0	0.0	(5.9)	0.0	0.0	0.0	0.0	(5.9)
ASC Market Sustainability	(6.4)	0.0	(6.4)	0.0	0.0	0.0	0.0	(6.4)	0.0	0.0	0.0	0.0	(6.4)
Social Care Support Grant	(36.7)	0.0	(36.7)	(6.9)	0.0	0.0	0.0	(43.6)	0.0	0.0	0.0	0.0	(43.6)
Services Grant	(0.8)	0.0	(0.8)	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ASC Discharge Grant	(4.0)	0.0	(4.0)	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Children's Social Care Prevention Grant	0.0	0.0	0.0	(2.3)	0.0	0.0	0.0	(2.3)	(0.2)	0.0	0.0	0.0	(2.5)
Employer National Insurance Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(3.2)	0.0	0.0	0.0	(3.2)
Recovery Grant	0.0	0.0	0.0	(11.0)	0.0	0.0	0.0	(11.0)	0.0	0.0	0.0	0.0	(11.0)
Total revenue Grants	(113.3)	0.0	(113.3)	(23.4)	0.0	0.0	0.0	(136.8)	(3.3)	0.0	0.0	0.0	(140.1)
Council Tax	(97.3)	0.0	(97.3)	(10.3)	0.0	(2.9)	0.0	(110.5)	0.1	0.0	0.0	0.0	(110.5)
Social Care Precept	(13.0)	0.0	(13.0)	(2.8)	0.0	0.0	0.0	(15.8)	(0.2)	0.0	0.0	0.0	(16.0)
Council Tax	(110.3)	0.0	(110.3)	(13.1)	0.0	(2.9)	0.0	(126.3)	(0.1)	0.0	0.0	0.0	(126.4)
Total Core funding	(394.6)	0.0	(394.6)	(39.1)	0.0	(2.9)	0.0	(436.6)	(3.4)	0.0	0.0	0.0	(440.0)
Funding Shortfall -	0.2	(0.2)	(0.0)	(49.7)	128.4	(33.0)	0.0	45.7	0.6	(0.1)	0.0	(46.2)	0.0

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APPENDIX F

FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

1. INTRODUCTION

In December 2017, the Secretary of State announced the continuation of the capital receipts flexibility programme, which provides Local Authorities the freedom to use capital receipts generated from the sale of assets (except for Right to Buy disposals) to fund revenue costs arising from transformational revenue projects that deliver savings or service efficiencies.

Ordinarily, capital receipts can only be used to fund capital expenditure such as the purchase of capital assets or improvements to existing assets.

This document sets out the guidance and proposal the use of the Council's strategy for the Flexible Use of Capital Receipts.

2. GUIDANCE AND PROCESS

Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

The Council must produce a flexible use of capital receipts strategy, setting out the projects to be funded prior to the start of each financial year.

Present the strategy to Full Council. This requirement can be satisfied as part of the annual budget setting process.

Within this strategy the Council needs to disclose the individual projects that will be funded (in full or in part) together with details on a project-by-project basis of the expected savings/service transformation.

It is also a required condition that authorities must send details setting out their planned use of the flexibility to the Secretary of State, in advance of its use for each financial year. This must be sent as soon as is practicable following disclosure to full Council or equivalent, and must be sent in advance of the flexibility being used. Providing a copy of the strategy will fulfil this requirement. It is important that the information sent to the Secretary of State is accurate and, for that reason, it is also a requirement that authorities do not capitalise expenditure in excess of what was set out in the submitted plans.

3. PROPOSED INVESTMENTS AND STRATEGY

London Borough of Newham has undertaken a comprehensive Transformation Programme aimed at delivering £23m savings. This programme is part of the Council's broader strategy to enhance service delivery, increase efficiency, and ensure long-term financial sustainability. The programme will implement a new target operating model that is resident-centric, enables digital innovation and automation and enhance data skills across the organisation, enable service efficiencies without compromising service delivery.

In addition, some savings outlined in the Council's Medium-Term Financial Strategy (MTFS) aimed at improving efficiencies and reducing future costs require upfront investments to generate long-term benefits. Newham is using flexible use of capital receipts on one-off or short to medium term investments to support the delivery of its Transformation Programme and MTFS saving proposals.

Investments required over the next 3 years and the benefit realisation:

Directorate	Saving/ Implementation	SAVING TITLE	Funding Requirement	Total Savings	
Children & Young People	Saving Implementation cost	Develop the specialist foster carer scheme and move children from residential to specialist foster carers	180,000	(582,000)	
		Review the specialist offer of interventions to adolescents	570,000	(4,700,000)	
		Supporting Parents of under one-year olds	103,000	(355,000)	
		The House Project. Promote independence for care leavers	240,000	(866,000)	
		Redesign and reconfigure Children's Centre provision in the borough to achieve scalable budget reductions of between 33% to 75%	30,000	(450,000)	
Adults & Health		Increase income at Town Halls	50,000	(50,000)	
Environment and Sustainable Transport		Emission-based charging – price reprofiling: short stay parking	10,000	(1,159,000)	
		Emission-based charging – price reprofiling: visitor permits	10,000	(181,000)	
		Diesel surcharge: resident permit £50 per year	10,000	(631,000)	
		Diesel surcharge: business and industrial permits - £100 per year	10,000	(497,000)	
		Diesel surcharge: Short stay parking: on-street - £1 per hour	10,000	(179,000)	
Resources		Fund Transformation to deliver savings	ICT Application Improvements	250,000	(13,000,000)
			Contact Centre Telephony - System Improvements	250,000	
			Supporting organisational change for Transformation Programme	200,000	
Digital			ICT Transition	200,000	
Transformation	Redundancy and Pension strain		1,300,000		
	Transformation:		5,900,000		
	1. Resident Access & Experience				
	2. Enabling service efficiencies				
	3. Transformation and Change Capabilities				
	4. Data Strategy, Efficiencies and Skills				
	5. Technology Transformation				
	6. Workforce and Culture				
	7. Commissioning, Procurement & Commercial				
	8. Integrated Service Delivery Models				
	Assessment of impact providing additional savings beyond Transformation Programme	900,000	(900,000)		
GRAND TOTAL			10,223,000	(33,550,000)	

Appendix G: Public Health Grant 2025-26

1. Introduction

1.1. The Public Health Grant (PHG) is a financial allocation provided by the Department of Health and Social Care (DHSC) to local authorities in England. Its primary purpose is to support public health initiatives aimed at improving the health and wellbeing of local populations and reducing health inequalities.

1.2. For the financial year 2024/25, the total public health grant is £3.603bn, of which, Newham received £34.2m, 0.95% of the national total.

1.3. This funding is ring-fenced, meaning it must be used specifically for public health functions. This is classified as prescribed and non-prescribed functions and other required uses.

2. Public Health Functions

2.1. Prescribed public health functions are those that are mandated by law or regulation. These functions are essential and must be carried out by public health authorities. They are:

- Public health leadership (statutory role of the DPH) and advice to NHS commissioners
- Sexual health services
- NHS Health Checks
- National weight and height measurement programme for children
- Children and Young People 0-19 services (health visiting and school nursing)
- Local authority role in health protection (e.g. responding to outbreaks, preventing outbreaks).

2.2. In addition, substance misuse and tobacco control must be maintained at 2024/25 levels (cash) in order to receive additional ring fenced DHSC funding (otherwise the additional funding would be lost).

2.3. Non-prescribed public health functions, are not legally mandated but DHSC expects the Public Health Grant to be used for these functions and scrutinises the level of spending (compared to other local authorities) and year-on-year change in spend in the annual RO. They include:

- Obesity
- Physical activity
- Children 5 to 19 public health programmes
- Health at work
- Public mental health

- Miscellaneous

2.4. The spend in each category must be reported to DHSC annually.

3. Newham Public Health Grant 2025/26

3.1. This report outlines the intended use of the Newham Public Health Grant for 2025-26. The proposals are guided by:

- The grant conditions, including prescribed and non-prescribed functions.
- Historic usage of the public health grant in Newham, supporting a wide range of council activities related to health and wellbeing.
- Newham's health and wellbeing strategy, "50 Steps to a Healthier Newham 2024-2027," which identifies priorities for improving health and reducing health inequalities.

3.2. At the time of writing, the public health grant allocation for 2025-26 is awaiting confirmation. However, for the purpose of this a report, £0.5m increase has been assumed on the 2024/25 grant, giving a provisional funding allocation of £34.729m.

3.3. The grant conditions are assumed to remain the same as in 2024-25. Any additional duties funded from the grant could create additional pressure on Newham's allocation if these are not reflected in an above inflationary increase in the funding allocation.

3.4. Table One - Changes in expected funding allocation for Newham:

Year	Allocation (£)	Increase (£)
2023-24	33,675,740	
2024-25	34,229,031	553,291
2025-26 (provisional)	34,729,031	500,000

3.5. Upon confirmation of the final grant allocation, the Director of Public Health (DPH) and the Lead Cabinet Member for Adults and Health will evaluate the most effective use of any additional grant funding. Conversely, should there be a reduction in the anticipated level of funding, the DPH and Lead Cabinet Member will reassess the proposed allocations accordingly.

3.6. The proposals for 2025-26 aim to realign the grant to enhance the focus on outcomes and cost-effectiveness. These realignments account for inflationary pressures in staffing and contracts, as well as in commissioned public health services with external partners, including the NHS.

3.7. The proposed allocation of the public health grant for 2025-26 maintains the integrity of the public health ring fence whilst looking for ways to improve outcomes and identify efficiencies.

3.8. The final specific allocations to services and public health priorities will be determined in consultation with the corporate management team and portfolio leads.

3.9. Table Two - The proposed changes to the allocation of the funding

Service	2024/25 budget £'000	2025/26 budget £'000
Strategic Public Health	2,774	2,582
50 Steps delivery	1,166	900
Pan-London contributions	85	94
Commissioned public health services	22,401	22,649
LBN commissioned services	7,754	8,504
Income	(34,229)	(34,729)
Grand Total	0	0

3.10. The details of the proposed 2025/26 allocation of the Public Health Grant is detailed in the tables below:

3.11. Table Three - Public Health Grant allocation by Directorate

Type	Directorate	Grant Allocations 2025/26 £000's
Core Public Health	Adults & Health	2,582
Core Public Health Total		2,582
50 Steps Delivery	Adults & Health	900
50 Steps Delivery Total		900
Pan London Contributions	Adults & Health	94
Pan London Contributions Total		94
Commissioned	Children and Young People	10,503
	Inclusive Economy & Housing	50
	Adults & Health	11,995
	Marketing	100
Commissioned Total		22,649
LBN Commissioned	Children and Young People	2,755

	Adults & Health	2,387
	Environment and Sustainable Transport	1,701
	Marketing	1,662
LBN Commissioned Total		8,504
Income	Grant Income	(34,729)
Income Total		(34,729)
Grand Total		0

4. The sections below summarise the use of the grant in each directorate.

4.1. Adults and Health

4.2. Services relating to prescribed functions and required uses:

- Public health leadership and advice to NHS commissioners: delivered through the strategic public health team, which offers specialist public health leadership and advice to NHS commissioners, including insight and intelligence and improvement of outcomes and equity.
- Sexual health services: commissioned services.
- NHS Health Checks: commissioned service.
- Health protection: specialist work undertaken by the public health team to prevent and respond to outbreaks.
- Substance misuse services: commissioned services.
- Tobacco control: commissioned services.

4.3. Services relating to non-prescribed functions that address local public health priorities:

- Weight management services
- Physical activity services and programmes, including leisure services and sport and physical activity programmes
- Domestic violence prevention and early intervention
- Targeted services to address social isolation and loneliness
- Targeted services to inclusion health groups, including rough sleeping
- Delivery of other commitments in 50 Steps, including the Newham Food Alliance and other work to reduce diet-related disease, Well Newham, Healthy Start, mental health. In 2025/26 there will be an increased focus on funding 'downstream' interventions that deliver benefits in a relatively short timescale, such as falls prevention.

4.4. In 2025/26, an additional £0.750m of public health grant has been provisionally allocated to physical activity services, domestic violence prevention and rough sleeping services. This realigns public health grant to these issues, which have been identified as key priorities for 2025/26.

4.5. Children and young people

4.6. Services relating to prescribed functions:

- National weight and height measurement programme for children: delivered through the school health service
- Children and Young People 0-19 services (health visiting and school nursing)

4.7. Services relating to non-prescribed functions that address local public health priorities:

- Early years services, including a contribution to children's centres, to support the best start in life, such as oral health promotion, immunisation, nutrition, infant feeding and physical activity.
- Contribution to free school meals to promote healthy weight and good nutrition and reduce risks of diet-related disease.
- Contribution to domestic violence services for children and young people.

4.8. **Inclusive Economy and Housing**

4.9. Contribution to Our Newham Money services to reduce the harms of low income and financial insecurity on health.

4.10. **Environment and Sustainable Transport**

4.11. Contribution to Parks services to promote a wide range of physical and mental health benefits through green and water spaces.

4.12. Contribution to Trading Standards services to work on food safety and address sale of harmful alcohol and illicit and illegal tobacco and vape products.

4.13. Contribution to Community Safety to address the direct and indirect health impacts of crime and anti-social behaviour.

4.14. **Marketing**

4.15. Contribution to Library and Community Neighbourhoods services to provide a range of health-promoting services and activities, support people around the determinants of health and offer a focal point for social connection. It includes the Get Active Get Healthy programme, which tackles physical inactivity and social isolation through the community neighbourhood teams.

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Chief Officer Pay Policy Statement 2025/26

Name of Policy: Chief Officer Pay Policy Statement	Applies to all Council employees
Last Amended: 24 th January 2025	Document Owner: HR&OD

Introduction

The policy will apply to all permanent, contract and temporary staff working for the Council. This policy statement contains details of the Council's approach to the remuneration of its Chief Officers on appointment, subsequent progression and any use of bonus or performance related pay.

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- 1.1 The Localism Act (2011) requires that the Council is explicit about certain aspects of its pay and reward regime. The Act requires the Council to prepare an annual pay policy statement and the Council to have regard to guidance issued.

Matters that must be included are policies on the remuneration of the Council's Chief Officers on appointment, subsequent progression and any use of bonus or performance related pay. The Act also requires a definition of the 'lowest-paid employees' of the Council and to explain the rationale for that definition.

The Act emphasises the importance of fair rewards by highlighting the need to safeguard the lowest paid employees. The concept of fairness is amplified in the Hutton Review of Fair Pay in the Public Sector (HM Treasury, March 2011), which stressed the importance of the relationship between top and median salaries in organisations, which is now a requirement in statutory guidance on transparency. The areas, which must be included in the statutory pay policy, are:

- the level and elements of remuneration for each Chief Officer
- the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition)
- the relationship between the remuneration of its Chief Officers and other officers, and
- Other specific aspects of Chief Officers' remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

1.2 Legislation

The Local Government Transparency Code 2015

The Transparency code under section 2 of the Local Government, Planning and Land Act 1980, sets out the minimum data that local authorities should publish, its frequency and the format it should be published in.

Localism Act 2011

Section 38 (1) of the Localism Act requires English and Welsh authorities to produce a pay policy statement from 2012/13 financial year and each financial year thereafter.

Openness and Accountability in local pay: Guidance under section 40 of the Localism Act 2011

The Act requires that authorities are more open about their own local policies and how their local decisions are made.

Openness and Accountability in local pay: Guidance under section 40 of the Localism Act 2011 (supplementary guidance)

General Data Protection Regulation

The General Data Protection Regulation (GDPR) applies only to information which falls within the definition of 'personal data' i.e. personal information relating to identifiable individuals. GDPR provides protection for individuals in relation to their right to privacy of their personal data.

Freedom of Information Act 2000

The Freedom of Information Act 2000 (FOIA) provides rights of public access to information held by public authorities. It is therefore important that any disclosure of information be carried out fairly and equitably.

Equality Act 2010

The Equality Act 2010 prohibits less favourable treatment between men and women in terms of pay and conditions of employment.

Accounts and Audit Regulations 2015

The Accounts and Audit Regulations 2015 make provision for relevant bodies, including local authorities, to expand the information to be included in their accounts and statement of accounts.

The Council is required to publish in its statement of accounts for each financial year, the numbers of officers paid £50,000 and above in bands of £5,000. The Chief Executive, Corporate Directors and the Director of Public Health are excluded from these numbers because they are required to be listed individually and identified by job title. Further, officers whose salary is £150,000 or more per year must also be identified by name.

Pay Transparency

The Transparency Code requires local authorities to go further by publishing the above data on the Council's website together with additional information such as a list of responsibilities.

The Transparency Code also requires the Council to publish an organisation chart covering staff in the top three levels of the organisation including information such as the salary ceiling figure.

Regulation 7 requires an authority to formulate, review, and publish its policy on making discretionary payments on early termination of employment. In addition, regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 requires an authority to publish its policy on increasing an employee's total pension scheme membership and on awarding additional pension. The Council does this through its early retirement and redundancy payments policy.

2

Definitions

2.1 Chief Officers

For the purposes of this pay policy and in accordance with the Localism Act, "Chief Officers" are defined as the Chief Executive, Corporate Directors, the Director of Public Health, other senior officers reporting directly to these officers and the Monitoring Officer. In essence the employees that the authority considers having responsibilities and powers to direct or control the major activities of the body, in particular activities involving the expenditure of money, whether solely or collectively with other persons.

2.2 Remuneration

For the purposes of remuneration, "remuneration" refers to all amounts paid to or received by a person, and includes sums due by way of expenses, allowances and

estimated monetary value of any other benefits received by an employee other than in cash (e.g. benefits in kind).

2.3 Pay Multiples – Highest, Median and Lowest Paid Employees

The pay multiple calculation is the ratio between the highest and lowest paid employee. The ratio for the relationship between the remuneration of Chief Officers and the remuneration of employees who are not Chief Officers is also calculated in accordance with the Localism Act. The figures quoted are based on full time equivalents and a salary that is inclusive of all taxable earnings i.e. pay variables, such as allowances/bonuses.

Median earnings are more representative of the pay of the whole organisation, so a median based multiple is also an appropriate mechanism for linking executive pay to that of the workforce.

These pay ratios will be recorded, monitored and benchmarked to track year on year changes and to ensure there is public accountability and scrutiny in pay matters.

2.4 National Minimum Wage

The National Minimum Wage (NMW) is a minimum amount per hour that workers in the UK are entitled to be paid. From 1st April 2025 the National Minimum Wage will apply to those aged 20 or under, and for those aged 21 and over the National Living Wage will be applied.

2.5 National Living Wage

The National Living Wage (NLW) was introduced on 1st April 2016. Employees aged 21 or over and not in the first year of an apprenticeship, will be legally entitled to earn the national living wage. The current rate is £11.44 per hour, and from April 2025 this will increase to £12.21.

2.6 London Living Wage

The London Living Wage (LLW) is an hourly rate, set independently, every year by the Resolution Foundation and overseen by the Living Wage Commission. The LLW is calculated according to cost of living and gives the minimum pay rate required for a worker to provide their family with the essentials of life. The Council pays all its employees at least the London Living Wage. The London Living Wage hourly rate announced in October 2024 was set at £13.85 per hour (an increase of £0.70) with an implementation window until April 2025. The Council's policy is to implement the annual uplift to the London Living Wage with immediate effect following its announcement.

3 Introduction

3.1 The Council seeks to reward all staff fairly and has in place a transparent job evaluation process where jobs are ranked according to the skills, knowledge and accountabilities required to carry out the role.

3.2 All Chief Officer posts are evaluated using the Hay Job Evaluation Scheme. A job evaluation panel is convened, and evaluations are carried out by Hay trained assessors. All other roles are evaluated using the Greater London Provincial Council Job Evaluation Scheme (GLPC 2000) except for employees who are on

craft worker, JNC Youth & Community and Soulbury terms and conditions of employment.

- 3.3** All Chief Officer post holders are contractually required to work the Council's normal working hours which are 9.00am to 5.15pm Monday to Thursday and 9.00am to 5.00pm each Friday, which is a total of 36 hours per week. However, it is a condition of employment that Chief Officers work such hours as are necessary to fulfil the functions of the post, which may be anticipated as actually requiring in the region of 45 hours per week on average. Annual salaries are deemed to take account of all hours worked including time outside normal hours and evening meetings.
- 3.4** The Council will continue to keep Chief Officer pay and contractual arrangements under review to ensure that levels of pay are appropriate to the market in order to recruit and retain high quality leaders and managers.

4 Recruitment and Remuneration

4.1 Recruitment

Full Council, following selection by a panel of elected councillors and the Mayor appoints the Chief Executive. A panel of elected councillors, including the Mayor or relevant Cabinet Member, appoints corporate Directors and Directors. External and internal Human Resources and recruitment specialists advise the panels.

Posts within the top three tiers of the Council's structure (i.e., Chief Executive, Corporate Director and those directly reporting to a Corporate Director) which are graded at SMR D and above (or any subsequent pay grade adopted of the same or similar value), are member level appointments.

As part of the recruitment practice, and ongoing review of executive pay, the remuneration of Chief Officers will always be considered as part of any recruitment process.

4.2 Market Supplements

In addition to the basic salary, and in accordance with the Council's Pay and Grading policy, posts which are difficult to recruit to may attract a market supplement, which is set at a level that brings pay up to a competitive market related level. The market related level must be justified through benchmarked pay market research. The Council is currently reviewing the approach and the process for awarding market supplements.

4.3 Benchmark information

London Councils publish annually a Chief Officer Pay and Benefits Survey, which benchmarks the remuneration of comparable Chief Officer roles across all London boroughs.

4.4 Organisation Structure

The current Council structure was implemented in August 2022.

The structure relates to the top three tiers of the Council. The defining of tiers and working relationship is essential for any effective internal control system.

Cabinet agreed the Council's senior officer naming convention in April 2019. This is to ensure role titles are consistently applied across the Council and to limit the risk of title inflation. For the purpose of this naming convention, a senior officer is any role in the top three tiers of the Council's organisational structure, excluding administrative posts.

The naming convention is as follows:

Tier	Grade	Title
One	CE	Chief Executive
Two	CD1, CD2	Corporate Director
Three	SMR D, SMR E, SMR-F	Director
	SMR A, SMR B, SMR C	Assistant Director

4.5 Salary - Chief Executive

The salary for the post of Chief Executive is currently £231,024 (Grade CE).

The Chief Executive holds the role of returning officer for local and government elections. The total remuneration package will increase in the year of an election in accordance with the role of returning officer and the allowance set for the duties. Other officers may receive payment dependent on any duties carried out.

4.6 Salary - Corporate Directors

The following posts are graded at Corporate Director level, with a salary range of £170,601 - £189,924 (Level 1) or £145,875 - £160,812 (Level 2).

Corporate Director of Resources
Corporate Director of Children and Young People (DCS)
Corporate Director of Inclusive Economy and Housing
Corporate Director of Adults and Health (DASS)
Corporate Director of Environment and Sustainable Transport

4.7 Salary - Directors and Directors of Shared Services

All Director posts have been evaluated at SMR band D (£92,856 - £113,037), SMR band E (£114,303 - £131,880) or SMR band F (£119,514 - £144,249). Progression within the grade is dependent on performance in post, which is assessed annually through the appraisal system.

4.8 Chief Officers are able to access the season ticket loan scheme and the electric vehicle lease scheme, subject to the criteria of the scheme being met in the same way as for other Council employees.

- 5.1** The Single Status Agreement was implemented in 2007. The Council applied the Local Government Services Pay Spine (London) as the new Council pay and grading structure for all employees, excluding craft workers.

All posts are evaluated using the GLPC evaluation scheme, and through a panel of trained job evaluators.

Employees are remunerated using a pay and grading structure that is linked to the National pay spine and accords with national terms and conditions of service.

Should it be necessary, the Council will implement a pay supplement to ensure that no Council employee is paid below the London Living Wage. School governing bodies are responsible for determining whether and how to implement the London Living Wage for employees within their schools.

5.2 Pay Comparison

The lowest paid employees are paid at scale 1, earning an annual salary of £27,345. The highest paid employee (Chief Executive) is paid £231,024 per annum (in the year of an election (General, Greater London Authority, European, mayoral and local Council), this may be higher to take account of the statutory role as Returning Officer and the additional remuneration that this responsibility attracts).

- 5.3** The Council's pay multiple e.g. the ratio between the highest paid employee and lowest paid employee) is 1:8.

- 5.4** The median earnings figure for the Council is £40,755 (SO2/SCP28); therefore, the ratio between the highest paid employee and median paid employee is 1:6. Median earnings are more representative of the pay for the whole organisation, so a median based multiple is a more appropriate mechanism for comparing executive pay to that of the workforce.

- 5.5** The relationship between the remuneration of Chief Officers and the remuneration of employees who are not Chief Officers may vary periodically to reflect national pay awards in accordance with the recommendations of the National Joint Council (NJC) and Joint National Council (JNC) negotiating bodies. The recommended pay ratio for relationships between the highest and lowest paid officers in the civil service is 1:20. The Council's pay ratio will never exceed 1:20 and currently stands at 1:8, where the salaries of the highest and lowest paid employees are compared. The salaries quoted are the full time equivalent based on a basic rate of pay.

- 5.6** Pay ratios will be recorded, monitored and benchmarked to track year on changes and to ensure there is public accountability and scrutiny in pay matters. Last year the pay ratio was 1:9.

6.0 Pay Transparency

- 6.1 As outlined above in paragraph 2.1, the law requires local authorities to publish remuneration information of its senior officers in its statement of accounts. Remuneration disclosure refers to all amounts paid to or received by a person, and includes sums due by way of any expenses allowance and the estimated monetary value of any other benefits received by an employee other than in cash (e.g. benefits in kind).
- 6.2 Disclosure of remuneration paid to Directors will be made for each financial year under the following categories:
- salary, fees and allowances;
 - bonuses;
 - expenses allowance;
 - compensation for loss of employment;
 - employers pension contribution;
 - any other emoluments.

For more information please refer to the Disclosure of Staff Information policy.

7.0 Termination Payments

- 7.1 Termination payments are set out in the Council's policies and procedures for redundancy and retirement. For senior managers these are published as part of the annual accounts.
- 7.2 The Council does not automatically apply discretionary severance payments, however the Council can fetter its discretion and in exceptional circumstances, it may apply a severance payment and/or other pay enhancement.

Special severance payments

Special severance payments (additional, discretionary sums paid on top of statutory and contractual redundancy or severance terms including any payments reached under a settlement agreement and certain PILON payments) of £100,000 and above must be approved by a vote of full council. Special severance payments of £20,000 and above, but below £100,000, must be personally approved and signed off by the Head of Paid Service, with a clear record of the Mayor's approval and that of any others who have signed off the payment. Special severance payments below £20,000 must be approved according to the Council's scheme of delegation.

- 7.3 In the event of termination, the Council would apply its policies on redundancy or retirements and meet any contractual liabilities such as for pay in lieu of notice or untaken holiday entitlements. In exceptional circumstances, it may be appropriate to apply additional discretionary enhancements up to the statutory maximum permitted. These would be in accordance with the compensation that the Council can offer an employee for early termination of contract as set out in The Local Government (Early Termination of Employment) (Discretionary Compensation)

(England and Wales) Regulations 2006 and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007.

Where an employee is made redundant, or has their contract terminated in the interests of the efficient running of the authority, the Council may either pay a lump sum of up to 104 weeks' pay; or increase the employee's membership of the local government pension scheme by up to ten years. Any such additional discretionary enhancements on termination will be paid in accordance with recommendations from the Council's three Statutory Officers (the Monitoring Officer, Chief Finance Officer and Head of Paid service). No payment would exceed the statutory maxima set out in the Regulations and would represent good value for money and be fair and reasonable in the circumstances. Where relevant, external legal and/or financial advice will be taken where discretionary severance payments and/or other enhancements are proposed to be made.

8.0 Re-engagement

- 8.1** Chief Officers will not be re-engaged in any capacity, including as a consultant, within 12 months of leaving the Council's employ where employment has been terminated on grounds of voluntary redundancy and/or voluntary early retirement, or the individual has received a severance payment and/or other enhancement. If there are exceptional circumstances, under which the Council wishes to re-employ or engage such persons in any capacity within 12 months this may only occur following agreement by the Chief Executive.
- 8.2** If an employee of Newham Council commences employment with any Local Government Authority or associated body covered by the Redundancy Payments (Continuity of Employment in Local Government (Modification) Order 1999 within 4 weeks and one day of the date of their last day of service with Newham Council, they lose entitlement to a redundancy payment as all such employers are deemed to be the same employer.
- 8.3** The Council will abate the pension payable because of re-employment where the pensioner could re-enter the LGPS and the pensioner's overall income upon commencement of re-employment by way of re-employed earnings and annual retirement benefits otherwise payable exceeds the level of pensionable earnings of the relevant former employment.
- 8.4** The Council operates a Flexible Retirement Scheme for all employees aged 55 years and over. The scheme allows employees to draw a pension whilst in receipt of a salary through a reduction in grade or hours of work.

Appendix 1*

Chief Officer Pay

The tables below show the current pay grade and salary range for the top three levels of the organisation, at Director level and above only, as at January 2025.

*Appendix 1 reflects salaries effective from 1 April 2024 (the 2025 pay award has yet to be determined).

Chief Executive	Pay Grade	Salary	Full or part-time
Chief Executive: Abi Gbago	Chief Executive	£231,024	Full Time

Corporate Directors	Pay Grade	Salary Range	Full or part-time
Corporate Director of Resources (s151): Conrad Hall	CD1	£170,601 - £189,924	Full Time
Corporate Director of Children and Young People (DCS): Laura Eden	CD1	£170,601 - £189,924	Full Time
Corporate Director of Inclusive Economy & Housing: Paul Kitson	CD1	£170,601 - £189,924	Full Time
Corporate Director of Environment & Sustainable Transport: Aled Richards	CD1	£170,601 - £189,924	Full Time
Corporate Director of Adults and Health (DASS): Jason Strelitz	CD2	£145,875 - £160,812	Interim/FT

Assistant Chief Executive(s)	Pay Grade	Salary Range	Full or part-time
Assistant Chief Executive – Chief Digital Officer	SMR-E	£114,303 - £131,880	Full Time
Assistant Chief Executive – Chief Marketing Officer	SMR-E	£114,303 - £131,880	Vacant
Assistant Chief Executive – Chief Transformation Officer	SMR-E	£114,303 - £131,880	Full Time

Newham Contracted Directors in the Shared Service (with Havering Council)	Pay Grade	Salary Range	Full or part-time
Director of Legal and Governance (and Monitoring Officer)	SMR-F	£119,514 - £144,249	Full Time
Director of Technology and Innovation	SMR-E	£114,303 - £131,880	Interim

Directors	Pay Grade	Salary Range	Full or part-time
Director of Operations (Adults)	SMR-E	£114,303 - £131,880	Vacant
Director of Early Help & Safeguarding	SMR-E	£114,303 - £131,880	Full Time
Director of Education & Inclusion	SMR-E	£114,303 - £131,880	Full Time
Director of Children's Commissioning & Universal Services	SMR-E	£114,303 - £131,880	Vacant
Director of Planning & Development	SMR-E	£114,303 - £131,880	Full Time
Director of Housing	SMR-E	£114,303 - £131,880	Interim
Director of Community Wealth Building	SMR-E	£114,303 - £131,880	Full Time
Director of Highways, Parking & Transportation	SMR-E	£114,303 - £131,880	Full Time
Director of Public Realm	SMR-E	£114,303 - £131,880	Interim
Director of Property	SMR-E	£114,303 - £131,880	Full Time
Director of Public Health	SMR-E	£114,303 - £131,880	Interim
Director of Climate Action	SMR-E	£114,303 - £131,880	Full Time
Director of Finance	SMR-E	£114,303 - £131,880	Full Time
Director of Human Resources & Organisational Development	SMR-E	£114,303 - £131,880	Full Time
Director of Quality Assurance, Safeguarding and Workforce Development	SMR-D	£92,856 - £113,037	Full Time
Director of Clinical Practice	SMR-D	£92,856 - £113,037	Full Time
Director of Commissioning for Adults and Health	SMR-D	£92,856 - £113,037	Full Time
Director of Improvement, Change and Control	SMR-D	£92,856 - £113,037	Full Time
Director of Corporate & Business Support	SMR-D	£92,856 - £113,037	Full Time
Director of Licensing & Regulation	SMR-D	£92,856 - £113,037	Full Time
Director of Community Safety	SMR-D	£92,856 - £113,037	Full Time

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Appendix I - Cumulative Equality Impact Assessment – Budget Proposals 2025/26

1. Executive Summary

- 1.1. This report is a cumulative assessment of the equality implications of the Newham 2025/26 budget and lays out evidence to support decision-makers in giving due regard to the Public Sector Equality Duty as part of the budget-setting process. We have a legal duty to give due regard to the Public Sector Equality Duty, as laid out in section 149 of the Equality Act 2010.
- 1.2. Most savings proposals presented for the budget have been assessed as having no or neutral implications on equalities (64%). The cumulative impact of the budget is therefore expected to be neutral or no impacts to residents with protected characteristics. This is largely because the bulk of savings relate to staff, resource and asset efficiencies and maximisation, rather than service reduction to frontline services.
- 1.3. However, it should be noted that there are high risk savings proposals that may have negative implications and there are specific protected characteristics that are expected to be impacted more by these proposals. The Council Tax rises, increase in fees and charges, withdrawal of Our Newham Money, reduction of Our Newham Work and the Council Tax reduction scheme are most likely to affect residents facing socio-economic disadvantage.
- 1.4. Growth proposals are expected to have mostly a neutral impact. Much of the income raising measures relate to selling assets, increasing fees and charges or increasing rents (for voluntary sector organisations who hire community assets), which may have a negative impact on some residents or organisations on lower incomes. However, increased investment in temporary accommodation and housing, as well as targeted early intervention and support for children and families at risk, will have a positive impact.
- 1.5. While savings proposals will have low impact on our legal duty to give due regard to eliminate discrimination, victimisation, and harassment, overall, the savings proposals will see a greater negative impact on our legal duty to give due regard to advancing equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Some programmes focussed on promoting equality are at risk from reduced funding, such the TRID programme and the cultural events programme.
- 1.6. Our legal duty to give due regard to foster good relations is likely to be negatively impacted by saving decisions related to resident engagement and circa £1 million cut to culture and art programmes funds.
- 1.7. Mitigating actions have been considered for all proposals to reduce the negative implications, with the Council Tax Reduction Scheme still offering up to 80% relief

to ensure those on lower-incomes or with disabilities are protected from Council Tax rises. The proposal to close Children's Centres has also been rolled back.

- 1.8. Proposals will be monitored and evaluated to understand the true impact and to reduce the disproportionate impact from a small number of proposals anticipated to have a negative impact.
- 1.9. Equality impact assessments for all proposals must be updated before any individual Cabinet papers are submitted throughout the financial year.
- 1.10. Budget proposals aim to protect our ability to maintain and deliver core statutory services and deliver for those most in need and protect the most disadvantaged in our borough.

2. Introduction

- 2.1. This report provides an indicative assessment of the overall equalities' implications of the 2025/26 budget proposals, based on initial analysis submitted for savings and growth proposals included in the budget papers. No assessments submitted after the 15th January 2025 are included in this report.
- 2.2. The proposed budget reflects this administration's continued commitment to our residents and this impact assessment and the associated Equality Impact Assessments to all proposals support decision makers to make those fair decisions.
- 2.3. The crippling burden of temporary accommodation costs driven by an increase in costs and demand factors outside of our control – which alone accounts for over £100m of the forecast financial pressure facing the Council over the next three years. Consequently, the Council has applied to the Ministry of Housing, Communities and Local Government (MHCLG) for Exceptional Financial Support (EFS) has been submitted. As of the 15th January, there are 65 savings proposals and 54 growth proposals for the budget, along with proposals to change Council Tax. In Summary:
 - 2.3.1. The savings total £79m, and in our revised MTFs the savings proposed reduces the projected Budget gap to £51m in 2025/26 and £78m by the 2027/28 financial year.
 - 2.3.2. A further £6m could be found by increasing Council Tax by 10 percent (rather than the previously planned 4.99 percent, this increase is expected by central government as part of the EFS application).
 - 2.3.3. This will mean that for the 2025/26 financial year, the Budget gap will be £46m.
 - 2.3.4. This is still less than the forecasted increase in cost of £52m on Temporary Accommodation for 2025/26, highlighting again the exceptional challenges

facing the Council, and Councils in London, in the face of the housing crisis. And why building homes people can afford is a must.

- 2.4. Proposals presented in the budget paper reflect an overarching aim to support our ability to deliver support to those most in need in Newham, with growth proposals ensuring increased funding for temporary accommodation, children's services and adult social care.
- 2.5. It is however unavoidable that decisions made for the budget 25/26 will have an impact on various protected characteristics. What decision-makers and officers can ensure is that actions are put in place to monitor and mitigate against negative consequences and promote positive impacts where possible.

3. The Public Sector Equality Duty and considerations for decision-makers

- 3.1. We have a duty, under Section 149 of the Equality Act also known as the public sector equality duty (PSED), to give due regard to:
 - 3.1.1. Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010;
 - 3.1.2. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - 3.1.3. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2. Due regard must be given to all protected characteristics defined by the Equalities Act¹, as well as characteristics Newham has defined as important for considering equality implications against; socio-economic disadvantage and health and wellbeing.
- 3.3. Impact assessments are the most widely used and recommended format with which to present information to key decision makers, ensuring they can give the appropriate due regard to the PSED.
- 3.4. Services and budget holders were asked to complete EqIA (equality impact assessment) screening and if needed full equality impact assessments for all their budget proposals. This report seeks to present a holistic overview of those assessments for budget proposals, and to inform key decision-makers on the implications the decisions they make will have on equality within the borough. It summarises the key cumulative equalities implications for the 2024/25 budget and provides more detail on the likely impact of each of the specific proposals.

¹ Protected characteristics: Age, Disability, Gender Re-assignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion, Sex, Sexuality. Please note marriage and civil partnership only needs to be considered in relation to employment policy.

Appendix A gives full details on any equality impact assessments that have been completed.

- 3.5. It is up to decision-makers to balance the equality implications of all the proposals against other factors including the council's difficult budgetary pressures. If decision-makers believe they need more information regarding the equality implications of a specific proposal before making a final decision on whether to approve a proposal, this should be indicated to lead officers.
- 3.6. Decision makers should note the analysis for some proposals is indicative at this stage. Once proposals are finalised, the likely equalities impacts will need to be reviewed considering any changes made or additional information that has come to light. Many proposals will have further cabinet papers produced over the financial year; here more in-depth equality implication reports must be presented.
- 3.7. Decision makers should also note marriage and civil partnership has not been analysed as part of this assessment. But will be considered in relation to restructures related to the budget and any changes to employment practices as required by law.

4. Borough Profile

- 4.1. Over 351,000 people live in Newham with a 50/50 split across women and men. We are the third fastest growing borough in London, we have witnessed a remarkable population growth of 14% over the last decade. Newham is also one of the most ethnically diverse areas in the country; over 200 languages are spoken and more than seven in ten residents are from Black, Asian, and other ethnically diverse communities.

Table 1.0 Demographic composition of the borough

Demographic	Group	Percentage
	Under 4	6.7%
Age	5-9	6.6%
	10-14	6.6%
	15-19	6.3%
	Under 19	21%
	20-34	29%
	35-64	38%
	65 and above	7%
Disability	Yes	12%
	No	88%
Ethnicity	Asian or Asian British	42%
	Black or Black British	18%
	Mixed or Multiple ethnic groups	5%

	White	31%
	Other ethnic group	5%
Gender identity*	Gender identity different to sex registered at birth	2%
	Gender identity same to sex registered at birth	88%
Health	Good health	85%
	Fair health	11%
	Bad health	4%
Religion	No religion	15%
	Christian	35%
	Muslim	35%
	Hindu	6%
	Other religion	3%

Source: ONS (Office for National Statistics) Census 2021²

**The question was voluntary, 10% of respondents did not answer the question on gender identity and 11% of respondents did not answer the question on sexual orientation.*

Demographic	Group	Percentage
Sex	Man	50%
	Woman	50%
Sexual orientation*	Straight or heterosexual	85%
	Gay or lesbian	2%
	Bisexual	2%
	Other sexual orientation	1%

Source: ONS Census 2021³

**The question was voluntary, 10% of respondents did not answer the question on gender identity and 11% of respondents did not answer the question on sexual orientation.*

4.2. We know that our residents are not equally experiencing the current increases in living costs, and some residents are more susceptible to socio-economic inequality. The 2023 residents survey found that 26% of our residents are currently finding it quite or very difficult to manage financially, a 12 percentage-point increase since 2022.

Table 2.0 Residents financial position

² Please note we do not have any statistically significant data from Census 2021, on Gender or Gender Re-assignment nor Sexual Orientation

³ Please note we do not have any statistically significant data from Census 2021, on Gender or Gender Re-assignment nor Sexual Orientation

How well would you say you are managing financially these days?	2022 percentage	2023 percentage
Living comfortably	11	8
Doing alright	34	26
Just about getting by	26	31
Finding it quite difficult	11	17
Finding it very difficult	3	9
Not answered	2	1
Prefer not to say	12	8

Source: Newham Residents Survey 2023

4.3. The decreases in residents' financial resilience are not equally felt across the borough. Those in poor health, Muslim residents and those with disabilities were statistically the most likely to find it difficult to financially manage.

4.4. Significance testing has been conducted with the data to understand how different groups of residents are financially managing. Where there are statistically significant differences, it shows where observed differences in residents' responses are not due to chance. These findings have been tested to the 95% confidence level, meaning that there is a less than 1 in 20 chance that the differences seen in the data are due to chance.

Table 3.0 Equalities analysis of residents finding it difficult to manage financially

Demographic	Group	Percentage	Statistically significant
Total		26%	
Age	16-34	24%	
	35-64	29%	x
	65 and above	18%	x
Disability	Yes	34%	x
	No	25%	x
Ethnicity	Asian or Asian British	32%	x
	Black or Black British	31%	x
	Mixed or Multiple ethnic groups	32%	
	White	15%	x
	Other ethnic group	29%	
Health	Good health	19%	x
	Fair health	31%	x
	Bad health	54%	x
Religion	No religion	14%	x
	Christian	23%	x
	Muslim	39%	x

	Hindu	24%	
	Other religion	15%	
Gender	Male	28%	x
	Female	24%	x

Source: Newham Residents Survey 2023

4.5. The council faces significant budget pressures, due to cumulative budget cuts from the central government, persistently high inflation and increasing numbers of service users. Budgetary pressures are particularly significant in regard to:

4.5.1. **Temporary Accommodation:** over the past 12 months there has been a significant increase in the number of homeless households presenting to the Council's Preventing Homelessness service. 37,000 residents are currently on the Council's homelessness register. 7,000 Newham residents are currently placed in the temporary accommodation.

4.5.2. **Children's Services:** requires additional funding to resource the care for increased caseloads of looked-after children, for increases in the number of children requiring SEND (Special Educational Needs and Disabilities) transport, and for the provision of Short Breaks. There are around 86,000 children and young people aged 18 and under in Newham. The percentage of pupils with special educational needs and disabilities (SEND) has increased significantly in recent years. The rate of pupils with education, health, and care plans (EHCPs) has tripled since 2019 to 2.5% in 2022. This indicates a growing population of children with complex needs that require additional support.

4.5.3. **Adults and Health:** our ageing population continues to require additional funding for our social care services which continue to rise, with spending increasing year on year. In addition care needs are becoming more complex, and therefore costly.

5. Equality impact assessment outcomes

5.1. By the 15th January 2025, 63 screenings had been carried out to determine if an equality impact assessment was needed, of which:

5.1.1. 28 full equality impact assessment were completed. These can be found in **Appendix TO BE ADDED.**

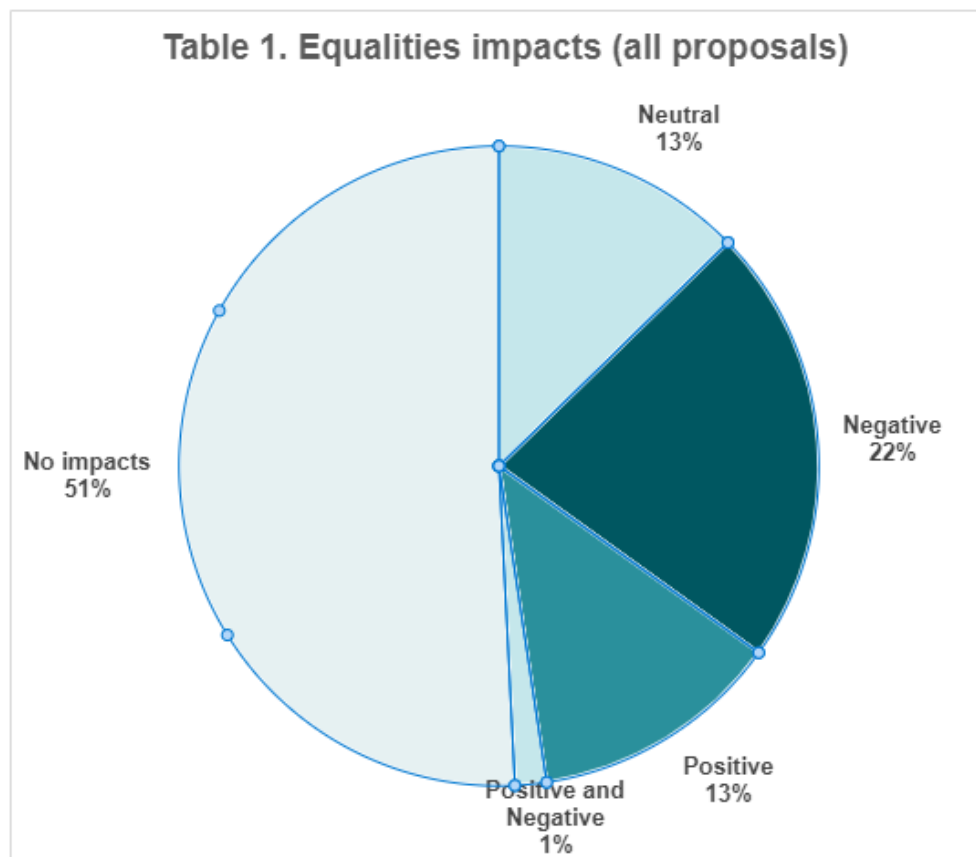
5.1.2. 30 screenings were related to Council staff, resource or asset efficiencies and no equalities impacts were found. Full EQIAs were not required. However, proposals that may result in staff redundancies will be assessed for equalities impacts as part of the statutory consultation process.

5.1.3. 2 screenings – Library Review and the sale of Debden Centre - had unknown equalities impacts as the statutory consultation had not started for

the library review and it was not yet known how the Debden Centre would be used by prospective buyers, and what impacts that might have. Full EQIA will be completed once this information is available.

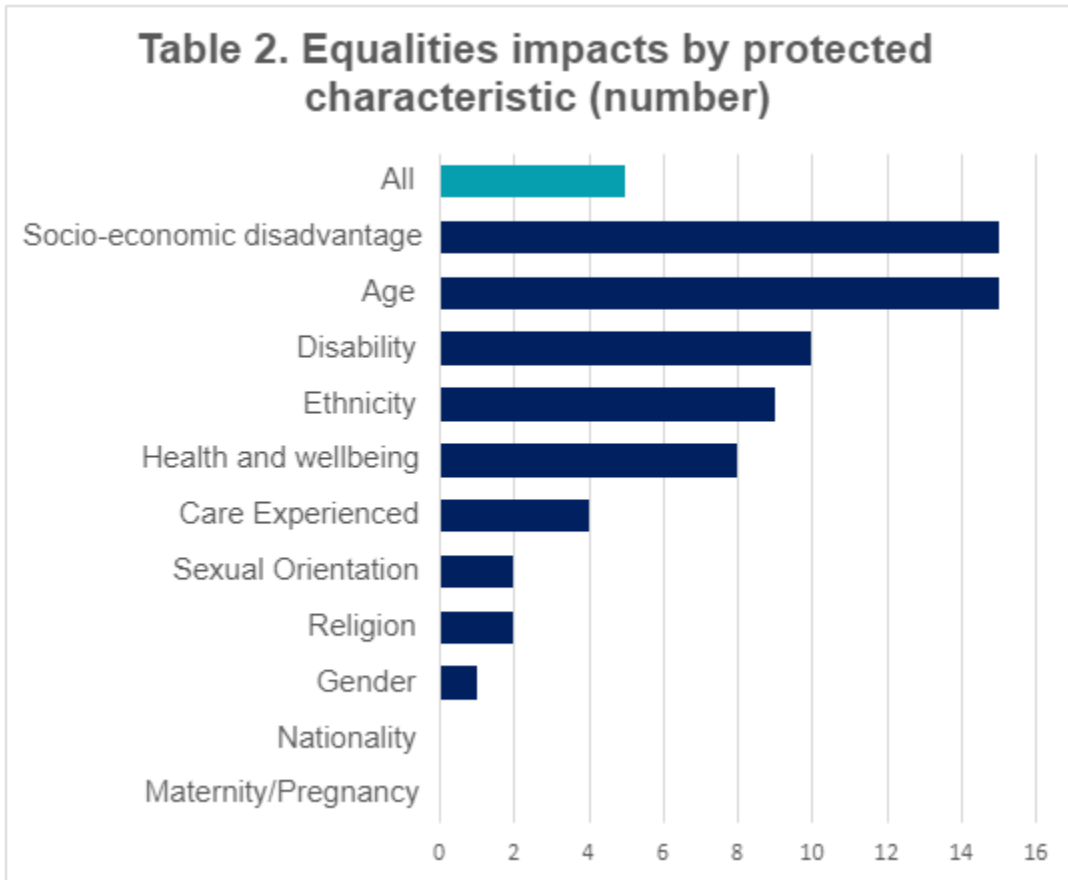
5.1.4. 3 screenings provided limited information but were assessed to have likely equalities impacts by the report author and so have been included in the quantitative analysis. The proposals to raise council tax by 10%, a condition of the exceptional financial support agreement with central government, has not been considered in these statistics or in this section but are considered in the overall impact assessment.

5.1.5. Analysis of the EqIAs completed (including screeners) indicates that 51% of proposals (32) will have no impact (including 2 proposals with 'unknown' impact) and 13% will have a neutral impact. However, 22% proposals (14) will have a negative impact. Whereas 13% of proposals (8) will have a positive impact. One proposal has a mixed positive and negative impact.



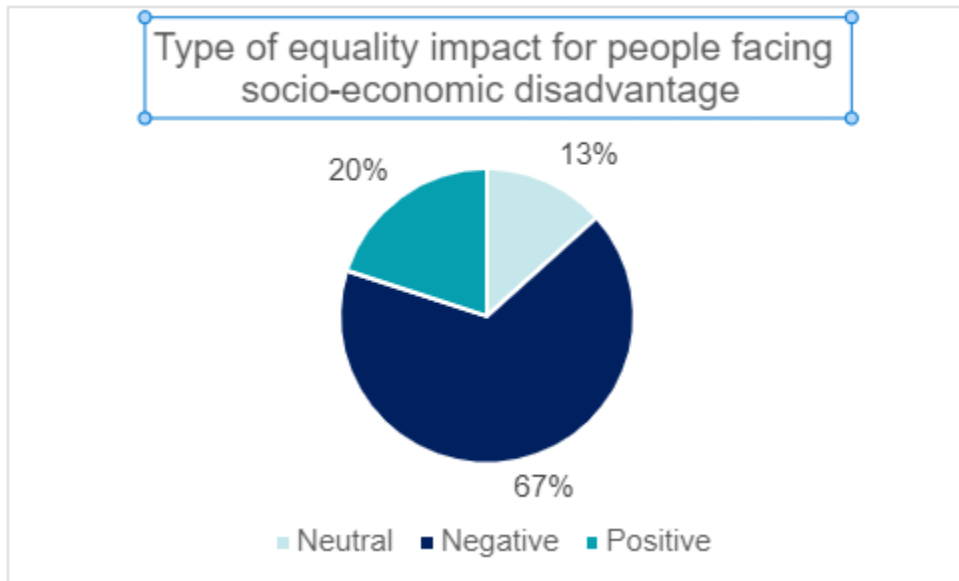
5.2. Equalities impacts by different protected characteristic groups

5.2.1. Table 2 shows how many EQIAs were found to affect different protected characteristic groups, either negatively, positively or neutrally. Some proposals were found to affect all residents across characteristic groups equally.

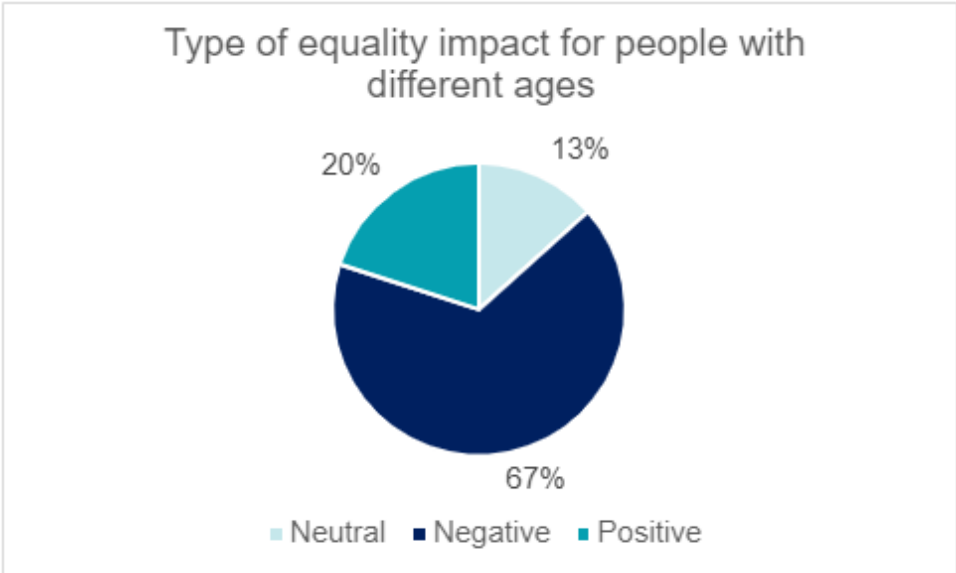


5.3. The most affected groups are those facing socio-economic disadvantage and those of different ages (especially children and young people).

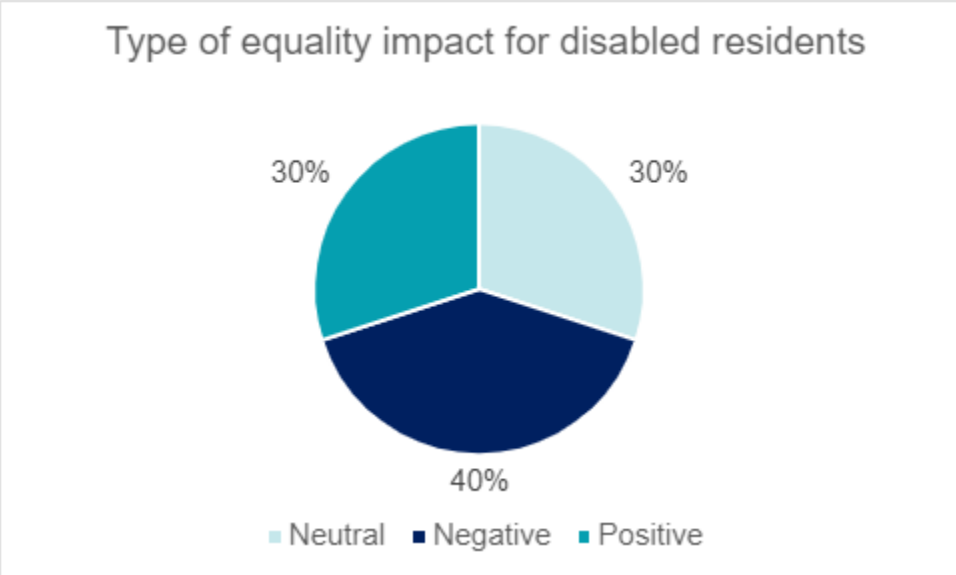
5.4. **Socio-economic disadvantage:** Of the 15 proposals affecting people facing socio-economic disadvantage, 10 will have negative impacts, 3 positive and 2 neutral. Negative implications derive mainly from increases to fees and charges as well as reduction to Council Tax Reduction Scheme which will affect residents on low incomes proportionally more than those on higher incomes. Likewise, the closure of Our Newham Money as well as reduction in support from Our Newham Work services are expected to hit residents struggling with debt, unemployment or struggling to secure decent work .



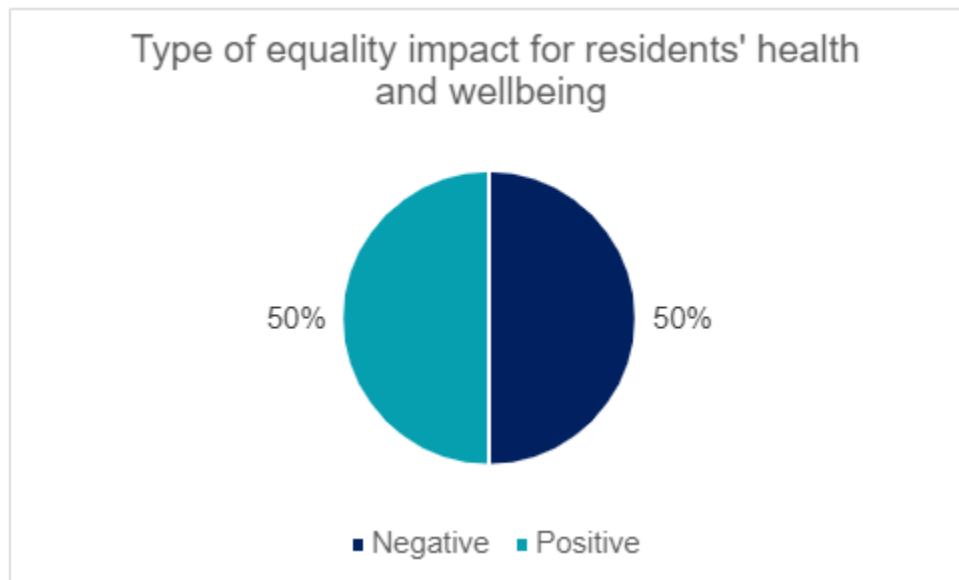
- 5.5. **Age:** Similarly, residents of different ages will be affected the most by proposals. Of the 15 proposals affecting this group, 10 will have negative impacts, 3 positive and 2 neutral. The withdrawal of Our Newham Work and Our Newham Money services has been found to effect middle-aged adults (aged 35-54) the most. Adults aged 40 - 64 years are significantly over-represented in the Council Tax Reduction population compared to the latest census figures. They make up 69.5% of those affected by the proposals compared to 38.6% of the census population.
- 5.6. Proposals to reduce Children’s Centres, youth enrichment activities and youth services are likely to negatively impact children and young people. However, mitigating measures include targeting the most disadvantaged children or at-risk young people, and ensuring they still access enrichment services, early support and intervention and holistic family and child services in new integrated family hubs.



5.7. **Disability:** Disabled residents will also be affected by 10 proposals. Of these, 4 carry negative implications, 3 positive and 3 neutral. The Council Tax reduction scheme, removal of Our Newham Money and the increase in fees and charges are the main proposals deemed to negatively affect disabled residents who are likely to have lower incomes than the general population. Positive proposals include the Newham Living model which will offer new mobility-accessible units, accommodation and support for disabled homeless adults, as well as surcharge on polluting cars, which may free up more parking spaces for disabled car owners.



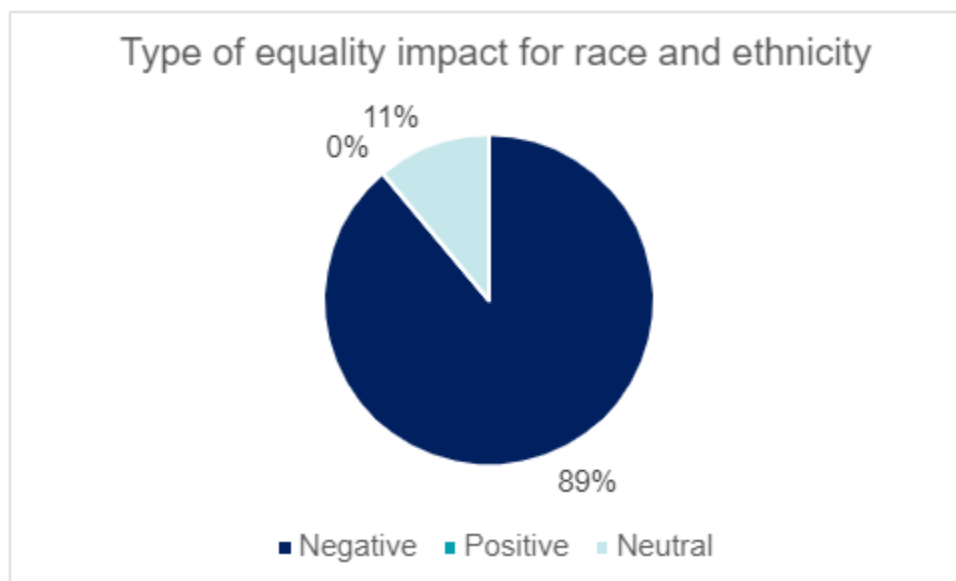
5.8. Health and wellbeing: In total 8 proposals were found to effect residents' health and wellbeing – 4 positively and 4 negatively. The main negative implications were around worsening physical and mental health outcomes for children and as a result of the reduction of Children's Centre's provision as well as reduction of Our Newham Money service, as 20% of users are residents with health needs, including those with long-term illnesses and mental health challenges. Positive equalities impacts were found as a result of the Newham Living Model, which will benefit many single homeless individuals with health conditions, as well as proposals that aim to reduce air traffic pollution.



5.9. Race and Ethnicity: In total, 9 proposals have been assessed as effecting race and ethnicity, with 8 of those considered to have a negative impact. One was assessed as having a neutral impact. The negative impacts results from plans to reduce the relief available through Council Tax reduction scheme with Black, Black

5.10. British, Caribbean or African being overrepresented in the caseload. They represent 26.6% of claimants compared to 17.5% of the Newham population (Census 2021). Furthermore, residents with black African or Caribbean and South Asian Bangladeshi heritage access the Our Newham Money and Work services more than other ethnic groups and are likely to be worse affected by the reduction in service. Likewise, residents from ethnic minority backgrounds are most likely to

benefit from the cultural events programme as well as the Tackling Racial Inequality and Disproportionality programme. The reduction and restructure of these programmes may curtail the Council's ability to promote good relations and advance equal opportunity.



- 5.11. **Care Experience:** Four proposals are likely to affect acere experienced children and young people positively. These relate to the House Project, which will help young people move on to independent living, increase specialist foster carers, and the creation of a targeted integrated youth safety team who will provide young people on the edge of complex care and exploitation with high-intensity support, as well as wrap around service for children in care to support reunification, independent living or family-based placements.
- 5.12. **Religion and faith:** Two proposals were found to have a negative impact on religion and faith. These related to proposals to reduce cultural events programme, including celebratory festivals, holidays and events for different faiths.
- 5.13. **Sexual Orientation:** Similarly to the above, the reduction cultural events programme, which included celebrating pride month and other celebratory events for LGBTQI+ residents, may negatively impact the Council's ability to foster good relations between the hetero and LGBTQI+ community.
- 5.14. **Gender:** One proposal aimed at creating a service to support mothers who have repeated pregnancies and babies that are taken into care may have a positive impact on these women's health and wellbeing, as well as preventing more children entering the care system.
- 5.15. No proposals were found to have any impacts on the protected characteristics pregnancy and maternity, nationality or gender re-assignment.

6. Key findings from assessments

- 6.1. This section highlights key findings from assessments carried out by different directorates and the overall cumulative impact these may have.
- 6.2. The Council is proposing a 10% increase in council tax in line with expectations from the central government following our application for Exceptional Financial Support. This follows an increase of 4.99% in (2024/2025 budget). In recent comments from the Institute for Fiscal Studies, they warned that rising council tax would have a disproportionate impact on the poorest households⁴. 93% of our homes are Band D. An increase of 10% means that Band D households will face an increase of £2.41 per week, compared to £1.2 if council tax was only raised by 4,99%. Continuing to raise council tax, year on year, will have a compound impact on the spending power of our residents. Those who are socio-economically disadvantaged and facing cost-of-living pressures will be further impacted by this proposal. To mitigate the impact of the rise Newham has in place the council tax reduction scheme (CTR). This scheme currently reduces council tax costs by 90% for those eligible, we currently have 18,000 households in receipt of CTR. The 2025/26 Budget proposes an 80% reduction instead of the current 90%. Those eligible for CTR include those who are on low income, unemployed, on universal credit and other benefits (and earning below the applicable amount), and households where one resident is substantially or permanently disabled. There are also further council tax reduction schemes outlined in council policies for other groups including care leavers, or foster carers. It is important to note that CTR will not provide a reduction in council tax for everyone susceptible to the increase in council tax costs. Those above the income threshold, in poor health, Muslim residents and those with disabilities are statistically the most likely to be currently finding it difficult to financially manage and therefore may be disproportionately impacted by council tax rises.
- 6.3. The council is proposing an increase in service charges and rent for council-owned rented properties by 2.7%. Many residents of council-owned rented properties will receive benefits that directly cover their housing costs. But like with the council tax reduction scheme, it does not cover everyone who is struggling financially. Those not in receipt of benefits or who need to supplement their benefits to cover housing costs may be impacted by this rise and will have faced compound rate rises year on year. Those in poor health, Muslim residents and those with disabilities are statistically the most likely to be finding it difficult to financially manage and therefore may be disproportionately impacted by HRA rent

⁴ [Households in England face above-inflation £2bn council tax raid | Tax and spending | The Guardian](#)

increases if they receive social housing, and do not have the benefits or increased earnings to cover the rise. There is also likely to be a disproportionate impact on larger families as they are likely to live in bigger homes and will see the largest percentage increase in their housing costs as a result of the rise.

- 6.4. Rises to Council tax should be considered against the central government proposals to increase the state benefits 1.7% and increase of 4.1% to state pensions expected from the 1st of April 2025. In addition to figures from ONS that suggest that average weekly pay for full time workers in Newham saw an increase of 10.7% from 2023 to 2024. It should be noted that, female full-time workers saw their pay decrease by between 2022 and 2023, the average weekly pay increased by 12% between 2023 and 2024 which brought them to the London average pay for women. Men in Newham saw their average earnings increase by 9.4% - still below London average. Looking at the whole period 2022 – 2024 men’s earnings have increased by 14% whilst women’s earnings have only increased by 8% – indicating unequal distribution of pay increases overall⁵. Up-to-date, reliable income statistics are not available by ethnicity in the borough, making it hard to know if wage increases have been equally distributed across ethnic groups.
- 6.5. Adults and health have proposed investments to ensure the delivery of services to those most in need, covering increased costs of changing demographics, meeting inflationary pressures which mainly impacts adult social care market. The cumulative impact of these growth proposals will be positive allowing us to deliver continued service to those in old age, those with disabilities, poor health and wellbeing and other service users who benefit from Adults and Health services. Proposals for savings relate to business-as-usual approaches to promote independence and increase prevention and short-term support. Residents for these services are identified through a person-centred and strengths-based review, which will ensure that they have the right care and support at the right time to meet their needs, promoting their independence, health and well-being and ensuring there is no disproportionate impact on any protected characteristic. Further to these savings proposals, the re-aligning of the public health grant should have a positive or neutral impact, with the re-alignment being focussed on delivering health equity in line with the aims of 50 Steps to a Healthier Newham.
- 6.6. The proposed saving to commission a Newham Living service provides a high quality in borough alternative to a spot purchased care package for residents who require supported accommodation. The spot placements are based on individual needs as the present. We therefore don't know who will be coming forward at this time, but know there will be a flow of need. We are legally required to place residents where their needs demand it, and Newham Living provides a cheaper

⁵ [Labour Market Profile - Nomis - Official Census and Labour Market Statistics](#)

alternative that is likely to have a positive impact on residents with disabilities and of old age.

- 6.7. To enable further savings, a review of the Council's library service is being proposed. As part of a review of the library service a full needs assessment would be undertaken as this is essential to ensuring that the Council delivers its statutory duty of providing a comprehensive and efficient library service. The impact of the review cannot be determined at this stage as it is unknown what the proposed changes would be and therefore not possible to assess their impact on residents with protected characteristics. However, there is a risk that a reduction in library services will have a negative impact on residents of old and young age, socio-economic disadvantage and health and wellbeing.
- 6.8. Like Adults and Health, there are investments in Children's Services to ensure the delivery of services to those most in need, covering increased costs of changing demographics. A range of savings have been proposed to Children's Services. It is expected that most savings proposals from Children's Services will have a neutral impact on all protected characteristics. However, there is expected to be a high negative impact on protected characteristic groups from the proposal in regard to the Youth Empowerment service as well as Children's Centres. There is expected to be a negative impact on equality from this proposal, particularly in terms of age as young people and children will be significantly affected, as well as race and ethnicity, gender re-assignment, health, and wellbeing. 96,741 young people attended services provided by Youth Empowerment in the 23/24 financial year.
- 6.9. It is well researched that 0-5 services are more likely to give children the best start in life, ensuring they are ready to learn at school and reducing the likelihood of issues escalating later in their childhood. The original proposal to close or redesign Children's Centres is likely to have a significant negative impact on children of a very young age, people who are pregnant or undertaking maternity or paternity leave negative, socio-economic disadvantaged and health and well-being. Following consultation and engagement with residents this saving has been reduced. Consequently, the offer will receive some protection, and plans for limited redesign and consolidation will be consulted upon. Any proposal on children's centre recommissioning or changes would integrate Children's Centres into Family Hubs, whilst continuing to explore satellite sites such as Youth Zones and Libraries for outreach. This could potentially have a positive impact on age, disability, people who are pregnant or undertaking maternity or paternity leave negative, socio-economic disadvantaged and health and well-being as a more joined up and holistic service offer would be provided.

- 6.10. A review of the Council's Youth Empowerment service will be undertaken to enable savings. While the Youth Empowerment Service model is a core part of the early intervention and preventative approach adopted by the Council, it has been intentionally designed to provide a holistic and inclusive offer to all young people in Newham. A service reduction is very likely to have a negative impact on children and young people who are socio-economically disadvantaged. Its most likely that those living in poverty access free opportunities that the youth services provide. Reduction in youth services may result in young people engaging in anti-social behaviour, gang involvement, and petty crime due to lack of structured activities. This risk will be increased in relationship to the severity of the reduction in service.
- 6.11. Growth proposals for Environment and Sustainable Transport will see increases to match population growth to continue the provision of cleansing and waste operations. An increase in the current charge to collect resident bulky waste is being proposed - from £25 to £40. Although this may have a negative impact on residents who are socio-economically disadvantaged they will still have the opportunity to drop off bulky waste at the Council's waste facilities. Further cuts are being proposed to parks where the budget will be reduced by 10%. This means less litter picking and no support for Green Flags awards. Parks is an asset free to use for all residents and linked to good health. Parks of lower quality is likely to have a negative impact on residents who are socio-economically disadvantaged as well as health and wellbeing.
- 6.12. Growth proposals for Inclusive Economy and Housing will enable planning and infrastructure services to continue and are likely to have minimal/ neutral equality implications. Costs for Temporary Accommodation (TA) have been significantly rising over a number of years and growth needed to cover these costs is totalling £54m for the 2025/2026 budget. The recent three-month trend on new households requiring accommodation has risen from 30 a month, to 50 a month. Growth proposals are anticipated to have a positive impact on protected characteristics as budget proposals allow the council to continue provision of housing in particular for those who are experiencing socio-economic disadvantage and characteristics that disproportionately experience socio-economic disadvantage. For example, 1 in 23 Black households are homeless or threatened with homeless compared to 1 in 83, of all other ethnicities combined⁶.
- 6.13. Further savings are proposed to Our Newham Work and Our Newham Money. As Our Newham Work currently operates without any general fund, the proposed savings from stopping general job brokerage and less draw down on S106 funds. With less draw down on S106 Funding the service will have to go

⁶ <https://www.newham.gov.uk/downloads/file/4117/homelessness-strategy-summary-final>

through a staffing restructure due to reduced funds. This is likely to have a negative impact on residents who already struggle because of socio-economic disadvantage, particularly related to ethnicity and age.

- 6.14. Withdrawing the Our Newham service would mean that no support would be available for residents facing financial challenges, including specific groups which includes but is not limited to pension age residents, those in temporary accommodation and individuals with health difficulties. There is currently no capacity within Newham to deliver this support. More than 8,200 residents who received assistance in 2023/24 would lose access to immediate financial support during crisis and ongoing financial security assistance for both mid and long term.
- 6.15. If residents lose access to immediate financial support during crisis, as well as ongoing financial security assistance for the mid and long term, this places additional pressure on other services such as social services, public health and housing. The additional strain on resources limits these services' ability to meet demand for all residents in need, resulting in higher costs compared to proposed savings and leaving residents with no access to essential advice and support. With a withdrawal of the Our Newham Money service comes the risk of residents from socio-economically disadvantaged backgrounds struggling to get the help and advice they need to manage debt and maximise their income. Protected characteristics that are particularly impacted by such a withdrawal are age, disability, health and well-being, race and ethnicity as well as socio-economic deprivation. Within Our Newham Money, ethnic minority residents count for 43% of users, with Asian/British Bangladeshi (894) and Black British African (463) residents being the most impacted groups. This proposal will significantly harm these communities and worsen existing disparities.
- 6.16. The Council's Tackling Racism, Inequality, and Disproportionality (TRID) programme, which has been instrumental in addressing systemic racism and inequality within the Council and across the borough is being disbanded aiming to deliver £140k in savings by Winter 2025. This will involve the removal of 1 FTE and the cessation of centralised programme activities, with responsibilities devolved to individual directorates to continue these efforts through their business-as-usual (BAU) practices. The proposal to disband the TRID programme specifically focused on tackling systemic racism and disproportionality, so the disbandment could result in a reduced emphasis on addressing issues affecting different ethnic groups. The decentralisation of responsibilities to individual directorates may result in inconsistent progress, leading to potential gaps in addressing racism and inequality. This could disproportionately impact ethnic minority groups if efforts are deprioritised or lack the resources and focus previously offered by TRID. A

wider, cross-council focus on all protected characteristics may have an overall positive impact on residents belonging to one or several of these categories.

- 6.17. Digital growth proposals are expected to have neutral or no impacts on equality in the borough.
- 6.18. A reduction in the Council's volunteering services is deemed likely to have a negative impact on a range of protected characteristics; age, disability, health and well-being; race and ethnicity and socio-economic deprivation. Evidence shows that the Volunteering Service supports diverse demographic groups, this includes engaging older adults, individuals from disadvantaged socio-economic backgrounds, and those with disabilities. These groups may face challenges in accessing alternative volunteering pathways, affecting community engagement and personal development. Mitigation strategies could potentially involve strengthening partnerships with community organisations, prioritising accessible and inclusive volunteering pathways, and ensuring alternative engagement opportunities for affected groups. Options to take out the Culture budget entirely were considered but decided to be reduced as it remains an important priority for local economic growth and job creation. It will be subject to further savings proposal development to be completed in the early part of the first quarter of for 2025/26 as part of a revised approach to existing enrichment, heritage and cultural strategy programmes (including the Cultural Passport). £0.4m.
- 6.19. The Budget proposed a 20% increase fees and charges for all services where we have discretion to charge (excluding parking which will be treated separately). Rises in fees and charges affect all residents equally in absolute terms (everyone pays the same price) but they affect residents on lower incomes more as a proportion of their income. This is likely to have a negative impact on residents with socially economic disadvantage, disabilities and old age.
- 6.20. Growth proposals from corporate services are expected to be positive for those with disabilities, covering increased funding needs for Freedom Passes for Newham residents, and increase in pay awards prediction for the next financial year, which will likely have a significant positive impact on the lowest-paid workers within the organisation as weighting allows. Savings proposals include re-structures and redesigns related to Communication, Policy, Research and Public Affairs functions as well as re-design of SMR level posts. Equality function re-design could have potentially negative effects on the workplace and delivery of core equality work and adherence to the public sector equality duty. This analysis should be carried out in compliance with HR restructuring EqIA processes.
- 6.21. Restructuring and service redesign is the largest saving category in the budget. Equality impact assessments for all restructures of teams/services will be carried out by HR to understand and mitigate the impact on colleagues. However,

HR-related savings within the council, will not only have an impact on the employees of the council who are at risk but also on Newham's ability to deliver services. This will affect our ability to first give due regard to the public sector equality duty and to advance equality in the borough. High-risk service redesigns include those in Children's Services, Adults and Health, Community Safety and Our Newham Money. The equality impacts on all these services of team re-designs and restructures should be put into consideration as the consultation process begins for any changes to teams, following HR policy and procedure.

7. Conclusions

- 7.1. The cumulative impact of savings proposals presented for the budget have been assessed as having neutral or no implications (64%) on equalities. In particular, the budget proposals will see minimal impact on our ability to eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010.
- 7.2. Overall, there is expected to be more of a negative impact from the budget proposals (22%) than positive (13%). Examples including continuing investment and growing support for Temporary Accommodation,
- 7.3. However, it should be noted that there are a minority of high risk proposals that are likely to have negative implications for specific groups, with specific protected characteristics expected to be impacted more by these proposals than others, in particular people facing socio-economic disadvantage, from ethnic minority backgrounds.
- 7.4. Children and young people are likely to have less access to youth services, enrichment activities and children's centre, although services will continue to ensure that the most in-need children and young people get the support they need. Middle-aged residents who rely on additional support to find work, manage their debts and finances and receive subsidies to Council Tax are another age group likely to worse affected.
- 7.5. Council tax rises as well as reduction of the amount of relief granted as part of the Council Tax reduction scheme, and the withdrawal of the Our Newham Money service pose particular risk for those who are socio-economically disadvantaged. Other groups expected to be most impacted by potential negative implications for the budget, are those of different ages, minority ethnic groups and those with disabilities, especially where they have low incomes.
- 7.6. Additionally, the budget proposals may see a greater impact on our ability to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. For example, savings proposals including reduction of our Youth Empowerment offer, reduction of support offered by Our Newham Money and the proposals to remove TRID programme and

reduce the cultural events programme are likely to reduce our ability to foster good relations through celebration, culture, and art, however mitigating actions include leveraging our partnerships and external funding to continue these programme as much as possible.

- 7.7. Across equality impact assessments mitigation has been included to reduce the negative implications of the proposals noted in 7.4. and 7.5. Proposals will be monitored and evaluated to understand the true impact on those groups expected to be disproportionality impacted by a small number of proposals and mitigating actions will be put in place before decisions around implementation are made.
- 7.8. Overall, budget savings and growth proposals are focussed on maintaining core statutory services and services for our most vulnerable and in need residents. The cumulative impact will be neutral or no impact and those that do have a negative impact will be monitored and mitigated. Overall, the proposed budget protects our ability to maintain and deliver statutory services and deliver services for those most in need.

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Appendix J

Council Tax Resolution

The Council of the London Borough of Newham has to formally resolve that it calculates certain figures, which broadly are:

- its gross expenditure for the year, (including contingency and levies, but not precepts)
- its gross income for the year derived 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, this 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.

COUNCIL TAX

Resolution to set Council Tax as at 05/02/2025

The Council is recommended to resolve, in accordance with the Local Government Finance Act 1992 ('the Act') as amended by the Localism Act 2011 and the Local Government Finance Act 2012, as follows:

1. It be noted that under delegated powers the Chief Finance Officer calculated the Council Tax Base 2025/26 for the whole Council area as **92,589.20**
2. The Council Tax requirement for the Council's own purposes for 2025/26 is **£126,437,959.74**
3. That the following amounts be calculated for the year 2025/26 in accordance with Sections 31 to 36 of the Act:
 - a) **GROSS EXPENDITURE of £1,625,540,488.01**
being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act;
 - b) **GROSS INCOME of £1,495,947,428.27**
being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act;

£126,437,959.74
being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year;
 - c) **£1,365.58**
being the amount at 3(c) above, all divided by the Council Tax Base at 1 (above), and calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year;
4. Note that the Greater London Authority has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with the Local Government Finance Act 1992 and sections 77(1) and (3) and sections 77(1) and (7) of the Localism Act 2011, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2024/25 for each part of its area and for each of the categories of dwellings.

Valuation Bands

6. Pursuant to Section 52ZB of the Local Government Finance Act 1992 and Section 52ZC inserted into the 1992 Act by Schedule 5 of the Localism Act 2011 and the principles determined by the Secretary of State to apply to local authorities in England in 2025/26 as set out in [The Referendums relating to Council Tax Increases \(Principles\) \(England\) Report 2025/26](#), it is determined that the Council's relevant basic amount of Council Tax for the year, which reflects a 6.99% increase, is not excessive.
7. Pursuant to Section 52ZY of the Local Government Finance Act 1992 the Section 151 officer in ASC authorities will be required to confirm that money raised through the precept is being used exclusively for adult social care. The Section 151 officer is required to confirm that this additional council tax continues to be allocated to adult social care. Tax payers must be informed on the face of the council tax bill, and in the information supplied with it, about the precept that is being used to fund adult social care. Figures below reflect a 2% increase on prior year.

A	B	C	D	E	F	G	H
Council Tax							
795.53	928.12	1,060.71	1,193.30	1,458.48	1,723.66	1,988.83	2,386.60
Adults Social Care Precept							
114.85	134.00	153.14	172.28	210.56	248.85	287.13	344.56
Total London Borough of Newham							
910.38	1,062.12	1,213.85	1,365.58	1,669.04	1,972.51	2,275.96	2,731.16
Greater London Authority							
326.92	381.41	435.89	490.38	599.35	708.33	817.30	980.76
Aggregate of Council Tax Requirements (LBN and GLA)							
1,237.31	1,443.53	1,649.74	1,855.96	2,268.39	2,680.83	3,093.27	3,711.92

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LONDON BOROUGH OF NEWHAM

Appendix K - Treasury Management Strategy Statement and Annual Investment Strategy including Q3 2024/25 update

1 Purpose of Report

- 1.1 The Treasury Management Strategy Statement and Annual Investment Strategy ("TMSS"), has been prepared in accordance with the requirements of the 2021 Chartered Institute of Public Finance and Accountancy ("CIPFA") Treasury Management Code and Prudential Code ("Code") which this Council has adopted.
- 1.2 This report fulfils the statutory reporting requirements and demonstrates that the Council has complied with its obligations. It outlines how the funds in question have been properly invested and managed, balancing the inherent risk and returns associated with such activities.
- 1.3 Members should note that the prudential indicators and treasury limits outlined in annex 1 of this report are based on the existing capital programme along with the major self-financing regeneration schemes to be included subject to viability assessments. However, there remains considerable uncertainty about the timing, delivery and financing of these schemes.

2 Recommendations

- 2.1 The Final 2025/26 TMSS forms part of the Budget Report to Cabinet on 18th February and Full Council on 27 February 2025. Audit Committee has noted the Draft version of the 2025/26 TMSS on 15 January 2025. For the reasons set out in this report and its annexes, Council is recommended to note and comment on this version of the 2025/26 TMSS:
 - i. This report and in particular the revised prudential indicators and treasury limits set out in Annex 1
- 2.2 Under the Newham Scheme of Delegation the s151 Officer's functions include borrowing powers as defined in Officer Delegation [23] under the Scheme of Delegation to Officers, Part 3B, General Management Powers, and the Financial Regulations C15 under Part 8 of the Constitution.
- 2.3 This Council exceeds the standard transparency requirements and practice set out in the Codes by obtaining Cabinet authority to draw down long term borrowing (beyond 1 year) against amounts approved by Council. The execution of individual borrowing

transactions is delegated to the Corporate Director of Resources. This is limited to the tightly defined thresholds set.

- 2.4 On 6 August 2024, Cabinet approved an additional £390m in PWLB borrowing, of which £263 million has already been drawn down in 2024/25. It is anticipated that at least a further £80m will be drawn before the approval expires at the end of February 2025, ensuring sufficient funding to meet the estimated borrowing requirement through March 2025.

3 Background

- 3.1 The Council is required to operate a balanced revenue budget, meaning that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in highly secure, low-risk counterparties aligned with the Council's defined low risk appetite, providing adequate liquidity initially before considering potential investment return.
- 3.2 The second main function of the treasury management service is to secure funding for the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially facilitating longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging both long and short-term loans or using available longer-term cash flow surpluses. On occasion, when financially prudent and economically viable, any debt previously drawn may be restructured to meet specific risk or cost objectives.
- 3.3 The treasury management function performs a vital role in ensuring financial stability for the Council. It achieves this by balancing the interest costs of debt with the investment income arising from cash deposits, thereby ensuring liquidity and the ability to meet spending commitments as they fall due, whether for day-to-day revenue or larger capital projects. The treasury operations directly affect the available budget through these mechanisms. Since cash balances generally result from reserves and balances, it is paramount to ensure the security of invested sums, as any loss of principal would result in a direct impact on the General Fund Balance.
- 3.4 Whilst any commercial initiatives or loans to third parties will impact the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the Council's day-to-day treasury management activities.
- 3.5 Regulation places responsibility on Members for the review and scrutiny of treasury management policy and activities. To support that review, this report provides details of the 2024/25 Q3 outturn position for treasury activities and highlights compliance with the Council's policies.

- 3.6 This Council complies with the Code by subjecting all treasury management reports to prior scrutiny by the Audit Committee and Cabinet before final submission to Full Council.
- 3.7 As of 30 November 2024 the Council managed a combined portfolio of £1,217m, comprising £79.4m treasury principal investments and £1,297m in debt. The in-year investment turnover to that date exceeded £22bn. Investments were held short term or overnight to minimise risk where there was either no value in placing longer term investments or where balances were significantly reduced.

Table 1: Treasury Management Debt & Investment Portfolio (Q3 2024/25 Ending 30 November 2024)

Category	Balance at 31 March 2024 (£000)	Raised (£000)	Repaid (£000)	Balance at 30 November 2024 (£000)	Average Rate (%)
Loans					
PWLB	561,116	246,000	-3,319	803,797	3.80
Money Market (LOBO)	125,000			125,000	4.35
Long-Term Market Debt	258,500	10,000		268,500	5.58
Mortgages	2			2	
Temporary Borrowing	151,500	212,000	-264,000	99,500	5.34
TOTAL Loans	1,096,118	468,000	-267,319	1,296,799	4.36
Investments					
Cash Deposits	-53,400	-11,365,700	11,339,700	-79,400	4.92
TOTAL Investments	-53,400	-11,365,700	11,339,700	-79,400	4.92
Net Position	1,042,718	-10,897,700	11,072,381	1,217,399	

- 3.8 Newham held £529m in usable reserves at year end alongside a working capital deficit of £116m. Total balance sheet resources amounted to £413m of which £369m were used for internal borrowing. It is possible that these balance sheet resources may contract in future to address the Council's budget pressures. As a result, some of this internal borrowing may need to be replaced with external borrowing.
- 3.9 Within the range of prudential indicators there are several key indicators to ensure that the Council operates its treasury activities within well-defined limits (see **Annex 1**). As

of 30 November 2024, there has been no breach of the Council's prudential indicators, nor are any breaches anticipated for the remainder of 2024/25. See Annex 1.

4 Key Considerations & Proposals

4.1 Budget Outturn 2024/25

4.1.1 The capital finance budget is a key part of the General Fund's overall budget strategy. The outturn position is summarised in Table 2 below.

4.1.2 The combined impact of new borrowing cost, the interest payable on HRA and schools' balances, and lower than historical investment balances have resulted in an estimated overspend of £3.6m subject to capitalisation of interest on borrowings and the revised Populo Business Plan being agreed, which will be appropriated from the treasury reserve. This reserve was specifically established to manage fluctuation in short term interest rates.

4.1.3 The Treasury budget includes investment income from non-treasury loans issued to Council subsidiary companies.

Table 2: Estimated Treasury Budget Outturn 2024/25 (as of 30 November 2024)

Category	Actual 2023/24 (£000)	Budget 2024/25 (£000)	Estimated Outturn 2024/25 (£000)	Variance (£000)
Debt*	32,152	32,000	50,256	18,256
Investment**	5,289	-1,040	-5,500	-4,460
Non-Treasury Loans	-18,588	-6,500	-16,663	-10,163
Total	18,853	24,460	28,093	3,633
Transfer from Treasury Reserve	-1,393		-3,633	-3,633
Net	17,460	24,460	24,460	0

Notes:

- **Debt***: Reflects new borrowing costs.
- **Investment****: Includes interest paid on HRA and schools' balances.

4.2 Economic Review

4.2.1 Prospects for Interest Rates

The Council appointed the Link Group as its treasury adviser. As part of their service, Link assists the Council in formulating an outlook on interest rates. On 11 November 2024, Link provided the following forecasts for Bank Rate, and PWLB certainty rates (gilt yields plus 0.80%).

Table 3: LINK Group Interest Rate View at 11 November 2024

Interest Rate Category	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
BANK RATE	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
5yr PWLB	4.80	4.60	4.50	4.40	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.20
10yr PWLB	5.30	5.10	4.90	4.80	4.80	4.70	4.70	4.70	4.40	4.40	4.40	4.20	4.20
25yr PWLB	5.60	5.40	5.20	5.10	5.10	5.00	5.00	5.00	4.80	4.80	4.80	4.60	4.60
50yr PWLB	5.40	5.30	5.20	5.10	5.10	4.90	4.90	4.90	4.80	4.60	4.60	4.30	4.30

4.2.2 Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut by the Monetary Policy Committee (MPC) on 7 November, Link has significantly revised their central forecasts for the first time since May 2024. In summary:

- the Bank Rate forecast is now 50bps – 75bps higher than previously anticipated.
- PWLB forecasts via gilt yields have been materially increased to reflect:
 1. growing concerns around the future path of inflation
 2. the elevated levels of Government borrowing projected over the current Parliament.

4.2.3 The LINK central view suggests that monetary policy is tight enough to permit some moderate easing, but the extent of this will depend on future data. A forecast for the next reduction in Bank Rate to be made in February, followed by a pattern of rate cuts on a quarterly basis – in line with release of the Bank’s Quarterly Monetary Policy Reports (February, May, August and November).

4.2.4 Any movement below a 4% Bank Rate will depend heavily on inflation data in the second half of 2025. The split vote of 8-1 on the November MPC rate cut indicates that concerns around inflation’s stickiness are already emerging. Additionally, recent public sector wage increases are beginning to flow into headline average earnings data, which will be scrutinised closely by the markets in upcoming releases.

4.2.5 In terms of the PWLB forecast, the short to medium part of the curve is expected to remain elevated over the next year. The extent to which rates moderate will depend on the strength of the arguments for further Bank Rate loosening or otherwise.

4.2.6 The longer part of the curve will similarly be influenced by inflation factors, but an additional concern is emerging:

- Major developed economies, such as the US and France, are projected to run large budget deficits.
- This could result in a glut of government debt issuance, and investors may only be willing to absorb this additional supply if the interest rates offered provide sufficient reward for the increased borrowing levels.

4.3 Borrowing Strategy

4.3.1 The revenue budget is, by law, required to be balanced, ensuring that income equals expenditure. However, the timing of government grants and other significant transactions can create substantial daily variations in the actual cash position. For example, the average monthly payroll alone is in the region of £20m.

4.3.2 Capital expenditure, where 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 is important to note that the timing of the borrowing and expenditure will not align perfectly.

4.3.3 In line with the Liability Benchmark it is prudent to plan for inevitable month-on-month fluctuations in cash balances to avoid unplanned, and therefore expensive, short-term borrowing. Based on analysis of the monthly cash variations an appropriate liquidity allowance has been set at £50m.

4.3.4 While the Bank Rate remains elevated, borrowing from internal cash reserves has now been fully utilised. As a result, future growth in Capital Financing Requirement (CFR) will need to be funded from external borrowing. In addition the Council's cash reserves may come under pressure to support the Budget strategy requiring further external borrowing to replace internal borrowing on historic capital expenditure.

4.3.5 Given the current economic risks and forecast uncertainties, additional caution will be exercised with the 2025/26 treasury operations through tighter monitoring of activities and borrowing requirements.

4.3.6 While the Public Works Loans Board (PWLB) remains the cheapest source of capital finance consideration may still need to be given to alternative sources for specific reasons, including:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- Quasi government loans from the UK Infrastructure Bank (UKIB) and the GLA for new long term borrowing may also be used on specific capital projects which typically provide Environmental, Social and Governance (ESG) outputs and where they provide value for money over PWLB certainty rates.

4.3.7 Interest rates may not follow the central outlook outlined in this report, and there is a significant risk that they may remain elevated for longer or even increase due to unforeseen factors such as geopolitical events. In such a scenario, the S151 officer, in consultation with the Lead Member for Finance may determine from a risk management perspective that it would be prudent to secure funding for the capital investment strategy through longer term borrowing from one of the approved sources set out below. 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.

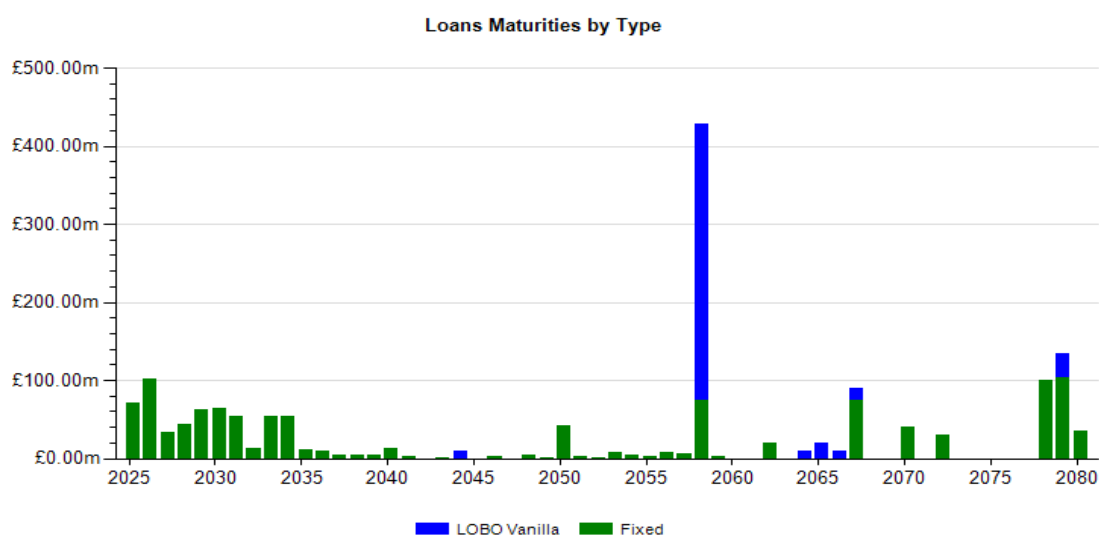
4.3.8 Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

Approved Sources of Long and Short-term Borrowing

On Balance Sheet	Fixed	Variable
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK Infrastructure Bank	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Stock Issues	●	●
Local Temporary	●	●
Local Bonds	●	
Local Authority Bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●

4.3.9 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.

Graph 2: Loan maturities



4.4 Treasury Investment Strategy Review

4.4.1 The Council’s investment priorities remain:

1. Security,
2. Liquidity, and
3. Yield.

As at 30 November 2024, 100% of investments were held with either other local authorities or the Debt Management Office (DMO).

4.4.2 The current treasury strategy focuses on:

- Keeping investments short-term.
- Deferring long-term borrowing while remaining mindful of interest rate forecasts.

A £50m floor has been set as a liquidity buffer for investment balances. However, taking on some long-term borrowing now will hedge against the risk of interest rates rising further or remaining elevated for longer. Existing short-term borrowing will also allow Newham to benefit if interest rates fall.

4.4.3 Officers will continue to seek opportunities to optimise yield on the Council's investments, within the current risk parameters, to help mitigate the impact on the General Fund.

4.4.4 Details of Non treasury loans to wholly owned bodies are provided in **Annex 2**.

4.4.5 As outlined in the 2024/25 approved TMSS, the Council has an investment programme that extends beyond the capital programme set out in the MTF5.

4.4.6 The future borrowing plans for major regeneration schemes will be determined at various stages by Cabinet, based on the business case and prevailing economic circumstances.

4.5 Prudential Indicators and treasury limits

4.5.1 The Council's expenditure plans are the primary driver of treasury management activity. The resulting output from the capital expenditure plans is reflected in the prudential indicators (detailed in **Annex 1**), which are designed to:

- Assist Members in their overview of the plans.
- Provide confirmation that the capital expenditure plans are affordable and prudent.

4.5.2 The Code requires Councils to set treasury indicators to limit treasury risk and guide the Council's activities. This includes the establishment of a liability benchmark for both the General Fund (GF) and the Housing Revenue Account (HRA). Further details are provided in Annex 1.

4.5.3 The purpose of these indicators is to manage the activities of the treasury function within a flexible risk management framework, while avoiding undue restraints that could limit opportunities for cost reduction or performance improvement.

4.6 The Annual Investment Strategy

4.6.1 The strategy remains unchanged from the 2024/25 TMSS.

4.6.2 MHCLG and CIPFA have extended the definition of 'investments' to include both financial (treasury) and non-financial (non-treasury) investments. This section of the report focuses exclusively on treasury (financial) investments, which are managed by the treasury management team. Non-treasury investments, primarily service investments, are addressed separately in the Capital Strategy report.

4.6.3 The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")

- CIPFA Treasury Management Guidance Notes 2021

4.6.4 The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Council's risk appetite.

4.6.5 The above guidance from the MHCLG and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
2. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in **Annex 3** under the categories of 'specified' and 'non-specified' investments.

Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.

Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**.
6. This Council has engaged **external consultants**, to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.
7. All investments will be denominated in **sterling**.
8. However, this Council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

4.6.6 Creditworthiness Policy

The above guidance from the MHCLG and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- **Banks # 1** – the Council will use banks which have at least one of the following Fitch, Moody's and Standard and Poor's (S&P) ratings:
 - Short Term: Fitch- F2 or equivalent rating from Moody's or S&P.
 - Long Term: Fitch – A- or equivalent rating from Moody's or S&P.
- **Banks # 2** – In addition, the Council will use a bank whose ratings fall below the criteria specified above if it is UK part nationalised.
- **Banks # 3** – The Council's own banker, if this falls below the above criteria. While the bank remains outside the above criteria, the Council will restrict investments to short term only and the amount and duration of investment will be set by the S151 Officer.
- **Bank Subsidiary and Treasury Operations # 4**– the Council will use these where the parent bank has the necessary ratings outlined above.
- **Building Societies # 5** – rated building societies that meet the credit criteria currently employed.
- **Money Market Funds** – the Council will use money market funds whose short term rating is at least an AAA rated constant Net Asset Value and low volatility Net Asset Value (lvNAV), products can be used. The limits on individual products will be agreed by the S151 Officer.
- **UK Government** (including gilts and the Debt Management Agency Deposit Fund 'DMADF').
- **Local Authorities**
- **Supranational institutions**
- **Bond, Gilt, Property, Equity and Mixed Asset Funds**
- **Registered Social Housing Providers**

Operational limits will be applied within the limits under specified and non-specified investments (**Annex 3**) and kept under review. **The S151 Officer will, on advice, make operational changes to these limits in response to prevailing market conditions and regulatory changes. Presently the Council's lending list only includes the highest quality UK financial institutions, other local authorities and the Government Debt Management Office – investment balances.**

Investments will make reference to the core balance, cash flow requirements and the outlook for short and medium term interest rates.

5. Treasury regulation and policies

5.1 Policy on borrowing in advance of need

Borrowing to finance the council's capital expenditure programme is long term in nature. Views of interest rate movements and moreover rising interest rate risk must be managed. This may result in borrowing in advance of need to secure long term finance on advantageous terms and reduce financing risk when capital will be required.

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

There are attendant risks associated with investments but the Council has taken measures to substantially reduce the level of credit risk from holding investments and manage the carry cost (the difference between borrowing costs and investment yield).

Officers will monitor the interest rate market and adopt a pragmatic approach to changing circumstances. Risks associated with any borrowing in advance activity will be subject to proper appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

5.2 Policy on Debt rescheduling

The reasons for any rescheduling to take place will include:

- * the generation of cash savings and / or discounted cash flow savings
- * helping to fulfil the treasury strategy; and
- * enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Newham holds several legacy debt instruments known as Lenders Option Borrowers Option (LOBO) loans. Under these arrangements:

- The lender has a periodic option to vary the interest rate on the loan.
- If the lender exercises this option, the borrower—in this case, the Council—has the option to either accept the new rate or repay the loan at par (loan principal plus accrued interest).

Should the lender exercise their option, the S151 Officer or their deputies will act in accordance with their delegated powers, specifically:

- Officer Delegation [23] under the Scheme of Delegation to Officers (Part 3B, General Management Powers).
- Financial Regulations C15 under Part 8 of the Constitution.

5.3 *Reporting requirements of the Code*

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Prudential and treasury indicators and treasury strategy - The first (this report), and most important report is forward looking and covers: -
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
- b. *A mid-year treasury management report* – This is primarily a progress report and will update members on the treasury management position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.
- c. *An annual treasury report* – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.
- d. *Scrutiny*
The above reports are required to be adequately reviewed before being recommended to the Full Council. This role is undertaken by the Audit Committee.
- e. *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/Committee but do require to be adequately scrutinised. This role is undertaken by the Audit

Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

5.4 *Regulation on treasury activity*

The Code requires all investments and investment income to be attributed to one of the following three purposes:

1. *Treasury management*

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use.

2. *Service delivery*

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure.

3. *Commercial return*

Investments held primarily for financial return with no treasury management or direct service provision purpose. A Council must not borrow to invest primarily for financial return. This Council's capital programme does not hold these type of investments

Treasury management within this Council is undertaken in accordance with the Code.

The Council has been compliant with the requirements of the Code and has formally adopted the key recommendations as described within Section 4 of the Code.

In accordance with the Code, the Council defines treasury management activities as:

"The management of the Council's 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."

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

The Council will create and maintain, as the cornerstone for effective treasury management:

- a Treasury policy statement, stating the objectives of its Treasury Management activities
- suitable Treasury Management Practices (TMPs), Investment Management Practices (IMPs) which are linked to the capital strategy – these documents set out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities (copy available for members to inspect)
- Treasury management Prudential Indicators as determined by the requirements of the Code; and
- the content of the policy statement and TMPs will follow the recommendations contained in Sections 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Mayor, and for the execution and administration of treasury management decisions to the S151 Officer, who will act in accordance with the Council's policy statement and the Code.

The Council has nominated Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Derivative instruments will only be used as a hedging tool for the management of risk and the prudent management of its financial affairs. The Council will seek proper advice and Audit Committee will consider that advice before entering into arrangements to use such products to ensure that it fully understands them. There are no plans to use these instruments.

There is a requirement for prudential/treasury indicators to be reported quarterly as part of the budget monitoring process.

5.5. *Training*

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

Training has been undertaken by Members on 6th January 2025 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

5.6 *Policy on use of External Service Providers*

The Council uses Link Group, Link Treasury Services Limited as its external treasury management advisors. The contract was procured through a framework and commenced on 1 July 2024 and due to expire on 30 June 2030. Procurement of a treasury adviser will be undertaken before this contract ends.

On 16 May 2024, Link Group was acquired by Mitsubishi UFJ Trust & Banking Corporation (the Trust Bank), a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG). As a result, Link Group is now known as MUFG Pension & Market Services.

The Link Group name change took place on Monday, 20 January 2025 and it will be referred to as MUFG Corporate Markets.

This is a rebranding exercise and will not have any effect on the provision of contracted services. MUFG Corporate Markets will be used on all communication and documentation going forward.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

5.7 *Delivering Council Policy and Corporate Priorities*

The policies and strategies recommended in the report will fulfil the Council's obligations to the Code.

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments in the capital programme that underpins the pillars designed to embed an economy which places the health, happiness and wellbeing of our residents central to our aspirations for Newham.

6. Consultation

6.1 Name of Lead Member consulted: Cllr Ali

Position: Cabinet Member for Finance and Resources

6.2 Audit Committee has noted the Draft version of the 2025/26 TMSS on 15 January 2025.

7. Implications

7.1 Financial Implications

- 7.1.1 The capital finance budget with the use of the treasury reserve (established to manage volatility) spent to budget 2023/24. Interest rates are expected to remain elevated during most of 2024/25, the treasury reserve will again be drawn upon to bring spend to budget.
- 7.1.2 The effective operation of treasury activities contributed to the budget strategy, supporting the delivery of the Council's objectives.

7.2 Legal Implications

- 7.2.1 The Treasury Management Annual Report is a requirement of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. Local authorities are required by regulation to have regard to both codes when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003. Paragraph 2 of this report confirms that this report conforms and that this report has been produced in accordance with both codes.

7.3 Equalities Implications

- 7.3.1 The report has no specific impact in equalities/diversity other than the achievement of financial savings that will help to maximise resources available for council services.

7.4 Other Implications relevant to this report

- 7.4.1 None

8. Background information used in the preparation of this report

8.1 Statutory requirement to list

CIPFA – Treasury management in the public services – code of practice & guide for chief financial officers
CIPFA Prudential code for local authority capital finance
Link Group Ltd (Now MUFG Corporate Markets). UK economic forecasts
London Borough of Newham – Treasury management strategy statement 2023/24 and 2024/25
Treasury management practices
Local Government Act 2003
CLG Guidance on local authority investments 2010
DLUHC MRP Guidance
CIPFA – Treasury and investment management in UK local authorities – Guidance notes for practitioners on financial instruments (chapter 4 of the 2007 SORP)
CIPFA – Treasury Management Code of Practice Revised 2021
Medium Term Financial Statement

Appendix K1 - Annex 1: 2025/26 TMSS Prudential Indicators and Treasury Limits & Estimated 2024/25 compared to approved TMSS (as at 06 February 2025)

Introduction

This report presents the Treasury Management Strategy Statement (TMSS) for the financial year 2025/26, including detailed plans for capital expenditure, financing, and prudential indicators. It provides a framework for managing the Council's borrowing and investment activities to ensure affordability, sustainability, and prudence in delivering its financial objectives. It also provides a forecast outturn for 2024/25 compared with the approved 2024/25 TMSS.

Prudential Indicators

1. Capital Expenditure Plans

The Council's planned and approved capital expenditure for 2024/25 and subsequent years is summarised in Table 1a. The planned financing for this expenditure is summarised in Table 2a.

Table 1b includes the current approved capital expenditure from Tables 1a plus major self financing projects that could potentially be approved for inclusion in the capital programme in 2024/25 and subsequent years. These plans include significant self-financing regeneration projects such as Carpenters, Canning Town, Custom House, and schemes outlined in the approved Populo business plan.

The figures for **Other self-financing Regeneration Schemes** in Table 1b are presented **net of the capital receipts** expected to be generated directly by those schemes. These receipts are intended to offset the associated costs and reduce the borrowing requirement.

For **Acquisitions**, **Populo**, and **Other self-financing Regeneration Schemes**, the figures in Table 1b are currently assumed to be funded through borrowing, as outlined in Table 2b. However, this assumption may be revised as projections for future capital receipts and grant income related to these schemes become more certain.

Table 1a: Capital Expenditure Summary – Current Approved Programme (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
General Fund	173.0	507	177	284	249	385
Housing Revenue Account	185.0	304	310	243	197	184
TOTAL	358.0	811	487	527	446	568

Table 1b: Capital Expenditure Summary - Current Approved Programme plus Major Self-Financing Projects and new Acquisition Finance Leases (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
General Fund	173.0	355	39	225	361	672
- Acquisitions	0	111	111	100	100	33
- Populo	0	4	30	34	15	131
- Other self-financing Regen' Schemes	0	37	45	45	172	299
- Finance Leases	0	0	80	118	30	30
Housing Revenue Account	185.0	304	310	243	197	184
TOTAL	358.0	811	615	765	875	1,349

Key Points:

- These figures include projects currently in the 2024/25 Capital Programme and significant self-financing projects that could be potentially incorporated in 2024/25 once their viability has been properly assessed.
- The forecast for 2024/25 reflects potential slippages and adjustments in timing and delivery methods.

2. Capital Financing

The financing of capital expenditure is outlined in Table 2. Any shortfall between resources and expenditure results in a borrowing need.

Table 2a: Capital Financing Summary - Approved Capital Programme (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Capital Receipts	12.0	12	14	14	14	14
Capital Grants	89.0	199	192	179	139	225
Revenue & Reserves	25.0	22	2	0	0	0
Net Financing Need	232.0	578	280	334	293	329
TOTAL	358.0	811	487	527	446	568

Table 2b: Capital Financing Summary - Approved Capital Programme plus Major Self-Financing Projects and new Acquisition Finance Leases (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Capital Receipts	12.0	12	14	14	14	14
Capital Grants	89.0	199	192	227	258	623
Revenue & Reserves	25.0	22	2	0	0	0
Net Financing Need	232.0	578	407	524	603	712
TOTAL	358.0	811	615	765	875	1,349

Key Point:

- A significant portion of financing will come from borrowing due to limited capital receipts and reserves.

3. Capital Financing Requirement (CFR)

The CFR represents the Council's cumulative capital expenditure not yet financed. It is a key indicator of borrowing needs.

Table 3a: CFR Projections - Approved Capital Programme (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
General Fund	1,501.0	1,705	1,636	1,817	1,915	2,096
Housing Revenue Account	271.0	659	386	508	668	779
TOTAL CFR	1,772.0	2,364	2,022	2,324	2,583	2,874

Table 3b: CFR Projections - Approved Capital Programme plus Major Self-Financing Projects (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
General Fund	1,501.0	1,705	1,763	2,133	2,540	3,101
Housing Revenue Account	271.0	659	386	508	668	779
TOTAL CFR	1,772.0	2,364	2,149	2,641	3,208	3,880

4. Borrowing Projections

The Council's forward borrowing projections and compliance with prudential limits are shown in Table 4.

Table 4a: Forward Borrowing Projections - Approved Capital Programme (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Debt at 1 April	896	1,155	1,096	1,397	1,731	2,051
Expected Change in Debt	200	475	301	334	320	353
Loans at 31 March	1,096	1,630	1,397	1,731	2,051	2,404

Table 4b: Forward Borrowing Projections - Approved Capital Programme plus Major Self-Financing Projects (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Debt at 1 April	896	1,155	1,096	1,444	1,850	2,450
Expected Change in Debt	200	475	348	406	600	706
Loans at 31 March	1,096	1,630	1,444	1,850	2,450	3,156

Key Point:

- Borrowing is projected to increase significantly, reflecting the Council's capital investment plans.

Key prudential indicators include the Authorised Limit and Operational Boundary for external debt, as shown in Tables 5 and 6.

5. Authorised Limit

Table 5: Authorised Limit (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Limit)	2024/25 (Limit)	2025/26 (Limit)	2026/27 (Limit)	2027/28 (Limit)
Debt	1,096	2,200	1,850	2,400	3,050	3,700
Other Long-Term Liabilities (OTL)	254	400	400	350	350	350
Total	1,350	2,600	2,250	2,750	3,400	4,050

Explanation:

- The **Authorised Limit** is the statutory maximum level of external debt the Council can incur. It includes long-term liabilities such as Public Finance Initiatives (PFI) and finance leases.
- This limit accounts for potential short-term fluctuations in borrowing requirements, ensuring the Council operates within safe and sustainable borrowing levels.
- The figures indicate a steady increase in debt levels, driven by capital investment projects.
- Officers have flexibility to change the mix of OLTL and Debt in-year.

6. Operational Limit

Table 6: Operational Boundary (2023/24 - 2027/28)

(All figures in £m)

Year	2023/24 (Actual)	2024/25 (TMSS Limit)	2024/25 (Limit)	2025/26 (Limit)	2026/27 (Limit)	2027/28 (Limit)
Debt	1,096	2,050	1,874	2,350	3,000	3,650
Other Long-Term Liabilities (OLTL)	254	350	326	350	350	350
Total	1,350	2,400	2,200	2,700	3,350	4,000

Explanation:

- The Operational Boundary is the expected upper limit of debt under normal operational conditions.
- Unlike the Authorised Limit, it does not include short-term borrowing headroom and reflects a more typical level of debt that aligns with the Council's capital financing needs.
- The steady increase mirrors anticipated capital expenditure and associated borrowing requirements.
- Officers have flexibility to change the mix of OLTL and Debt in-year.

Key Differences between Authorised Limit and Operational Boundary:

- The **Authorised Limit** includes additional flexibility for unforeseen borrowing needs and represents the absolute maximum the Council may borrow.
- The **Operational Boundary** reflects a more realistic limit aligned with planned and ongoing projects.

7. Affordability Metrics

The affordability of borrowing is assessed through ratios that measure financing costs against revenue streams, helping to ensure that borrowing remains sustainable over the long term.

Table 7: Ratio of Gross Financing Costs to HRA Rents

(Percentage of total HRA rents)

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
HRA Financing Costs	14.44%	22.97%	12.82%	19.07%	23.42%	26.03%

Explanation:

- This ratio tracks the cost of servicing HRA debt compared to rental income.

- The increase in financing costs reflects higher borrowing requirements for housing projects.

Table 8: Ratio of General Fund Financing Costs to Net Revenue Stream

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
General Fund Costs	19.87%	24.79%	23.77%	25.32%	27.47%	30.55%

Explanation:

- This ratio indicates how much of the General Fund’s net revenue stream is spent on financing costs (e.g., interest and repayment).
- Rising costs reflect an increase in debt due to significant capital investments.

Table 9: Ratio of General Fund Net Income from Service Investments to Net Revenue Stream

Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Service Investments	3.96%	5.33%	5.15%	6.05%	7.66%	8.58%

Explanation:

- This ratio measures the contribution of net income generated from service investments as a percentage of the General Fund’s net revenue stream.
- Service investments include revenues from acquisitions, Populo and self-financing regeneration schemes

Table 10: Ratio of General Fund Financing Costs minus Net Income from Service Investments

(Year	2023/24 (Actual)	2024/25 (TMSS Estimate)	2024/25 (Forecast)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)
Services	15.91%	19.46%	18.62%	19.27%	19.81%	21.97%

Explanation:

Table 10 highlights the net impact on the General Fund by calculating the difference between:

- **Financing Costs to Net Revenue Stream** (from Table 8), which represents the cost of borrowing and debt servicing.
- **Net Income from Service Investments to Net Revenue Stream** (from Table 9), which reflects revenues generated by service investments.

This metric provides a clearer picture of the net financial pressure on the General Fund after accounting for income from investments.

Treasury Limits

1. Liability Benchmark

The Council is required to estimate and measure its **liability benchmark**, which represents the optimal level of borrowing over time. This analysis ensures the Council aligns its financing strategies with prudential borrowing requirements while maintaining adequate liquidity to meet short-term obligations.

The **liability benchmark** includes four components:

1. **Existing Loan Debt Outstanding:** Reflects the Council's current loans still outstanding in future years.
2. **Loans CFR (Capital Financing Requirement):** Calculated based on approved prudential borrowing and planned Minimum Revenue Provision (MRP).
3. **Net Loans Requirement:** Represents gross loan debt less treasury management investments, projected into the future.
4. **Liability Benchmark:** The sum of the net loans requirement and a short-term liquidity allowance, indicating the gross loans requirement.

2. Liability Benchmark Graphs

The following graphs provide a visual representation of the liability benchmark for the Council, General Fund, and Housing Revenue Account (HRA):

Graph 1: Council Liability Benchmark

- Illustrates the aggregate liability benchmark for the entire Council, showing the projected loans CFR, net loans requirement, and liquidity allowance.

Graph 2: General Fund Liability Benchmark

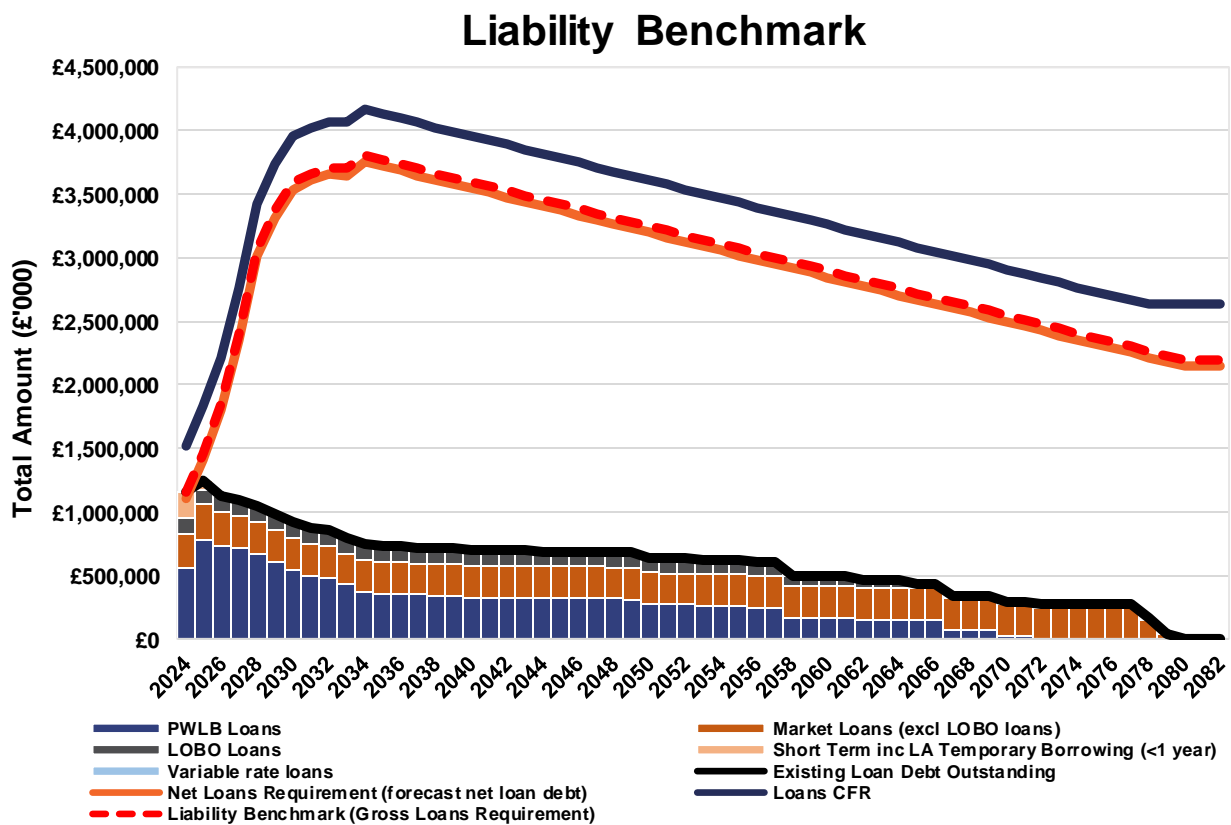
- Focuses on the General Fund, highlighting the borrowing required for service investments and self-financing projects.

Graph 3: Housing Revenue Account Liability Benchmark

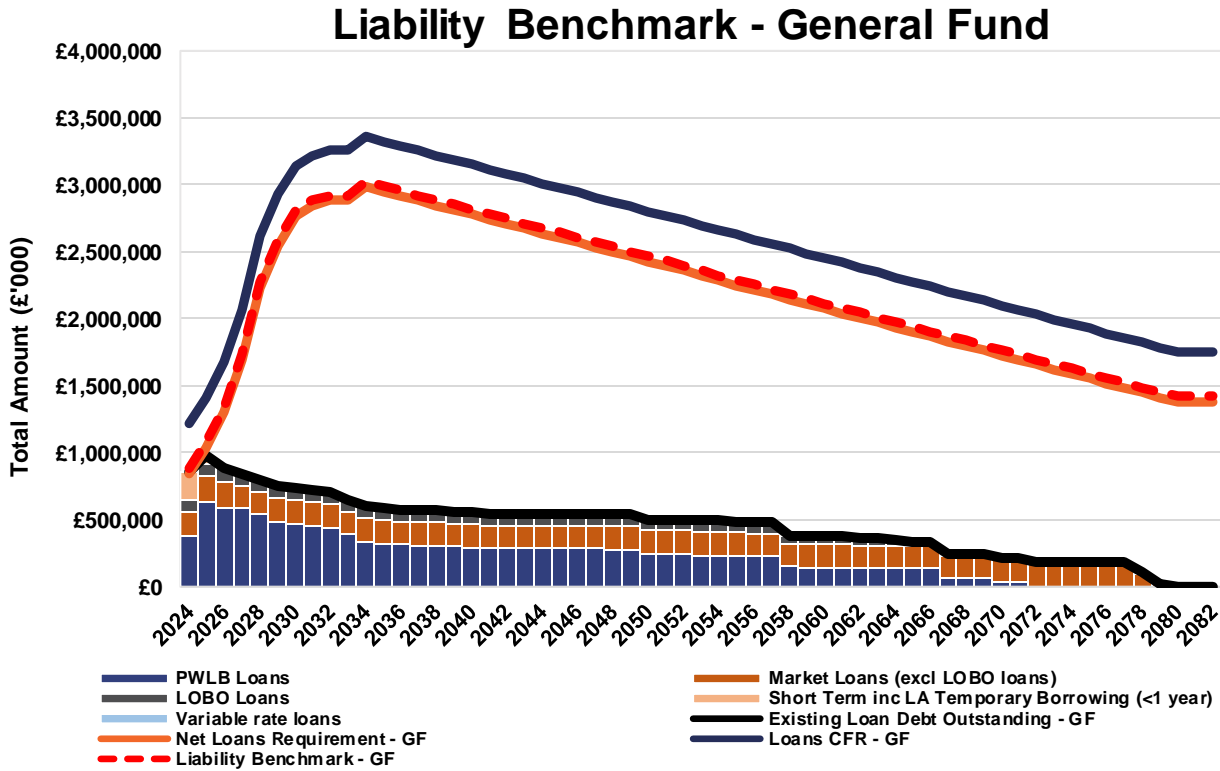
- Captures the borrowing requirements and funding strategies specific to the HRA, reflecting its role in financing housing projects and regeneration schemes.

These graphs will help Members understand borrowing trends, optimise financing strategies, and ensure alignment with the Council's long-term financial plans.

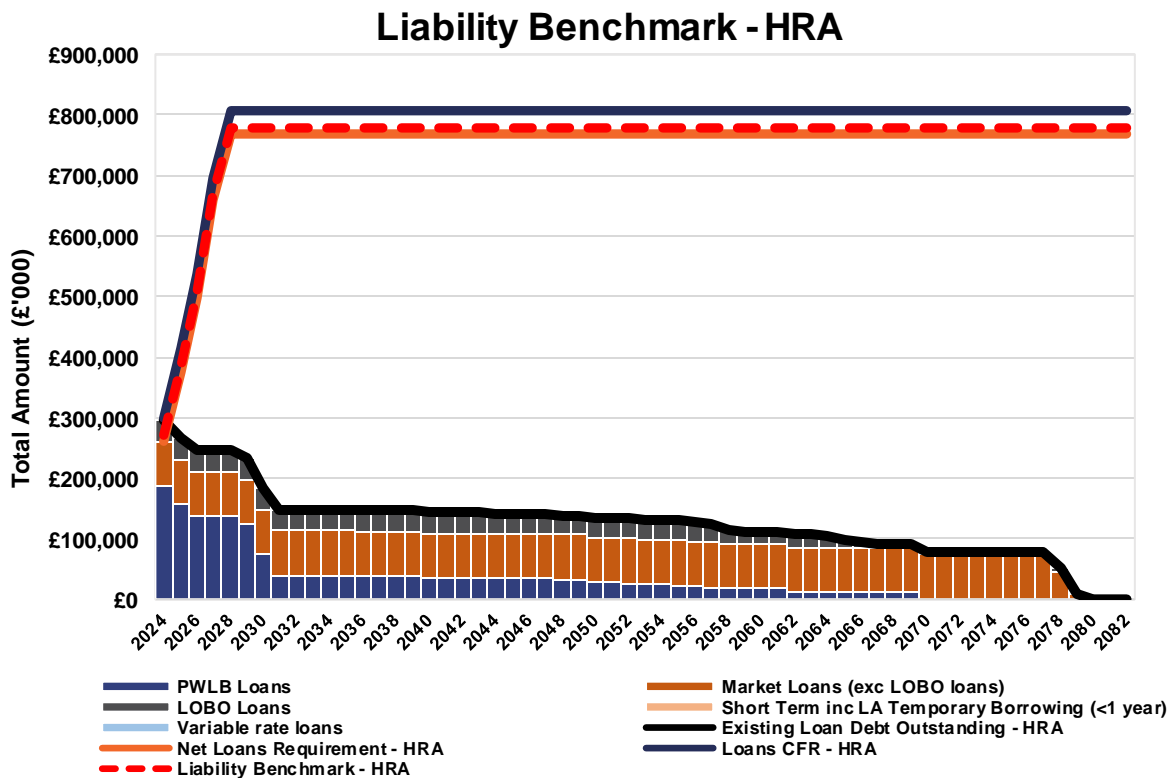
Graph 1: Council Liability Benchmark



Graph 2: General Fund Liability Benchmark



Graph 3: Housing Revenue Account Liability Benchmark



Borrowing Maturity Structure

Table 11: Maturity Structure of Borrowing (2023/24 - 2024/25)

(All figures in %)

Maturity Period	Lower Limit	Upper Limit	Actual 2023/24	Actual 06/02/2025
Under 12 months	0	60	17	10
12 months to 2 years	0	70	2	3
2 years to 5 years	0	80	7	10
5 years to 10 years	0	80	8	12
10 years+	0	100	66	65

Key Observations:

- The majority of borrowing is structured over the long term (10+ years), ensuring stability and alignment with the lifespan of funded projects.
- A smaller proportion is allocated to shorter-term borrowing, providing flexibility to manage cash flows and refinancing needs.

Maximum Principal Sum Invested Beyond 365 Days

Table 12: Maximum Principal Sum Invested > 365 Days (2023/24 - 2024/25)

(All figures in %)

Year	Actual	Forecast
2023/24	0%	
2024/25		0%

Explanation:

- The Council does not anticipate investing any principal sums beyond 365 days. This conservative approach ensures liquidity and reduces exposure to long-term investment risks.

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Entity	Scheme	Loan type / equity***	Principal Balance at	Accrued Interest Balance at	Principal Balance at	Accrued Interest Balance at	Available commitment to draw down at	Total commitment at
			31/03/2024	31/03/2024	30/11/2024	30/11/2024	30/11/2024*	30/11/2024**
			£	£	£	£	£	£
Populo Living Limited:	<i>Senior Loans Development Phase:</i>							
	Didsbury	Affordable	1,118,456	2,301,519	1,118,456	2,384,695	1	30,643,457
	Plaistow	Affordable	5,204,204	2,638,164	5,633,583	2,838,560	-	35,002,837
	Brickyard	Affordable	8,624,132	679,577	8,624,132	963,164	-	8,624,132
	Didsbury	Market	21,356,705	2,507,527	21,356,705	3,399,190	-	21,356,705
	Brickyard	Market	16,621,812	1,391,322	16,621,812	2,064,365	-	16,621,812
	Plaistow	Market	45,538,640	4,144,920	45,538,640	6,001,296	-	45,538,640
	Senior Loans Development Phase total		98,463,949	13,663,029	98,893,328	17,651,270	1	157,787,583
	<i>Senior Loans Investment Phase:</i>							
	Barking Road	Market	4,345,466	-	4,322,057	23,488	514,767	4,950,264
	Libra Nelson	Market	2,807,223	-	2,798,042	42,391	-	2,898,743
	Cheviot House	Market	17,556,427	-	17,556,427	279,211	-	18,269,768
	The Tanneries	Market	6,042,608	-	6,020,772	91,183	-	6,312,743
	Populo Homes Plaistow	Affordable	18,624,167	-	18,539,870	139,742	-	18,950,254
	Populo Homes Didsbury	Affordable	17,016,117	-	16,923,471	92,085	1,487	17,432,487
	Senior Loans Investment Phase total		66,392,007	0	66,160,639	668,100	516,254	68,814,259
	<i>Subordinated Loans Development Phase:</i>							
	Didsbury	Market	5,339,184	1,724,009	5,339,184	2,110,701	-	5,339,184
	Brickyard	Market	4,025,054	183,974	4,025,054	414,408	89	4,025,143

Plaistow	Market	11,384,660	2,410,149	11,384,660	3,165,381	-	11,384,660
	Subordinated Loans Development Phase total	20,748,898	4,318,132	20,748,898	5,690,490	89	20,748,987
<i>Subordinated Loans Investment Phase:</i>							
Libra Nelson	Market	1,161,262	-	1,160,327	29,247	-	1,169,570
Cheviot House	Market	4,713,790	1,908,332	4,713,790	2,347,318	-	4,714,858
The Tanneries	Market	1,547,429	-	1,547,429	33,004	-	1,559,124
Barking Road	Market	1,198,752	-	1,195,391	9,996	-	1,211,504
	Subordinated Loans Investment Phase total	8,621,233	1,908,332	8,616,936	2,419,566	0	8,655,056
<i>Equity:</i>							
Libra Nelson	Equity	1,918,112	-	1,918,112	-	-	1,918,112
The Tanneries	Equity	2,164,590	-	2,164,590	-	-	2,164,590
Plaistow	Equity	18,974,433	-	18,974,433	-	-	18,974,433
Cheviot House	Equity	7,424,530	-	7,424,530	-	-	7,424,530
Didsbury	Equity	8,898,641	-	8,898,641	-	-	8,898,641
Brickyard	Equity	6,708,423	-	6,708,423	-	-	6,708,423
Barking Road	Equity	2,019,173	-	2,019,173	-	-	2,019,173
	Equity total	48,107,902	0	48,107,902	0	0	48,107,902
Cheviot House	Debt Service Reserve Loan Investment Phase	165,000	27,529	165,000	33,904	327,864	492,864
	Working Capital Loan	23,564,061	8,273,663	27,484,061	10,192,508	2,323,431	40,000,000
	Populo equity/loans total	266,063,050	28,190,685	270,176,763	36,655,837	3,167,639	344,606,651
<u>Other Council owned entities:</u>							
Juniper Ventures Limited:	Working Capital Loan	-	-	700,000	-	800,000	1,500,000
	Equity	4,050,000	-	4,050,000	-	-	4,050,000

		Juniper Ventures loans/equity total	4,050,000	0	4,750,000	0	800,000	5,550,000
The Language Shop Limited:		Working Capital Loan	550,000	-	550,000	7,307	100,000	650,000
Future Newhome Limited:	Boleyn Grounds	Senior Loan Investment Phase Market	45,772,848	-	45,514,311	303,429	-	46,346,916
Health & Care Space Newham Limited:	Pontoon Dock	Senior Loan Development Phase	476,000	75,625	430,667	88,823	-	680,000
	Hartley Health Centre	Senior Loan Development Phase	2,000,000	46,670	2,000,000	161,588	-	2,000,000
	Hartley Health Centre	Senior Loan Development Phase	-	-	3,000,000	111,421	-	3,000,000
	Pontoon Dock	Equity	2,000,000	-	2,000,000	-	-	2,000,000
		Health & Care Space Newham loans/equity total	4,476,000	122,294	7,430,667	361,833	0	7,680,000
		Other Council owned entities loans/equity total	54,848,848	122,294	58,244,978	672,569	900,000	60,226,916
Third party entities:								
East London Community Sports Association (ELCSA):		Working Capital Loan	57,053	-	36,450	-	-	228,000
London Community Credit Union Limited (LCCU):		Soft Loan	505,443	-	521,510	-	-	600,000
		Equity	80,000	-	80,000	-	-	80,000
		LCCU loans/equity total	585,443	0	601,510	0	0	680,000
		Third party entities loans/equity total	642,496	0	637,961	0	0	908,000

TOTAL	321,554,393	28,312,979	329,059,702	37,328,406	4,067,639	405,741,567
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* Available commitment of a development/ investment phase loan is a difference between the total commitment and the total drawdowns to date. Repayment of a principal of a development/ investment phase loan does not increase the available commitment, i.e. the repaid amount cannot be reborrowed.

Available commitment of the Populo working capital loan is a difference between the total commitment and the total loan balance including accrued interest at the quarter end date. The repaid amount can be reborrowed within the available commitment.

** Total commitment is an amount of a loan/equity that is agreed to be provided by the Council and specified in a loan agreement/ equity subscription letter.

*** Definitions:

Subordinated loan is unsecured and ranks for interest and repayment after the senior debt of a company. This forms part of the loan structure and assumed at 15% of the total funding. It is not secured against the units and a riskier loan and therefore at a higher interest rate. The subordinated debt is provided by way of loan notes.

Senior loan is a loan that is secured by collateral (assets) and must be paid off before any other debts when a company goes into default. This forms part of the loan structure and assumed at 60% of the total funding and is secured against the units like a mortgage loan. In the event of a default, the Council can sell the units to recover this loan.

Working capital loan is a loan taken to finance a company's everyday operations. This loan is not used to buy long-term assets and investments. The working capital loan is a revolving facility which means it can be repaid and borrowed again. It is mainly used to fund Populo overhead costs and pre-construction costs on proposed development schemes prior to obtaining Cabinet approval for the scheme development loan facility.

Development phase is the period from construction through practical completion and includes the stabilisation period which is the period that allows for the units to be fully occupied and operational.

Investment phase is the operation or rental period phase and at this point the development phase loan is refinanced. This is when interest and principal loan start to be repaid.

Affordable loan is the loan facility used to finance affordable rent units. Affordable Housing means any use of the Affordable Housing Dwellings to provide housing to households whose needs are not adequately met on the open market.

Debt Service Reserve Loan is a revolving facility which can be drawn to service debt in the event of a temporary blip, unlike the other loans it is flexible and can be repaid and borrowed again. This is similar to the working capital however this is scheme specific and applies at the investment phase.

Market loan is the loan facility used to finance market rent units.

Soft loan is a loan with no interest or a below-market rate of interest.

Equity investment is money that is invested in a company by purchasing its shares.

Appendix K3 - Annex 3

Specified and Non-Specified Investments

SPECIFIED INVESTMENTS:

(All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable)

	* Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	UK sovereign rating	In-house
Term deposits – local authorities and other public institutions	UK sovereign rating	In-house and Fund Manager
Term and call deposits – banks, building societies and registered social housing providers *	Banks #1,2,3,4,& 5.	In-house and Fund Managers

Term deposits with nationalised banks and banks and building societies

	* Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
UK part nationalised banks	UK sovereign rating	In-house	100	1 year
UK part nationalised banks	UK sovereign rating	Fund Managers	100	1 year
Banks part nationalised by high credit rated (sovereign rating) countries – non UK*	Sovereign rating AA-	In-house and Fund Managers	100	1 year

* The countries approved for investing with their banks: Australia, Canada, Denmark, Finland, France, Germany, Luxembourg, Netherlands, Norway, Singapore, Sweden, Switzerland, UK, Belgium, USA,

Other instruments

	Minimum 'High' Credit Criteria	Use
Certificates of deposits issued by banks and building societies	sovereign rating AA-	In-house
Certificates of deposits issued by banks and building societies	Banks #1#2	Fund Managers
UK Government Gilts	UK sovereign rating	In-house and Fund Managers
Bonds issued by multilateral development banks	Long term AA-	In-house and Fund Managers
Treasury Bills	UK sovereign rating	Fund Managers
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
1. Government Liquidity Funds	Long-term AA-	In-house and Fund Managers
2. Money Market Funds (CNAV, LVNAV, VNAV)	Long-term AAA,	In-house and Fund Managers

If forward deposits are to be made, the forward period plus the deal period should not exceed two years in aggregate.

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by the council. To ensure that the council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

NON-SPECIFIED INVESTMENTS – a maximum of 30% may be held in

aggregate in non-specified investments.

1. Term deposits with Financial Institutions

Term deposits with part nationalised banks and banks and building societies operating with government guarantees.	* Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
UK part nationalised banks	UK sovereign rating	In-house	50	5 year
UK part nationalised banks	UK sovereign rating	Fund Managers	50	5 year
Banks part nationalised by high credit rated (sovereign rating AA-) countries – non UK	Sovereign rating AA-	In-house and Fund Managers	50	5 year

2. Maturities of ANY period

	Minimum Credit Criteria	Use	Max £m of total investments	Max. maturity period yrs
Fixed term deposits with variable rate and variable maturities: -				
Debt Management Agency Deposit Facility	-	In-house And Fund Managers	Unlimited	Unlimited
Structured deposits	As set out in para 4.9.4, Banks #1,2,3 & 4	In-house And Fund Managers	£30m	5
Term deposits – banks and building societies	Set out in para 4.9.4, Banks #1,2,3,4,& 5	In-house And Fund Managers	£50m	5
Structured or term deposits - Local Authorities and other public institutions	-		Unlimited	Unlimited
Municipal Bonds	UK sovereign rating	In-house and Fund Managers	£10m	5
Term deposits with registered social housing providers	Short-term F2, Long-term A-	In-house and Fund Manager	£10m	5
<p><i>Service investments for capital (C) or working capital(WC) are not classified as treasury management investments, and are therefore outside of the Specified/Non specified categories. These investments are subject to their own governance and due diligence procedures.</i></p> <p><i>Buy and hold may also include sale at a financial year end and repurchase the following day in order to accommodate the requirements of the Accounting Code of Practice.</i></p>				

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Appendix L – Monitoring Officer’s Advice 2025

1. Introduction

1.1. This advice supplements the legal implications that specifically relate to the decisions to be made on the budget. This appendix sets out in some detail members' responsibilities to set a legal budget and how members should approach the task. It also reminds members about the rules concerning disclosable pecuniary interests. There is a significant level of detail here, but this is because the budget is the most significant decision the Council will make each year and the setting of the Council Tax has implications for all residents.

2. Members’ Fiduciary Duties

2.1. The Council must set a balanced budget in each year and determine its council tax requirement before 11th March, in the financial year preceding that for which it is set. The obligation to make a lawful budget each year is shared equally by each individual member. In discharging this obligation, members owe a fiduciary duty to the council tax payer. This means the Council’s resources must be used to their best advantage and Members should note that:

- Expenditure must be on items within the Council’s powers
- Expenditure on lawful items must be prudent and any forecasts or assumptions such as rates of interest or inflation must themselves be rational
- The budget setting powers must be used in good faith and for the purposes conferred, i.e. the delivery of the duties and powers of the Council for the benefit of the residents of Newham.
- Members must have regard to the level of Council Tax necessary to sustain it
- Members must have regard to the advice of the Chief Finance Officer and Monitoring Officer.

2.2. Within this overall framework, there is considerable scope for discretion. Members will bear in mind that in making the budget, commitments are being entered which will have an impact on future years. Some such commitments are susceptible to change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments, however, impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes.

2.3. Party loyalty and party policy are capable of being relevant considerations for the individual member when setting the budget, provided the member does not blindly follow the party line without considering the relevant factors and professional advice and without properly exercising any real discretion.

2.4. Members should take into account the advice of the Chief Finance Officer (the Corporate Director of Resources) and the Monitoring Officer (Director of Legal and Governance).

3. Members’ Participation in the Meeting: Required Declarations

3.1. ***The Code of Conduct – dispensation to vote on the Council Tax***

3.2. In accordance with section 31 of the Localism Act 2011 and the Council's Code of Conduct, Members must declare any disclosable pecuniary interest (DPI) in the budget and not participate in the meeting, if these exists.

3.3. All members have been granted a dispensation by the Monitoring Officer under section 33 of the Localism Act 2011, to allow all members to participate and vote in the budget and council tax decisions, notwithstanding that they are council taxpayers.

3.4. However, even when a dispensation has been granted, members must still adhere to the requirement to declare any arrears on council tax and should comply with the restriction on voting in such circumstances.

3.5. Section 106: Arrears of Council Tax

3.6. In accordance with section 106 of the Local Government Finance Act 1992, where **any** payment of Council Tax that is payable by a member has been outstanding for two months or more **at the time of a meeting**, the member must:

3.7. disclose the fact of their arrears (though they are not required to declare the amount) **and**

3.8. cannot vote on any of the budget and council tax setting decisions in this report.

3.9. Members should check their Council tax accounts in advance to ensure they do not have any arrears at the time of the meeting, even if the amount is small.

3.10. Failure to disclose such arrears and / or to participate in a vote on any matter relating to the calculation or setting of Council Tax is a criminal offence.

3.11. The disclosure should be made as soon as possible after the start of the meeting.

3.12. This applies to:

- Full Council meetings;
- Cabinet meetings
- Committee meetings;

where the budget and council tax calculations and estimates or decisions relating to them are considered.

3.13. Any member who considers that this section may apply to them should seek advice from the Monitoring Officer and / or the Chief Finance Officer as soon as possible and certainly before the meeting.

4. The Role of the Chief Finance Officer

4.1. The Council's Chief Finance Officer is the Corporate Director of Resources, who is responsible under s.151 of the Local Government Act 1972, for the proper administration of the Council's financial affairs.

4.2. Section 114 of the Local Government Finance Act 1988 places the s151 Officer under an obligation to prepare a report (to Full Council) if it appears that the expenditure the Authority proposes to incur in a financial year, is likely to exceed its resources available to meet that expenditure. A failure to take note and act on such a report could lead to a complaint to the Monitoring Officer.

- 4.3. 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 to be made by the Council. These are the estimates which the Cabinet is required to determine and submit to Full Council and are contained within this report. However, if the Council were minded to agree a budget based on different estimates e.g. if Council did not agree with the estimates provided by Cabinet, then those estimates which the Council would adopt would effectively become 'the estimates' for the purpose of Section 25 and as such should be subject to a further report by the Chief Finance Officer.
- 4.4. In addition to advising on the robustness of the estimates as set out above, the s151 Officer is also required to report on the adequacy of the proposed financial reserves. The same advice applies to these as to the other calculations required to be made by the Council.
- 4.5. A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular, local authorities are required by section 31A(2)(b) and (c) of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves.
- 4.6. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. Members will need to pay careful attention to the advice of officers here.
- 4.7. If Council proposes to amend the budget as set out in this report, the Chief Finance Officer must first be satisfied that the proposed budget is a lawful, balanced budget and be able to advise Council of this. This may require an adjournment of the meeting for a short period, to make such an assessment.

5. Expenditure Charged to the Housing Revenue Account

- 5.1. Members will be aware that the Housing Revenue Account (HRA) is by law to be maintained separately from the General Fund and there are strict rules which determine to which account any expenditure must be charged. There are only very limited areas of discretion here. Members should bear in mind that if they wished to review any current determination which affects the apportionment of charges between the General Fund and HRA, they would need to do so on the basis of an officers' report and specific legal advice. The Housing Revenue Account must be maintained in balance throughout the year under Section 76 Local Government and Housing Act 1989.

6. Role of the Council's Monitoring Officer

- 6.1. The Council's Monitoring Officer is responsible for ensuring the Council conducts its business in a lawful manner and is required under section 5A of the Local Government and Housing Act 1989, to report to Full Council if it appears that a decision has been or is about to be taken, which is or would be unlawful, or would be likely to lead to maladministration.
- 6.2. It is incumbent on the Monitoring Officer to inform members that they would be in breach of the law if they missed the statutory deadline for setting the budget, which would invariably lead to the worsening of the Council's financial position.

7. Continuing Obligations

7.1. Whilst it is imperative that the Council acts lawfully and approves a lawful and balanced budget before the 11th March, the Council has an ongoing duty to maintain a balanced budget throughout the year. Members should therefore monitor the Council's financial position periodically, in accordance with the general duty under section 28 of the Local Government Act 2003.

Appendix M - Council Tax Reduction Scheme Consultation Report

Introduction

Newham's current Council Tax Reduction (CTR) scheme supports;

- Working age council tax payers by reducing their Council Tax by up to 90% based on their household's needs and income with the key rules for entitlement decided by the council;
- Pension age council tax payers who can get up to 100% reduction on a similar basis with the rules around their entitlement set by central government.

The cost of providing support £26.7m in CTR to qualifying households by reducing their Council Tax Liabilities is estimated at £26.7m in 2024/25. The cost of CTR payments has an impact on the amount of Council Tax the council can use to fund the services it provides.

As part of the council's medium term financial strategy, the council is proposing a number of changes to the CTR scheme for working age households from 1st April 2025. By law, the council must consult with anyone it believes may be impacted by the changes; this includes the Greater London Authority who share that cost of CTR.

Methodology

The consultation was carried out online through Newham Co-Create and ran for 6 weeks from 27th November 2024 and 14th January 2025

The introduction from lead Members to the consultation set out the financial reasons for the proposed changes. Further narrative, in advance of completing the consultation questionnaire, provided detail on the nature of the individual proposals along with an indicative impact on the average household in receipt of CTR; this narrative is replicated in the 'Proposed changes and their financial impact' section below.

Within the consultation questionnaire, where respondents did not agree with a proposal they had the opportunity to suggest an alternative figure and/or provide comment on the proposal, having been asked to take into account the Council's financial position as set out in introductory text.

Finally, respondents were invited to provide any overall comments they had on the proposals and their impact.

Promotion

The consultation was promoted through the following channels:

- Spotlight on Newham.gov landing page
- Message on Council Tax and Benefits options within the Contact Centre
- Email to voluntary and community sector contacts
- Email campaign to 14,000 CTR recipients
- Highlight in 'What's happening in Newham'
- Highlighted to Libraries

- Social media posting

Proposed changes and their financial impact

Reducing the maximum support

Currently, working age residents can receive help through CTR of up to 90% of the amount of their Council Tax. The proposal is to decrease the maximum support working age households can receive to 70%.

Based on households currently receiving CTR and 2024/25 Council Tax amounts, this proposal would affect 17,850 households with an average increase in Council Tax payable of £4.83 each week. The actual change for affected households will depend on the Council Tax band for their property and any discounts they already get, for example for being the only adult in the household. Households in band A properties would have a potential average increase in Council Tax payments of £3.48. Households in larger or higher value properties in band G properties having a potential average increase of £8.95 each week.

Only a very small number of households receiving CTR live in band G properties. Most properties in Newham are in bands A to C.

Increasing the income taper

The taper applies where a household's income is above their assessed level of need. The taper rate reduces entitlement to CTR as income increases. It is currently set at 20% meaning CTR reduces by 20p each week for every £1 of income above their assessed level of need. The proposal is to increase the rate to 30% meaning CTR would reduce by 30p for every £1.

Based on 2024/25 figures, this proposal would affect 4,211 households with an average increase in Council Tax payments of £3.82 each week.

Removing earnings disregards

Earnings disregards reduce the amount of income from employment and self-employment that we use when working out entitlement to CTR. Currently, income disregards are set at £5 per week for single claimants, £10 per week couples, £20 per week in some special cases, and £25 per week for single parents.

Based on 2024/25 figures, this proposal would affect 4,575 households with an average increase in Council Tax payments of £2.48 each week.

Reducing the capital limit

Capital includes all monies held in your bank accounts, savings accounts, bonds, stocks, shares, crypto-currency, investments and second properties. Some capital will not count toward the total. The capital limit is the amount above which the household will not qualify for CTR and is currently set at £16,000.

The proposal is to reduce the limit to £6,000 and based on 2024/25 figures this would affect 343 households who would see an average increase in their Council Tax

payments of £18.49 each week. The actual increase for households will depend on the Council Tax band for their property.

Increasing non-dependent deductions

Non-dependent deductions apply where other adults are living with the Council Tax payer applying for or entitled to CTR. The amount of the deduction depends on the other adults' income. The circumstances where no non-dependent deduction applies will remain the same as the current scheme.

The proposal is to increase the amount of non-dependent deductions by 30% and based on 2024/25 figures this proposal would affect 2,078 households with an average increase in Council Tax payable of £2.98 each week.

Combining all proposals

Whilst the figures above show the impact of each individual proposal, if all the proposals were agreed then the changes would impact 17,850 households with an average increase in Council Tax payments of £6.14 each week (£26.68 each month). 12,918 households who are not working would see an average increase of £5.37 each week (£23.33 each month) and 4,932 households in work would see an average increase of £8.16 each week (£35.46 each month).

Profile of respondents

Affected status

Respondents were asked to identify their status in relation to the changes and Council Tax liability.

We received 471 responses with 281 (59.7%) coming from CTR recipients; 181 (38.4%) from Council Tax payers; and 9 (1.9%) from other residents, organisations or representatives.

Individual characteristics

All questions relating to respondent characteristics were optional.

Age and gender – these were requested on registering to use the Co-Create platform. No respondents provided this detail.

Disability – respondents were asked within the questionnaire if they have any physical or mental health conditions or illnesses lasting or expected to last 12 months or more. The breakdown of response by affected group status is shown below:

Respondent type	Yes	No	Not answered
Council Tax payer receiving CTR	157 (55.9%)	102 (36.3%)	22 (7.8%)
Council Tax payer	55 (30.4%)	104 (57.5%)	22 (12.1%)
On behalf of an interested organisation	2 (66.7%)	1 (33.3%)	0 (0.0%)
On behalf of a resident	2 (66.7%)	1 (33.3%)	0 (0.0%)
Resident not paying Council Tax	1 (33.3%)	2 (66.7%)	0 (0.0%)
All responses	217	210	44

Those answering 'Yes' we asked to answer a further question on the effect of any conditions or illnesses reduce their ability to carry out day-to-day activities.

Respondent type	A lot	A little	Not at all	Not answered
Council Tax payer receiving CTR	119 (75.8%)	32 (20.4%)	3 (1.9%)	3 (1.9%)
Council Tax payer	24 (43.6%)	23 (41.8%)	5 (9.1%)	3 (5.5%)
On behalf of an interested organisation	2 (100%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Resident not paying Council Tax	1 (33.3%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
On behalf of a resident	0 (0.0%)	1 (100%)	0 (0.0%)	1 (100%)
All responses	146	56	8	7

Ethnicity – within the questionnaire respondents were asked their ethnic background from a selectable list or to provide their own description.

Ethnicity	Responses
White	139 (29.5%)
Asian or Asian British	129 (27.4%)
Black, Black British, Caribbean or African	74 (15.7%)
Mixed or Multiple ethnic groups	17 (3.6%)
Prefer not to say	9 (1.9%)
No response	103 (21.9%)
All responses	471

Responses to the proposals

Reducing the maximum support to 70%

There was a strong negative response to this proposal from those in receipt of CTR with just over 70% rejecting it. There was a weaker negative response from other Council Tax payers at 55.2%.

Respondent type	Yes	No
Council Tax payer receiving CTR	83 (29.5%)	198 (70.5%)
Council Tax payer	81 (44.8%)	100 (55.2%)
Resident not paying Council Tax	2 (66.7%)	1 (33.3%)
On behalf of a resident	1 (33.3%)	2 (66.7%)
On behalf of an interested organisation	1 (33.3%)	2 (66.7%)
All responses	168 (35.7%)	303 (66.9%)

237 respondents who disagreed with the proposal suggested an alternative amount. Of those suggested, 65.4% favoured a decrease to 80%. This rate was previously used within the working age CTR scheme between 1st April 2013 and 31st March 2019,

so respondents in receipt of CTR during that period may have experience and understanding of managing their liability with such a rate.

Alternative proposed	% of responses
100%	1.3%
95%	0.8%
90%	22.8%
87%	0.4%
85%	1.3%
80%	65.4%
60%	3.0%
50%	5.0%

Increasing the income taper to 30%

This proposal elicited the strongest negative response from both those receiving a CTR and Council Tax payers. This is perhaps because it affects working households the most and would be seen as a disincentive to further work or progress in work.

Respondent type	Yes	No
Council Tax payer receiving CTR	79 (28.1%)	202 (71.9%)
Council Tax payer	76 (42.0%)	105 (58.0%)
On behalf of an interested organisation	1 (33.3%)	2 (66.7%)
Resident not paying Council Tax	0 (0.0%)	3 (100%)
On behalf of a resident	0 (0.0%)	3 (100%)
All responses	156 (33.1%)	315 (66.9%)

Despite the strength of the negative response, alternatives to retaining the current 20% rate (favoured by 18%) were suggested. Over half of respondents proposed a more modest increase in the taper rate to 25%.

Alternative proposed	% of responses
50%	0.4%
40%	15.3%
35%	5.5%
25%	55.3%
22%	0.4%
21%	0.4%
20%	18.0%
15%	0.4%
10%	2.4%
<10%	2.0%

Remove earned income disregards

This proposal brought a negative response from those in receipt of CTR whilst other Council Tax payers marginally supported the proposal. The narrowness could again be the association with earnings and employment.

Respondent type	Yes	No
Council Tax payer receiving CTR	110 (39.1%)	171 (60.9%)
Council Tax payer	93 (51.4%)	88 (48.6%)
On behalf of an interested organisation	1 (33.3%)	2 (66.7%)
On behalf of a resident	1 (33.3%)	2 (66.7%)
Resident not paying Council Tax	0 (0.0%)	3 (100%)
All responses	205 (43.5%)	266 (56.5%)

44 respondents who disagreed, suggested alternatives. Of these, 16 suggested leaving the disregards as they are. No alternative amounts were suggested, with the remainder of responses suggesting other efficiency measures to make savings, which would be suggestive of retaining the disregards.

Reduce capital limit to £6000

This proposal brought the closest margin between positive and negative responses and also brought the closed shared response rate between those receiving CTR and other Council Tax payers. It also had the least negative response from those receiving CTR.

Respondent type	Yes	No
Council Tax payer receiving CTR	126 (44.8%)	155 (55.2%)
Council Tax payer	80 (44.2%)	101 (55.8%)
On behalf of an interested organisation	1 (33.3%)	2 (66.7%)
Resident not paying Council Tax	1 (33.3%)	2 (66.7%)
On behalf of a resident	1 (33.3%)	2 (66.7%)
All responses	209 (44.4%)	262 (55.6%)

48 respondents who disagreed suggested alternatives. The majority (32 respondents) suggested leaving the limit at £16000. There were individual alternative proposals of £15000; £10000; and between £8000 and £10000. The remaining responses did not suggest amounts but highlighted the need for capital to deal with emergency expenditure.

Increase non-dependent deductions by 30%

The response to this proposal was marginally positive from Council Tax payers and was one of the weaker negative responses from those in receipt of CTR. This is perhaps because it is reflective of ability to pay based on income and has protections for disabled households.

Respondent type	Yes	No
Council Tax payer receiving CTR	113 (40.2%)	168 (59.8%)
Council Tax payer	93 (51.4%)	88 (48.6%)
On behalf of an interested organisation	1 (33.3%)	2 (66.7%)
On behalf of a resident	1 (33.3%)	2 (66.7%)

Resident not paying Council Tax	0 (0.0%)	3 (100%)
All responses	208 (44.2%)	263 (55.8%)

208 respondents who disagreed provided alternative proposals with a lower increase of 10% being the most favoured.

Alternative proposed	% of responses
40%	15.9%
20%	20.2%
10%	61.1%
5%	1.9%
2%	1.0%

Respondents' overall comments on the proposals

130 respondents gave an overall comment on the proposed changes and these reflect the strong negative sentiment shown in the analysis of the individual proposals. Many residents expressed concerns about the financial impact on vulnerable groups.

Below are some key themes and representative quotes:

Financial Strain on Vulnerable Groups

Many comments highlight the financial difficulties faced by residents, particularly those on low incomes, benefits, or with disabilities:

- "People have less money and disposable income than in 2008. Raising taxes will push even more residents into poverty."
- "The current economic climate has placed significant financial strain on many residents, particularly those relying on benefits. Reducing CTR support would exacerbate these challenges."

Criticism of Council Spending

Several respondents criticize the council's spending priorities and suggest alternative ways to manage the budget:

- "The council should stop wasting their money on crap like Christmas lights, pointless leaflets, and wages for people who can't/don't do a job properly."
- "Instead of constantly charging and making the residents the victims, how about each councillor take a 1-5% pay cut on those on Salaries of £50,000 per year and over to help with the budgets."

Call for Fairer Tax Distribution

Whilst beyond the remit of the Council, there is a call for a more equitable distribution of tax burdens, with suggestions to tax wealthier residents more:

- "Would it not make more sense to tax those in Newham who are in the larger houses more instead of removing the benefits from those who are most in need?"
- "Stop targeting the working class, tax the rich."

Impact on Services and Quality of Life

Residents express concerns about the impact of tax increases on their quality of life and the services they receive:

- "This Borough is in a filthy state. Why should people have to pay more Council Tax and see no benefits from it?"
- "The proposed changes will add additional strains to households who already struggle to pay the council tax amongst other bills."

Suggestions for Improvement

Some comments include constructive suggestions for improving the consultation process and the proposed changes:

- "Would like to see information on different household types in different situations to consider myself properly able to comment properly on the proposals."
- "All changes should be done over 2/3 years as opposed to all at once. Inform residents affected by the incoming changes."

Emotional and Personal Appeals

Many comments reflect personal struggles and emotional appeals for understanding and support:

- "I have lived and worked in Newham all my life. I have not seen people struggling as much as they are now."
- "I am on ESA and an unpaid carer to my adult son, who receives PIP. Every year I have to fight to speak to someone as my money gets stopped."

Conclusion

Whilst the overall response rate compared to numbers affected is low, this is the highest number and rate of response for any local CTR-related survey since its inception in 2013.

The strongest negative responses, across both those receiving CTR and other Council Tax payers, were to the increasing of the income taper and reducing the maximum support to 70% (66.9% and 64.3%). The weakest negative responses were to reducing the capital limit to £6000 and increasing non-dependent deductions (55.6% and 55.8%).

Despite the negative response to the proposals, respondents were open to suggesting alternatives. In summary these alternative proposals would be to:

- Reduce the maximum level of support to 80%;
- Increase the income taper to 25%;
- Retaining the earned income disregards;
- Increasing non-dependent deductions by 10%

The proposal over reducing the capital limit is difficult to determine from the consultation responses. Whilst respondents rejected the proposal, the margin was small and there were few alternative proposals beyond a minority favouring the retention of the current £16,000 limit. It is clear from the narrative comments that allowance should be made for holding an amount of capital for emergencies but not to

the amount. Reducing to the £6000 limit proposed would not be out of step with other London boroughs.

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Appendix N

Budget Engagement Insights Report

Executive Summary

Putting residents first is central to our vision and plans to Build a Fairer Newham. Despite being in the toughest of times, we want the 2025/26 budget to ensure we protect frontline services, invest to secure Newham's long-term future and continuously improve the Council so that all our residents are well served.

As the Council plans its budget for 2025/26, Newham Council conducted a comprehensive engagement process to gather feedback from residents, businesses, and community organisations on the proposed budget. This included an online survey that was completed by 238 residents as well as 251 people at the 8 engagement events attended by residents, businesses and community organisations. The goal was to gain feedback on the draft budget proposals and ensure residents, communities and businesses are heard as the Cabinet decides on the Budget over the next few months. The survey was open until 10th January. This final report includes additional survey responses received after the initial analysis published with the draft budget report in December. The additional insights reinforce key themes around protecting essential services while also highlighting new concerns around community cohesion and environmental services.

With the timescale tight for the council approval of the 2025/26 budget, the Council will undertake further targeted stakeholder engagement and share information with the public about budget proposals ahead of the final budget setting meeting of 27 February.

Key Findings

- **Prioritising Essential Services:** Residents emphasized the importance of protecting core services, particularly those supporting children, young people, and vulnerable adults such as Children's Centres.
- **Addressing the Housing Crisis:** Concerns were raised about the rising cost of temporary accommodation and the need for an increased affordable housing supply and improved procurement of temporary accommodation.
- **Improving Service Delivery:** Residents called for improved communication, streamlined processes, and increased transparency in decision-making. Digital innovation and co-location of services were also suggested to enhance efficiency.
- **Financial Sustainability:** There was a recognition of the need for financial prudence while protecting essential services. Residents suggested exploring innovative revenue

generation strategies, reducing unnecessary expenditure, and improving fiscal management.

- **Community Engagement and Partnership:** The importance of strong partnerships between the Council, voluntary sector, and businesses was highlighted. Collaborative approaches were seen as essential for delivering effective services and addressing community needs.
- **Community Cohesion and Grassroots Support:** Recent survey feedback emphasised the importance of supporting grassroots organisations and micro-charities in building community resilience, particularly highlighting the need for affordable community spaces and venues.

Residents' Recommendations:

1. Protect Essential Services like Children's Centre's:

- a. Do not close down Children's Centres. Prioritize funding for essential services like Children's Centres, libraries, and youth services.
- b. Invest in early intervention and preventative services to reduce future costs.
- c. Ensure adequate funding for adult social care services, particularly for vulnerable groups.

2. Address the Housing Crisis:

- a. Increase investment in affordable housing development.
- b. Explore innovative housing solutions, such as modular housing and co-living.
- c. Improve the management of temporary accommodation to reduce costs and improve outcomes.

3. Enhance Service Delivery:

- a. Improve communication channels (website, phone line and digital services) and engagement with residents, businesses and community organisations. To enhance service access and delivery
- b. Streamline and consolidate services where possible and reduce bureaucracy.
- c. Invest in digital technology to improve service delivery.
- d. Co-locate services in community centres or libraries to increase accessibility and efficiency.

4. Improve Financial Management:

- a. Explore innovative revenue generation strategies to bring investment into the borough and Council.
- b. Reduce unnecessary expenditure, like senior staff salaries, improve procurement processes and reduce outsourcing.
- c. Strengthen long-term financial planning and budgeting.

5. Strengthen Community and Business Partnerships:

- a. Foster collaborative relationships with the voluntary sector and businesses around shared goals to enhance impact.
- b. Establish formal mechanisms for co-production and communication – creating a centralised ‘front door’ to streamline interactions and prevent duplication.

Background

Newham is one of the country's most diverse and dynamic boroughs, with a population that has increased by 14% over the last decade to 351,000 people. The cost-of-living crisis is exacerbating the deep inequalities our borough faces.

Putting residents first and foremost is central to our vision and plans to build a fairer Newham, especially in these toughest of times and the 2025/26 budget aims to reflect our enduring commitment to protect frontline services, invest to secure Newham’s long-term future and continuously improve the Council so that all our residents are well served.

Across the county, all councils are facing an unprecedented scale of financial pressures with a misalignment between funding and growing service demands. In addition to the overall challenging situation for all local authorities, Newham is facing considerable financial challenges primarily as a result temporary accommodation pressures. Newham has one of the largest numbers of households in temporary accommodation in the UK, with some of the highest costs in the country due to the growing number of people seeking help.

We are putting into practice as many actions as possible to ensure that we can continue delivering services for our residents including the use of reserve or selling assets; while reducing our costs through transformation journey to make savings and efficiencies – and some of this will take time over the mid-term financial strategy period. Inevitably, more councils are having to make the exceedingly tough decisions to reducing services and this is all felt by our residents.

As a Council we are proud to involve the people of Newham as a part of our budget setting process. In tough times like these it is particularly important to hear from residents, partners and communities to understand what matters the most.

We’ve Got This! Budget Campaign

Newham. We’ve got this is a campaign which aims to create a sense of resilience and optimism in the borough, highlighting that though times are tough for both council and residents, we are continuing to be inventive with what we have to Build a Fairer Newham. The campaign acknowledged and explained that when times are tough financially, this is due to reasons outside of our control. It allowed us to highlight the ways in which the Council is being more efficient in what we do, and to highlight stories of real people – both frontline Council workers, partners

working with us and residents – who are making a meaningful difference for Newham and the people who live there.

Its primary purpose was to drive more people to the online and in person consultation events throughout October and November and to continue to support uptake of the online survey. which continues until January 6th

Case studies highlighted included the work of council staff such as family navigators, an Our Newham money advisor, the Damp and Mould task force lead, Parks and Green spaces asst manager, digital inclusion manager, and a landscape architect. Partners included Hopkins Homes and Berkley Homes (featuring apprentices working on new housing developments) and the London Fire Brigade. Residents included an adult learner, artists using new premises which we've redeveloped, a young entrepreneur, a volunteer food and repair shop worker, and foster carers.

The campaign, with its own [dedicated web presence](#) on the council's main site, was featured across the borough on 44 outdoor display boards –with case studies changed every fortnight from mid-September to mid-December, on our library screens and the Westfield shopping centre screen. A full page advertorial (in paper), with associated online content was also produced for the Newham Recorder and Newham Voices in early November, social media featuring the case studies was promoted across our owned channels - with a small amount of paid for targeted social media linked to specific in person events in late October and early November. The campaign also features regularly in the weekly online Newham Bulletin.

Campaign Impact

In total, more than 1,180 people engaged with the 'We've Got This!' budget campaign online case studies and webpage. The individual case studies of every day heroes were viewed over 500 times, with the story 'Emelda's passion for reuse and repair helps communities thrive in challenging times', gained the most engagement of all case studies (92 views).

Our engagement approach

A series of budget engagement events were organised to provide residents with the opportunity to feed into decisions into key spending and saving proposals for the next budget year (2025/26). During the sessions, time was allocated at each event for roundtable discussions, and residents and partners were encouraged to provide feedback on budget proposals and share their views, concerns, and aspirations around the budget. The Mayor, her Cabinet, and senior officers were present at these events to give an introduction and overview of the proposals.

In total, 489 people took part in budget engagement events or the survey. Of those, 251 residents, businesses and community representatives attended the 8 engagement sessions. These were hosted in person and online, at various times of the day to ensure residents with different access needs and commitments were able to hear about the budget proposals and take part. A resident feedback survey was also created for residents and partners unable to attend the events, to maximise participation. Voluntary, community and faith groups, businesses, young people and members of the Co-Production Forum were part of the eight sessions.

We are proud to have taken an inclusive approach in creating this budget and look forward to continuing to work with residents and partners to make the borough a fairer place for all.

Promotion of resident engagement events

The events were publicised in diverse ways including via the weekly Resident e-newsletter, through the 8 community neighbourhood e-newsletters, through the voluntary, community and faith sector e-newsletter, the Volunteers programme e-newsletter and via Newham Co-Create to all 23,000 registered users. We also utilised our social media platforms to promote and publicise the series of events.

Table 1. List of external budget engagement activities and participant numbers

Event	Date	Participant numbers
Online Resident's Budget Engagement session	Monday 7 October 2024	100
In Person Resident's Budget Engagement session- Stratford townhall	Wednesday 23 October 2024	46
In person Voluntary, Community and Faith Sector Budget Engagement session- Dockside	Thursday 24 October 2024	18
In Person Resident's Budget Engagement session- East Ham townhall	Wednesday 30 October 2024	23
Online Businesses Budget Engagement session	Monday 11 November 2024	15
Online Resident's Budget Engagement session	Wednesday 13 November 2024	25
In Person Co-production Forum Budget Engagement session	Monday 18 November 2024	16
Youth Budget Engagement session	Tuesday 26 November 2024	8

Newham Budget Feedback Survey

The Newham Council Budget Feedback Survey was published on the Council website and Newham Co-Create on 10th October 2024. The survey closed on 8th January 2025, with 238 people having completed the survey – a significant increase from 52 responses last year. The survey contains a mixture of closed and open-ended questions including how residents feel spending should be prioritised across services, how the Council can improve services and be

more efficient, or their views on a specific proposal or spending in a particular service area. Demographic information on participants is outlined in the appendix.

Survey Limitations

It should be noted that convenience sampling was used, and people participated in the survey voluntarily. As random probability sampling was not used, the findings should not be generalised across the borough or taken as representative of all residents' views. However, the findings do provide a snapshot of concerns, ideas and suggestions that engaged residents want the Council to actively consider as they deliberate on the 2025/26 Council budget.

Key Findings

Feedback on specific proposals

In all budget engagement sessions, residents were asked “What do you think of these proposals”? Likewise, in the budget survey respondent were asked if they wanted to feedback on a specific proposal or service area.

Closing Children’s Centres

In the budget survey, half of all survey responses (101) related to the potential closure of Children’s Centres. Likewise in the resident engagement sessions, there was strong opposition to closing children's centres and cutting back youth services. In the survey, residents shared their personal stories of how Children’s Centre’s had been a lifeline for them and their children.

The most common argument against their closure was that they provide essential support for children and families. Residents felt strongly that they should all be kept open.

Residents felt that Children’s Centres are crucial for:

- **Early Childhood Development-** providing crucial early learning experiences, social interaction, and support for cognitive development.
- **Parental Support** - offering a vital space for parents to connect, share experiences, and receive advice, particularly for new and isolated parents.
- **Parental Mental Health** – playing a key role in supporting parental mental health, especially post-natal depression and anxiety.

Children’s centres also help build community ties and help new mothers integrate and reduce isolation by creating opportunities for parents and children to meet and form social connections. They also help combat feelings of isolation and loneliness, particularly for new parents and those from marginalised communities.

“The services provided at Abbey Lane & Rebecca Cheetham Children’s Centre’s have been vital for the betterment of my journey in early motherhood. I was diagnosed with postnatal depression with both my children and attending the weekly sessions were incredibly helpful in uplifting my mood and well-being. The staff are brilliant at what they do. From engaging not only with the children but providing valuable advice to the parents, to equipping the centre with hand’s on and enriching activities. It will be a disservice to the children and parents in Newham to close these valuable children’s centres.”

Residents also noted how Centre’s are essential for providing early intervention and prevention. The proactive support and early intervention services they provide help address potential issues before they escalate, which carries long-term benefits. Many note how early intervention leads to better outcomes in education, health, and behaviour, reducing the need for more intensive support later. This also helps to reduce spending on social care and health services later down the line

Residents also valued how Children’s centres provide a range of affordable family services which are often free of charge, and accessible for families on low incomes. Currently, Children’s Centres are located evenly throughout the borough providing convenient access. Families are concerned that the closure of centres near them would mean children and parents in their local area miss out and suffer worse outcomes.

Within the budget engagement sessions, proposals to close Children’s Centres were an area of concern. Residents emphasised the importance of maintaining these centres, particularly for supporting young children and families. Suggestions included finding more efficient ways to deliver their services, such as co-locating with other facilities, but there was a strong consensus that their role in early years support should not be diminished.

Overall, the overwhelming sentiment is that children’s centres are vital for the wellbeing of children and families in Newham. It was felt that cutting funding or closing these centres would have significant negative consequences for the community.

Library Closures

Libraries emerged as a focal point of concern among event participants, with many highlighting their critical role as universal preventative services and community hubs. They were felt to be important community assets that deliver a range of services for the benefit of all age groups, especially young people and older residents. Residents argued that libraries are not only essential for education and digital access but also serve as vital spaces for social connection and support. The proposals to reduce library services or co-locate them sparked mixed reactions. While some saw co-location as a practical way to preserve services, others were worried about the potential impact on accessibility and quality.

Selling Assets and Dockside

Similarly, proposals to sell community assets like Debden House were met with divided views. Many stressed the value of these assets for children, young people, and community groups, advocating for alternative approaches such as transferring them to community ownership or reinvesting proceeds into local services.

Several residents supported the council's plan to sell Dockside, viewing it as a logical step to reduce costs. However, this was accompanied by calls for clarity on how staff and services would be relocated and concerns about the potential loss of face-to-face interaction if more staff work from home. Some residents suggested relocating council services to libraries or town halls, enabling better use of public spaces while ensuring continued access to council support.

Council Tax Reduction and Social Care Charges

The need for a more balanced approach to savings was another recurring theme. Many residents felt that the proposed cuts disproportionately targeted the most vulnerable, particularly in proposals to cut the Council tax reduction scheme and social care.

Overall, residents expressed a desire for the council to explore more creative solutions to budget challenges, such as leveraging partnerships with businesses and increasing revenue from council-owned assets. While some proposals received widespread support, like pausing Newham Magazine or adopting emissions-based charges, there was a clear call for the council to rethink its priorities to ensure that vital community services remain protected.

Prioritising services

In all resident engagement sessions, residents were asked how they think services should be prioritised given the challenging financial situation of the Council. Likewise, survey respondents were asked to rank 10 services in order of importance to them.

Of survey respondents, 44% of respondents ranked children and young people's services as their number one priority out of all services, whereas 36% of respondents ranked participatory democracy initiatives 10th, in last place. The overall ranking for each service is found in Table 2 below. Services which were ranked in top positions across respondents were ranked highest. For example, children and young people's services was ranked 1st overall, as 66% of respondents ranked it as 1st, 2nd and 3rd overall, whereas education services were ranked 2nd overall, as 49% of respondents ranked it 1st, 2nd and 3rd.

Further survey responses continued to emphasise the importance of Kay Rowe Children's Centre, reinforcing the earlier findings about the crucial role of children's centers in community support. One parent noted:

“Kay Rowe Children's centre is a vital asset to the community. I have been attending for the past 7 years... It is a unique space, with incredible facilities, and big outdoor space for children to explore and develop in a safe environment.”

Sustained investment into making Newham cleaner, safer and greener was raised consistently across the survey and the resident engagement sessions. Residents advocated for cleaning up the streets, investment in youth services to prevent anti-social behaviour and planting greenery especially in deprived areas. At the events, parks and open spaces were felt to be essential for community well-being, with suggestions for improved maintenance and cleanliness.

“I think keeping the streets clean is the most basic function the council provides, and it is the first thing that comes to mind. Newham has an endemic problem with flytipping and dirty streets. The council should consider cutting budgets of other non-essential services and focusing specifically on this issue. Reintroducing free bulk item collection would be a good start.”

Survey respondents also wanted the Council to addressing anti-social behaviour such as increasing police presence and tackling drug-related issues and fly-tipping through increased CCTV surveillance and improved lighting in public spaces.

How the Council can improve service delivery and be more efficient

Improved Financial Management of Council Operations

Survey respondents repeatedly called for the Council to reduce unnecessary spending through cuts to non-essentials such as limiting the use of consultants, and reassessing funding for certain initiatives. Likewise, several event participants called for better internal training and the leverage existing staff skills instead of reverting to outsourcing. There were also calls for quality assurance on contractor work, a reduced reliance on outsourcing and the expansion of service provider lists to drive better value and quality. Furthermore, it was advocated that council leadership is streamlined and council salaries cut to reduce costs and improve efficiency.

Some ideas were provided to improve fiscal management, planning and budgeting such as ensuring efficient utility contracts and effective debt collection. Some residents also felt there was untapped potential to generate additional revenue by exploring innovative revenue generation strategies, such as generating income through community spaces

and unused properties. This was also mentioned in events, other suggestions included working with large local employers to bring in additional income and encouraging inward investment to support local services and businesses. Residents also called for a push for central government support and long-term funding and solutions for entrenched issues.

“Cut senior staff in the council. Close Dockside building. Stop using hotels for homeless people.”

Recent survey responses highlighted specific areas for procurement reform and cost efficiency. A notable example provided by a resident illustrated a procurement challenge:

“A friend won a community fund for installing new play equipment in our local park and found there was only one approved supplier they could use. This supplier charged exorbitant prices.”

Addressing Underlying Housing and Temporary Accommodation issues

Addressing the housing crisis by increasing the supply of affordable housing, as well as improving the quality and management of council housing was highlighted as another concern for survey respondents. One resident suggested the need for greater oversight of council tenants to ensure that flats were not being misused or sub-let and periodic checks to ensure that tenants still qualified for Council housing. Others called for greater transparency around housing allocation to ensure that there was a fair distribution of affordable housing, while others noted innovative housing solutions such as pod living to rapidly increase housing supply. In the budget events, a few people felt that housing services should address the needs of elderly and vulnerable populations, with a focus on affordable options. Other suggestions included seeking to reduce costs associated with temporary accommodation and advocating for the introduction rent controls preventing the sale of Council properties.

“There are several companies making pods both in the UK and abroad. These are Japanese style and designed in a way that maximises space the way boat or caravan living does. They can be even made from old shipping containers and would be suitable for singles or family temporary accommodation with 2 pods.”

Enhanced Communications and Engagement

Across the engagement events and survey, residents suggested measures to enhance service delivery through improved communication and engagement with residents. Several suggestions were made by survey respondents including the need to:

- invest in staff training and development to deliver more efficient and empathetic customer service

- improve contact methods for council services, especially reducing phone waiting times through introducing direct phone lines
- streamline processes and reduce bureaucracy
- implement effective monitoring and evaluation systems and
- improve communication channels with residents including better use of technology to enhance service delivery such as apps and online portals.
- make the Council website more user-friendly and accessible
- Need for consistent communication across all platforms
- Creation of centralised logging systems for tracking council actions and resident concerns

Some survey respondents also felt that the Council needed to better engage with residents through community meetings to let them 'align the agenda' to what local communities want and need. Better community engagement was also strongly emphasised by event participants. Suggestions included improving communication and resident involvement through tools like WhatsApp broadcast messages, impact boards, consultation and regular feedback sessions, rather than crisis engagement. There was a shared desire for more transparency in decision-making around the budget setting process. More accessible, earlier involvement in budget decision-making was wanted, with some feeling decisions seemed pre-determined and not sufficiently democratic.

"More transparent and efficient communications processes are needed urgently to help reduce costs and improve efficiencies."

Another resident suggested: *"Make communication better rather than posting information on one social platform days if not weeks before. Keep an updated log of all actions taken place so that general residents can clearly see what is happening."*

Co-locating and Integrating Services

Co-locating and integrating services within community spaces such as libraries, town halls, and youth centres was advocated by some event participants to streamline access and reduce costs. Services could also be integrated to streamline and reduce duplication. Libraries were frequently highlighted as central hubs for co-location.

Community cohesion and grassroots support

Recent survey feedback highlighted the crucial role of grassroots organisations in building community resilience. Residents emphasised:

- The need for affordable spaces for community organisations
- Support for micro-charities working on community cohesion
- Importance of accessible venues for community events

As one respondent noted: *“The race riots have shown that grassroots micro-charities that do community cohesion projects and work reducing loneliness and isolation must be a priority for stronger community. However, there is a challenge for charities, a lack of affordable offices, training spaces, storage and venues such as performing arts theatres to run events.”*

In addition to the broad themes, some residents also supported continuation of green, sustainable practices and policies to reduce environmental impact. Some specific suggestions were made to help reduce costs including:

- **Means-testing free school meals:** to ensure that only those who truly need it receive free school meals and reduce costs.
- **Fortnightly refuse collection:** to reduce costs associated with staffing and vehicle maintenance.

Overall, the feedback reflected a desire for a council that is not only more efficient but also more attuned to the needs of its residents. A proactive, transparent approach that combines improved infrastructure, smarter service delivery, and genuine community involvement was viewed as essential for driving meaningful improvements.

Case Study: Views of the Voluntary, Community and Faith Sector (VCFS)

In the budget engagement event held with the VCFS, 18 VCF organisations fed back on how efficiency and effectiveness could be improved between the VCFS and the Council.

Centralised coordination and streamlined communication

Participants expressed concerns over the absence of a ‘central front door’ for VCFS interactions with the Council, which often leads to fragmented communications and inefficiencies. Many VCFS organisations find themselves dealing with multiple Council services, which often are not aware of each other’s engagements with the same VCFS entities.

There was an emphasis on the need to align VCFS strategies more closely with Council plans to ensure both parties are working towards common goals. Participants suggested strengthening the partnerships not only within VCFS and the Council but also across other sectors such as health. The lack of a joined-up approach currently hinders the potential for collaborative success and limits the impact around shared aims.

Building capacity and future planning

During the session it was noted that there needs to be consideration of the capacity limitations of smaller VCFS organisations in engagement processes. Discussions highlighted the need for strategies that include these smaller entities more effectively, ensuring they are not sidelined due to capacity constraints. It was also noted that the People Powered Places (PPP) programme should foster conversations about efficiency and learning and integrate more strategically into Council services to create more impact. It should not be seen as a separate entity, as a genuine way to extend our work with the VCFS.

Key recommendations:

- Establish a VCFS Investment partnership, creating a formal framework to facilitate external funding opportunities and collaborations to bridge existing financial gaps.
- Acknowledge and leverage the significant financial contributions of external funding the VCF sector brings into Newham.
- Establish a more structured approach to Council-VCFS cross-sector working to enable unified collaborative efforts in serving the community.
- Co-produce a clear, long-term strategic plan including the potential reinstatement of structures like the Local Strategic Partnership (LSP) to foster more effective collaboration and resource allocation
- Create central/primary point of contact/team for VCFS interactions with the Council to improve efficiency, alignment and prevent duplication.
- Develop streamlined communication channels, coherent and centralised communication strategies to improve interactions between the Council and VCF sector
- Fund an infrastructure organisation for the VCFS to enable better resource allocation and coordination among VCFS organisations and the Council.

Case Study: Young People's perspectives

A representative group of 8 young people from our Youth Empowerment Service, aged 10 -25, with a range of support needs took the opportunity to talk through the financial situation and provide feedback. Alongside an agreement on the need to work, continue investment in creating a cleaner borough, and not cut back on street cleaning and refuse collections. Other areas of discussion included improving access to affordable housing and keeping youth empowerment service.

Invest to Save in Social Care

There was quite a long discussion around this, and what might be most beneficial. Some young people saw this as a bit of a gamble. They felt that there should be more spending on preventative services but potentially other services that might sit outside of social care settings.

Reshape the Library Offer

Young people's lives today look vastly different to previous generations. Time spent online is a key part of their lives, changing how they want to interact with Council services. These young people talked about alternatives to having physical libraries to save money, but this view might not be shared by young students who use them for study space. They explored the idea of only having one central library and offering a book delivery service, done by young people as cycle couriers. They also suggested that community activities which usually happen in libraries could be run in Youth Zones and other community spaces.

Youth Empowerment Services

It does not come as a surprise that the group of young people were worried about cuts to the Council's Youth Empowerment Service. They did not want to see any of the services within this cut and advocated against this proposal.

"If you cut it, we lose our voice."

Access to affordable housing

The challenging accommodation situation is felt by young people themselves and can have a massive impact on their lives. They suggested a few ideas that might help including:

- Requiring longer tenancies before you qualify for 'right to buy' council properties
- Building more accommodation
- Make use of community centres as places for people to stay in an emergency
- Calling on Councils with an underspend like the City of London to provide Temporary Accommodation or financial assistance to Newham.

Case Study: Engagement with Businesses

An online question and answer session provided a platform for local business owners to discuss their concerns and suggestions directly with Newham Council representatives. Key issues that emerged were related to parking, housing and employment opportunities.

Parking and Business Impact

A business owner raised concerns about the reduction of general parking spaces, particularly around East Ham Station, which was deterring business and recommended that the Council improve parking availability to support businesses. Some residents also opposed the proposed Ultra Low Emission Zone (ULEZ) charges, noting the potential negative effects on businesses and visitors, particularly with added fees for visiting guests and customers.

Housing and Temporary Accommodation:

The issue of housing, particularly temporary accommodation, was raised by a local business leader who pointed to the high pressure on private rental markets, partly due to changes in tax

policies that have led to landlords exiting the market. He observed that third-party businesses are now offering guaranteed rents to landlords and then subletting the properties to councils at inflated rates, increasing the costs for temporary accommodation. He suggested that the Council should engage more with local agents to improve procurement processes. Additionally, using night shelters for single individuals seeking temporary housing was suggested to free up housing for families.

Employment and Youth Support

A resident inquired about the budget allocated for youth services aimed at breaking the cycle of poverty, particularly through employment opportunities for young people. She highlighted her efforts to teach young people about renting through role-playing exercises and expressed a desire to collaborate with Newham Council to offer these programs in schools or youth clubs. Additionally, a business owner working with disabled individuals and women asked about opportunities for local businesses to collaborate with the Council in creating employment opportunities, especially in sectors like adult social care. Green Street traders also voiced a desire to be more involved in Council discussions regarding apprenticeships and local employment opportunities, suggesting that more collaboration could benefit both business engagement and the community.

Roadworks and Accessibility Issues

The impact of roadworks on accessibility and local businesses was another prominent theme. A resident described how ongoing roadworks by water companies in East Ham had caused significant disruption, particularly for traders and disabled residents. They noted the lack of communication regarding the duration and scheduling of works, which led to further frustration. Additionally, residents raised concerns about incomplete or poorly managed roadworks, noting that construction sites are often left inactive for prolonged periods, exacerbating traffic issues. They called for improved communication and better oversight to ensure these disruptions are minimized and managed effectively.

Case Study: Co-Production Forum Insights

Held in-person at Canning Town Library, this session engaged members of the Co-Production Forum in a detailed discussion on current council proposals, their potential impacts, and prioritisation of services. Members shared feedback on various council strategies, highlighting concerns, and making suggestions for more effective service delivery.

Addressing Vulnerable Communities and Essential Services

Residents highlighted the importance of protecting services for the most vulnerable, including adults, children, young people, and disabled residents. Concerns were raised about the long-term consequences of cutting vital support systems, such as children's centres and adult social care, which are seen as essential to prevent future crises. Libraries were frequently mentioned as crucial community hubs providing safe, accessible spaces that support education, social connections, and warmth, particularly during winter. Services such as refuse collection, street

cleaning, and housing support, especially addressing the reliance on temporary accommodation, were also emphasised as high priorities.

Efficiency and Financial Prudence

Residents supported proposals like selling or leasing underused council assets, such as Newham Dockside, to redirect funds into essential services like housing. They urged for smarter use of resources, such as merging services like Our Newham Money and Our Newham Work to create efficiencies. Transparency about the fiscal impact of proposed changes was requested, with residents advocating for earlier involvement in decision-making to co-produce solutions rather than being presented with options late in the process. Suggestions included exploring the potential to regulate landlords and improve monitoring of temporary accommodation to reduce associated costs.

Co-Production and Community Engagement

A recurring theme was the need for greater resident involvement in shaping council decisions. Many expressed frustrations at being consulted late in the process and called for genuine co-production from the outset, particularly in transformation projects. Ideas included involving residents in recruitment panels for social workers, increasing communication between council departments, and offering detailed breakdowns of spending on proposed changes, such as asset sales or festival costs. Community feedback sessions were praised but residents emphasised the need for follow-ups and continuity.

Service Delivery and Accessibility

Residents stressed the importance of maintaining services that address social and digital inequalities, such as employment training for disabled individuals and access to digital resources in libraries. Concerns were raised about over-reliance on automation, as many residents lack the skills or resources to navigate smart technologies. Suggestions for improving service delivery included shorter response times, direct communication with social workers, and reducing staff turnover to ensure continuity in support. Better integration with health services and earlier intervention in both children's and adult social care were also highlighted as essential for effective service delivery.

Case Study: Health and Education providers

Based on the survey responses, 20 healthcare providers strongly emphasised the importance of early intervention and preventative services. The feedback highlighted significant concerns about Newham's health outcomes compared to similar areas, particularly around infant feeding, low birth weight babies and childhood obesity rates. Healthcare professionals stressed how vital the infant feeding team is in providing crucial

early support to new parents, with one respondent noting the life-changing impact of their work in helping parents bond with their babies and establish healthy feeding patterns that influence long-term health outcomes.

Five education providers' responses centred on the essential role of Children's Centres in early years development and family support. Respondents emphasised how these centres provide vital early identification of educational needs, particularly for children with additional needs, and support vulnerable families who might otherwise struggle to access services. They highlighted the preventative value of early intervention, noting that supporting families from the outset reduces the need for more intensive and costly interventions later. Several constructive suggestions were made for improving efficiency whilst maintaining services, including generating additional income through evening and weekend lettings, implementing flexible working practices, and sharing office spaces with other services. There was also a call for better consultation with centre staff on proposals affecting service delivery.

The responses from both sectors consistently highlighted the interconnected nature of health and education services in supporting Newham's families, particularly in areas of high deprivation. The feedback emphasised how reducing early years services could have far-reaching consequences for both health outcomes and educational attainment, potentially increasing pressure on other services in the longer term. Both groups stressed the importance of maintaining investment in preventative services to support the borough's most vulnerable residents.

The Council's response to resident and stakeholder feedback

In line with resident feedback, the Mayor and Cabinet have decided to protect core universal services that residents rely on and are essential to the Building a Fairer Newham.

Several proposals that were initially put forward have been changed or withdrawn, in light of resident feedback. The includes:

- **Refuse collection.** Refuse collection will remain weekly, rather than moving to fortnightly.
- **Street Cleaning.** Street cleaning levels will remain at current levels – the proposal to reduce street cleaning by 20% has been withdrawn. The Administration felt that such cuts would be counter-productive, undoing recent good work in improving cleanliness of the borough.
- **Parks service.** The Park services budget will not be reduced as proposed. Parks will be maintained at current standards for the enjoyment of all residents.
- **Youth Empowerment Service** (including Youth Zones). Further savings were offered from discretionary services such as the Youth Services, up to £2.2million.

However, this was not accepted due to the political values and priorities of this administration to make Newham the best place for young people to grow up and reach their potential.

- **Children's Centres.** Options to extensively cut back the Children's Centre budget, worth another £0.45m, were rejected in light of strong resident feedback against the closure of centre's. Consequently, Children's centre's will receive some protection. However, some limited redesign and consolidation of children's services will be needed due to their unsustainable financial situation, which residents and stakeholders will be consulted on.
- **Enrichment budget.** the initial proposal to remove the enrichment budget for children and young people entirely has been rejected. Instead, a 25% reduction in budget has been put forward, ensuring children from low-income families will still have access enrichment opportunities. However, officers will revise and streamline the approach to existing enrichment, heritage and cultural programmes (including the Cultural Passport).

Demographic Breakdown

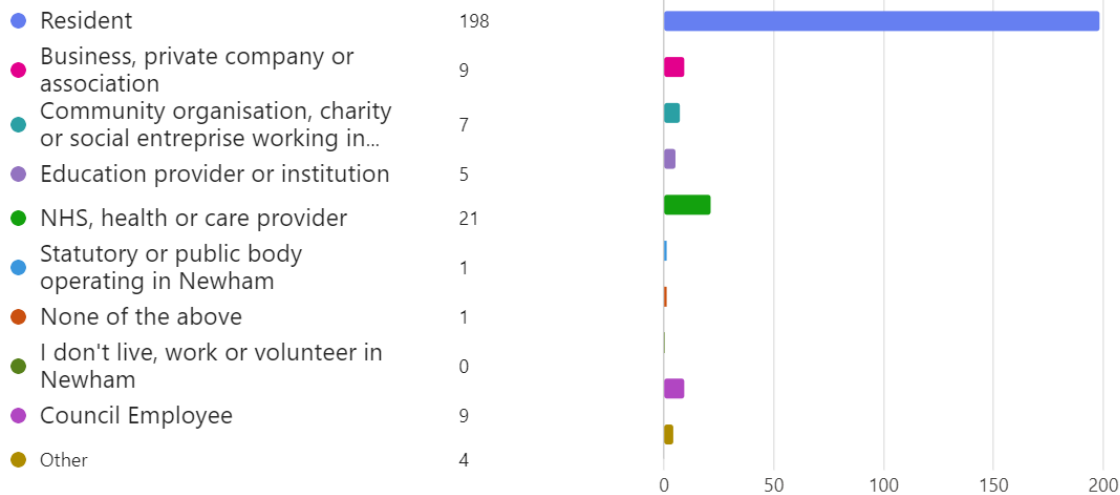
A range of key stakeholders have been engaged throughout the budget setting process, including via 8 in-person and online budget engagement sessions, attended by a total of 251 people.

Specific engagement sessions were held for businesses, voluntary, community sector representatives and young people, as well as for residents. (See Table 1). In addition, 238 people submitted responses to the budget engagement survey. The breakdown by different stakeholders is displayed in Table 2.

Table 1. 2025/26 Budget Engagement sessions

Participant numbers			
Date	Session	Venue	No. of participants
07 October 2024	Residents	online	100
23 October 2024	Residents	Stratford Town Hall	46
24 October 2024	VCFS in-person	Newham Dockside	18
30 October 2024	Residents	East Ham Town Hall	23
11 November 2024	Businesses	online	15
13 November 2024	Residents	online	25
18 November 2024	Co-production	Canning Town Library	16
26 November 2024	Young People	In person	8

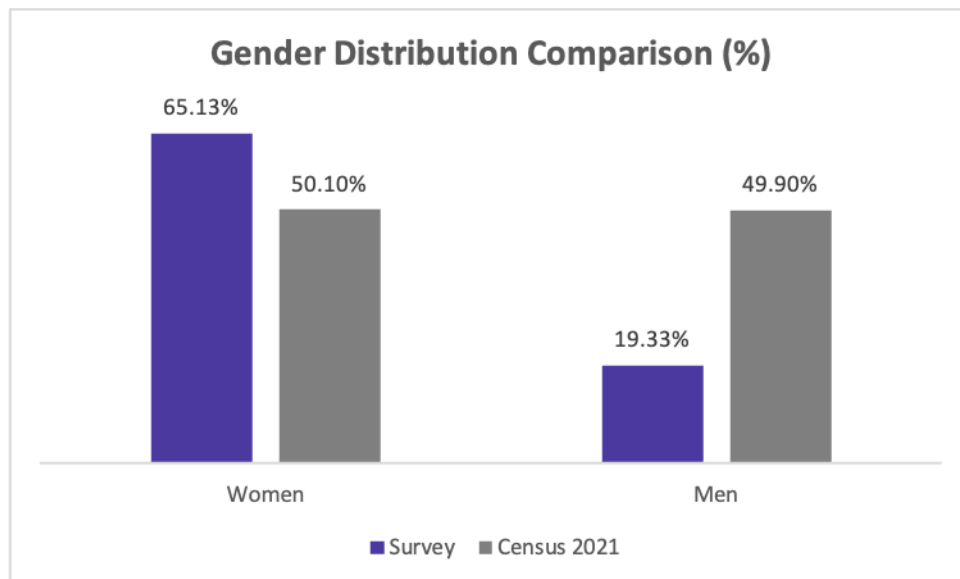
Table 2. Budget Engagement Survey (Stakeholder breakdown)



The demographic profile of survey respondents showed some notable variations when compared to Newham's overall population demographics from the 2021 Census, which should be considered when interpreting the survey findings.

Gender Representation

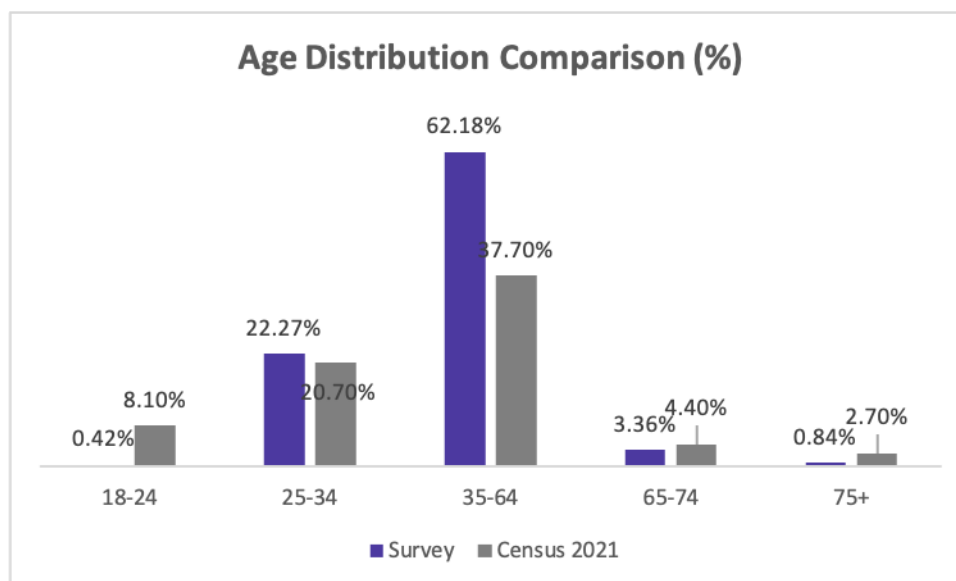
Women were significantly overrepresented among survey respondents, comprising 65.13% of respondents compared to 50.1% of Newham's population. Men were correspondingly underrepresented at 19.33% of respondents versus 49.9% of the population. A small proportion of respondents (0.42%) identified as non-binary and 7.14% preferred not to say.



Age Distribution

The age profile of respondents showed significant variations from the borough's population:

- Young adults (18-24) were substantially underrepresented, making up just 0.42% of respondents compared to 8.1% of Newham's population
- The 25-34 age group was slightly overrepresented at 22.27% of respondents versus 20.7% in the census
- Middle-aged adults (35-64) were significantly overrepresented at 62.18% of respondents, compared to 37.67% of the population
- Older adults were underrepresented:
 - Ages 65-74: 3.36% of respondents vs 4.4% of population
 - Ages 75+: 0.84% of respondents vs 2.7% of population



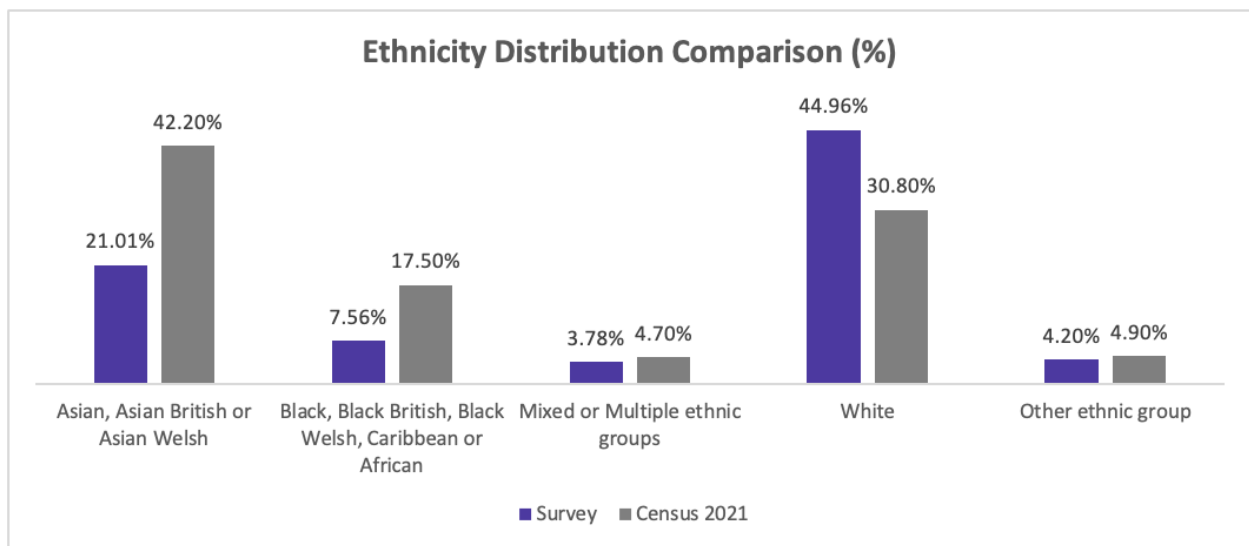
Ethnic Background

The ethnic composition of survey respondents showed significant variations from Newham's 2021 Census data:

- Asian, Asian British or Asian Welsh groups were substantially underrepresented, comprising 21.01% of survey respondents compared to 42.20% of Newham's population in the census
- Black, Black British, Black Welsh, Caribbean or African groups were also notably underrepresented at 7.56% of respondents versus 17.50% in the census

- Mixed or Multiple ethnic groups were slightly underrepresented at 3.78% compared to 4.70% in the census
- White backgrounds were significantly overrepresented at 44.96% of respondents compared to 30.80% in the census
- Other ethnic groups were broadly similar in representation at 4.20% of respondents versus 4.90% in the census

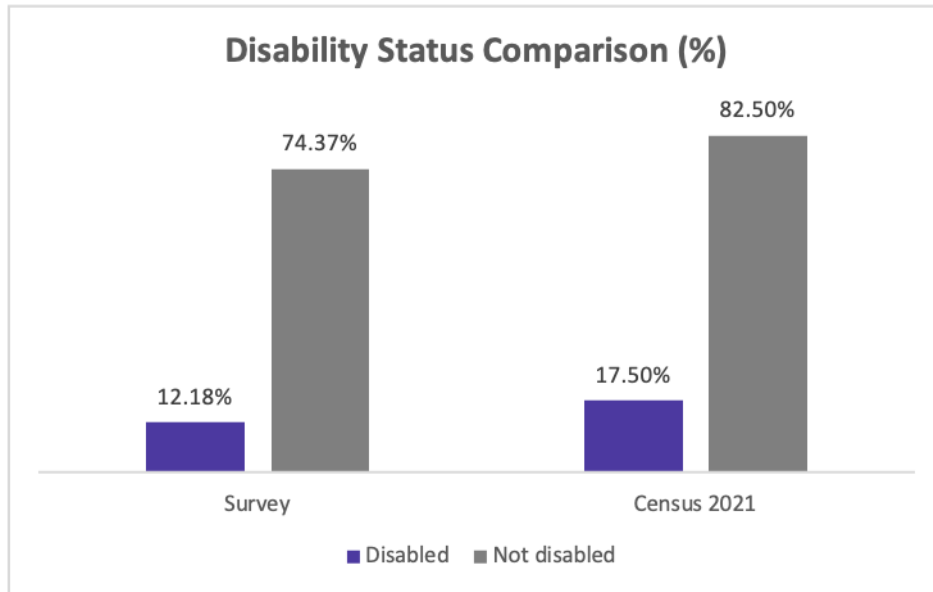
These variations indicate that the survey responses may overrepresent views from White communities while underrepresenting perspectives from Asian and Black communities in particular. This should be taken into account when interpreting the survey findings and their representativeness of Newham's diverse population.



Disability and Health Conditions

The survey showed some variation in disability representation:

- 12.18% of respondents reported having a physical or mental health condition or illness, compared to 17.5% in the census
- 74.37% reported no conditions (compared to 82.5% in census reporting no limitation)



Implications for survey Interpretation

The survey respondent profile showed several significant variations from Newham's population demographics that should be considered when interpreting findings:

Key Disparities

- Strong overrepresentation of middle-aged adults (35-64) at 62.18% vs 37.70% in census
- Notable gender imbalance with women overrepresented (65.13% vs 50.10%) and men underrepresented (19.33% vs 49.90%)
- Significant ethnic disparities with White residents overrepresented (44.96% vs 30.80%) while Asian (21.01% vs 42.20%) and Black (7.56% vs 17.50%) communities underrepresented
- Lower representation of disabled residents (12.18% vs 17.50%)

HRA Business Plan Summary

1. Introduction

The Council has set out commitments to improve the quality of its social housing through investment in existing stock and building quality new homes. This appendix provides additional detail on our Housing Revenue Account, including tables of revenue and capital income and expenditure.

The report presents an overview of our Housing Revenue Account (HRA) Business Plan, which sets out the model for social housing operated by the Council over the next five years.

The 30-Year HRA Business Plan was presented to Cabinet in October 2024 and this report reflects the changes between then and the 2025/26 Budget Setting report. This includes the changes in CPI and RPI assumptions (September values are released in late October).

The updated 5-year horizon tables for both revenue and capital are set out further below which also demonstrates the changes between the two reports.

2. Background

The Housing Revenue Account (HRA) reflects the Council's obligation to account separately for authority-owned social housing. The HRA records income (rents, leaseholder charges, etc.) and expenditure, which includes day-to-day management and maintenance, as well as major works, stock improvement and building new social homes.

The HRA Business Plan model reflects the impact of the economic change experienced over the last year. The Business Plan also reflects our forward plans for existing stock and provision of new social housing, including an allocation of capital monies to contribute towards our ambitious regeneration schemes in Custom House, Canning Town and the Carpenters estate. As we continue to assess the delivery models for the regeneration schemes, the HRA Business Plan will continue to be updated in line with and to inform these plans.

All decisions to invest HRA capital monies, including authority to proceed with the purchase of new homes or to enter contracts for housebuilding, are subject to separate Cabinet scrutiny and approval.

3. Assumptions

The Business Plan is a working document that evolves to reflect changing assumptions and to model future options. It is underpinned by a set of assumptions, which have been updated to reflect the significant change to the economy we have witnessed over the last year.

HRA Business Plan Assumptions	2023/24	2024/25	2025/26
CPI (previous Sept)	10.1%	6.7%	1.7%
RPI (previous Sept)	10.0%	6.1%	2.7%
Rent Increase	7%	7.7%	2.7%
Service Charges	7%	CPI	RPI
Borrowing Rate	5%	5%	4.40%
Interest on Balances	0.8%	5%	4.40%

Voids	3.5%	3.5%	3.0%
Bad Debts	3.3%	3.7%	3.0%
Pay Inflation	5%	5.5%	3.5%
Repairs and Maintenance	RPI	RPI	RPI
Gas & Electricity	RPI	10%	5%
Building Insurance	RPI	10%	5%
Minimum HRA Balance	£20m	£10m	£10m

Inflation assumptions have been updated to reflect a CPI figure of 1.7% for 2025/26, and 2% for 2026/27 onwards. RPI figures are 2.7% for 2025/26, and 3% thereafter.

Rental inflation assumptions have been updated against these figures, taking into account the Government's rent policy of CPI+1%, the rent increase proposed for 2025/26 is 2.7%, as outlined in the main body of the budget report. The Business Plan assumes CPI+1% increase for 2024-25 and for 5 years after, following announcement of the Government's policy intentions.

Our assumptions include an RPI increase to Major works costs, as supply chain costs are market-driven. We are committed to delivering our significant programmes of investment to improve quality and safety of our homes.

The increase in the base rate of inflation has been reflected in our updated assumptions for borrowing costs 4.40% for 2025/26, 4.30% for 2026/27 and 3% for 2027/28 and 2028/29 and 2.5% thereafter. For interest on balances, where we have assumed 4.40% for 2025/26, 4.3% for 2026/27, 4.30% for both for 2027/28 and 2028/29, and 2.5% thereafter.

The inflationary impact on staff costs has been assumed at 3.5% and repairs at 2.7% (RPI), for 2025/26, to reflect the efficiency savings being put into place, as outlined in the budget report. These include delivering operational efficiencies, and reducing expenditure as set out below:

Savings and Growth

The Business Plan includes delivering operational efficiencies, additional income and reducing expenditure, however there are also a number of growth proposals that are required in order to carry out the functions required. These are set out below:

Proposal	Category	£m
3% Repairs & Maintenance Savings	Service Efficiencies	0.7m
3% Support and Management Savings	Service Efficiencies	0.7m
Total Savings		1.4m
HRA Building/Fire Safety Requirements	External Pressures	1.3
HRA Council Tax Void Regen Properties	Price Increases	0.9
HRA Regulatory Investment	Regulatory	1.0
HRA Bridge Road Depot Expenditure	Demand Pressure	0.4
HRA Communal Energy	Price Increases	0.7
RA Emergency Accommodation	External Pressures	0.3

Total Growth	4.6
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Income & Expenditure

The following table sets out the income and expenditure requirements over the next five years:

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£m	£m	£m	£m	£m	£m
Income						
Net dwelling rents income	111.0	117.0	120.8	126.7	132.9	608.5
Service Charge Income	8.1	8.7	9.3	10.0	10.6	46.8
Leaseholder Income	10.0	10.0	10.0	10.0	10.0	50.0
PFI Grant	7.3	7.3	7.3	7.3	7.3	36.6
Other Income	7.1	7.2	7.3	7.4	7.5	36.6
Interest on Balances	1.7	1.6	1.3	1.4	1.6	7.6
Total Income	145.3	151.9	156.1	162.8	169.9	786.1
Expenditure						
Repairs	21.1	21.6	21.6	22.5	23.8	110.5
Housing Management	28.6	27.6	25.8	26.7	28.0	136.7
Other Services	14.6	15.1	15.5	16.0	16.5	77.7
Provision for Bad Debts	3.5	3.6	3.7	3.8	3.8	18.4
Rent, rates, insurance and Council tax	7.1	6.6	6.8	3.7	3.8	28.1
PFI expenditure	21.6	22.2	22.9	23.6	24.3	114.5
Capital Financing Costs	23.3	29.7	35.1	35.9	34.9	158.9
Depreciation	23.0	24.4	25.0	26.0	27.5	125.8
Total Expenditure	143.8	150.7	156.4	158.1	162.5	770.6
Net (Surplus)/Deficit	(2.5)	(1.2)	0.3	(4.7)	(7.4)	(15.5)
<i>October 2024 Cabinet Report</i>	<i>(2.3)</i>	<i>1.8</i>	<i>4.8</i>	<i>1.6</i>	<i>(0.2)</i>	<i>5.7</i>
Variance	(0.2)	(3.0)	(4.5)	(6.3)	(6.7)	(21.2)

The table is inclusive of the revised budget position for the current year to reflect the in-year changes made to the budget.

A significant proportion of this budget reflects the borrowing costs associated with the capital programme with a peak requirement in 2028/29. This is driven by both the estimated profile of capital expenditure and the interest rates that are applied. For example, 2028/29 has a £95.5m Capital programme with a 4.3% borrowing rate, and 2029/30 is £52m at a 3% borrowing rate, which explains the fall in revenue.

The table above demonstrates that there is a balanced budget in 2025/26, which includes a contribution back to reserves. From 2026/27, there are potential reductions for a couple of years and for the purposes of this plan will be offset from reserves. However, this will form part of the actions for the Business Plan that is to be presented to cabinet in May 2025.

Capital Programme

The following table sets out the Capital Programme investment and funding requirements over the next five years.

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£m	£m	£m	£m	£m	£m
CAPITAL EXPENDITURE						
Planned Major Works & Improvements	59.4	57.9	29.7	25.2	26.4	198.6
Works to promote decarbonisation	5.6	1.6	1.1	1.1	6.9	16.3
Development Schemes	170.5	161.3	152.8	69.2	18.8	572.5
Total Expenditure	235.5	220.8	183.5	95.5	52.0	787.4
FINANCING						
External Borrowing	121.6	160.4	110.5	0	5.9	398.4
RTB Receipts	3.0	3.1	3.2	3.3	9.0	21.6
Retained Receipts	31.7	17.8	43.2	22.0	9.3	123.9
Other Capital Receipts	0	0	0	29.5	0	29.5
Grant and other contributions	56.6	15.4	1.7	14.4	0	88.1
Major Repairs Reserve	22.7	24.1	25.0	26.3	27.8	125.8
Total Financing	235.5	220.8	183.5	95.5	52.0	787.4
<i>October 2024 Cabinet Report</i>	<i>236.1</i>	<i>221.3</i>	<i>163.8</i>	<i>95.7</i>	<i>52.3</i>	<i>769.2</i>
Variance	(0.6)	(0.5)	19.7	(0.2)	(0.3)	18.1

Key risks

There are risks associated with any longer-term planning some of which are driven by factors that cannot be controlled. These risks should be monitored and action taken to reduce wherever possible.

Inflation – The recent business plan included a review of assumptions and has focused on the impact of inflation, but if inflation rates remain higher than forecast, actions would need to be taken to mitigate including reductions in the future capital investment in new homes and prioritising building safety and quality of existing homes.

The current Business Plan includes significant provision for investment in our existing homes, however we are carrying out a stock condition survey, the outcomes of this work may have an impact on the major works figures in the Business Plan, which may require re-profiling or increasing. While the Council has high aspirations to deliver new affordable homes, we take our responsibilities as a landlord with utmost importance and recognise the need for sustained investment in existing homes as a first principle.

RTB disposals - Loss of rental income due to a decrease in the number of housing stock through RTB disposals. The government has recently announced a number of changes to the

Right to Buy scheme, including reduction of the maximum discount available from £136,000 to £16,000. The timing of the changes has created a sharp spike of demand from tenants to exercise their Right to Buy before the discount is reduced, but the changes will reduce the loss of properties through RTB in the longer term. The government is currently consulting on a range of other measures relating to the RTB scheme.

Efficiencies – As set out in the 5-year revenue position above, there is a small deficit shown in 2027/28 meaning that further savings will be required going forward. However, due to the financial pressure within the HRA, this level of savings may be difficult to achieve. We continue to monitor expenditure, forecast future investment needs, and review operational delivery options to provide an efficient service.

Voids – we are bringing back into use properties that have been held empty for regeneration. On an interim basis pending future regeneration, we will use properties to provide temporary accommodation housing, reducing the cost of keeping properties empty (security, council tax) and generating rents on these homes.

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The London Borough of Newham

Overview and Scrutiny Committee

12 February 2025

Budget Scrutiny Commission: Budget Scrutiny Report (2025)

FINAL

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Chair's Foreword

The Overview and Scrutiny Committee via its Budget Scrutiny Commission has to satisfy itself and report to the Executive and Council whether it believes that the £496m General Fund budget, efficiency savings (£32.2m), service growth (£128m) and delivery plans (as identified in the 2025/26 Draft Budget Proposals) are realistic in meeting the priorities identified in the Building a Fairer Newham Corporate Plan. Further, it is the Overview and Scrutiny Committee's responsibility to ascertain what actions have been taken to identify and address over-spending, especially in areas such as temporary accommodation, adult social care and children's services, where overspend is recurrent and whether realistic strategies are in place.

Last year, Newham Council had larger than expected in-year overspend and depleted levels of reserves in a challenging financial context. The Budget Scrutiny Commission's recommendations, which were accepted, had an impact on the financial viability of Newham Council as well as having an impact on Newham lives, such as, for example, via its recommendations concerning increased modelling numbers for Temporary Accommodation, usage of 10 Victoria Street and Newham Sparks.

This year, Newham Council has been honest about the challenges over the Medium Term Financial Strategy period. Despite the depleted levels of unallocated usable reserves, the Council continues to overspend. In-year for instance, the 2024/25 budget is reporting a £45.5m budget gap. The £31m temporary accommodation overspend has largely contributed to this gap. However, there are other factors such as social care, undelivered efficiency savings and failure to secure the £16m Exceptional Financial Support from central government.

We cannot build our way out of our Temporary Accommodation crisis and, perhaps the time has come for Newham Council to pause and review whether we can afford capital expenditure at our current levels. We can ill-afford to be burdening our revenue budget with interest payments as we are currently doing. The Royal Victoria Dock Bridge, which was called in, is an example of this, with annual financing costs estimated to be over £990k per year over the fifty-year term. As things are, projects like this are not affordable or sustainable, greater grip on the capital programme is essential, and we have to grasp this fact.

In light of the £45.5m in-year budget gap and only £59.2m of capital financing reserves, the Council has had permission for an increase of 8.99% in its Council Tax rates whilst an application for Exceptional Financial Support for £16m for 2024/25 and £51.2m for 2025/26 (£67.2m total) from central government is still pending. The forecasted budget gap for next year is £84m, however, even with council tax increases and the identified savings, this will leave a forecasted deficit of £46.9m. These are indications of the Council's continued, severe financial pressures and a possible Section 114 notice over the MTFS period. As committed local politicians with democratic mandate, we are all too aware that a S114 notice will result in government-appointed commissioners taking financial control away from the Mayor and elected Members, resulting in harsher decisions that are less likely to reflect local priorities and nuances.

Given this, next year's financial outlook is teetering towards the issue of a S114 notice. The Council's General Reserves balance, excluding £40m in usable earmarked reserves, is expected to be at £14m by the end of March 2025. This is £11m below the 5% net

revenue budget, a benchmark of £25m that the Council has set as the optimum level to maintain.

Our capacity to navigate continuing, increasing financial pressures is much reduced: our usable earmarked reserves have depleted by 62% since 2022. Hard decisions, made harder in the current context, should have been made easier had we acted earlier in some cases. Unless the Council is able to resolve the budget gap and overspends, it is likely that the current capital financing reserves of £59.2m will be heavily depleted to a mere £13m in-year. If this were to happen and without Exceptional Financial Support from central government, we foresee that the Council's Section 151 Officer will be forced to issue a S114 notice, adding Newham's name to the litany of other authorities, like Birmingham, Croydon, Slough, Thurrock and Woking.

As other local authorities before us have discovered, the timing of the decision on Exceptional Financial Support is only likely to be received very late in our budget process – too late for this report. Even if the Council manages to secure the EFS funding, each application is only intended to provide a one-year stop-gap and it will not be a sustainable solution to Newham Council's challenges: as a Council, Members and Officers must find ways to manage service demand and delivery of quality of services within strict, diminishing funding envelopes.

Owing to tight timescales, we had three thematic Commission evidence-gathering meetings with the Mayor, Cabinet Members, Directors and other officers in which to ask questions and probe proposals focused on council services. As the report indicates, in the limited time available, we were disappointed to find in many cases a lack of agility to effectively address the Council's financial landscape in the shadow of S114. Additionally, there were less than satisfactory opportunities to review and re-focus political priorities.

In terms of the evidence presented to the Commission in support of efficiency proposals, there was a lack of consistency and depth of information to adequately assess the quality of the modelling of growth bids. In many instances, the Commission was only able to acknowledge savings plans and the principles underlying them, without being able to assess their assumptions. The Commission further found some of the information received to be inconsistent and sometimes contradictory – in common with savings plans.

My colleagues and I remain concerned. I am concerned that savings projections are sometimes over-ambitious, overly optimistic and risk repeating the systemic issues. Intelligence used by service areas to inform savings targets is not always reasonable and balanced. I believe that a lack of financial controls at the service delivery front lines and cultural issues are deep-rooted, thus having a persistent influence. In respect of savings, the in-year data for November/ December (P8) 2024 supports my conclusion that Council is persistently failing to meet its savings targets. Period 8 data is suggesting that only £26.8m (or 84%) of the £32m in-year savings are expected to be sustainably delivered by year end. Newham Council will likely need to rely on its reserves to meet any shortfalls, thus adding more pressure on the already depleted reserves and increasing the £72m MTFs budget gap projected for 2027/28. Next year's budget contains a savings requirement of £32.2m and £80m over the three-year MTFs from General Fund, against a moving average of 20% non-delivery. This will only exacerbate the Borough's financial crisis.

A significant driver of budgetary pressure in our Borough is Temporary Accommodation. London councils are spending £4m per day on Temporary Accommodation and Newham

Council is the worst of these, with 7,000 households in Temporary Accommodation, a Temporary Accommodation budget gap for 2025/26 of £52.4m and cost pressures to 2028 forecasted to be £106m. Over the years, new Temporary Accommodation cases per month have risen year on year above the Council projections, resulting in under-estimation of the budget, thus leading to an inevitable in-year overspend against the agreed budget. There is an urgent need for improved analysis in respect of new monthly cases.

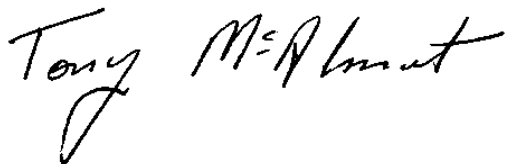
Should Newham Council fail to secure the EFS, what happens? The Commission was not provided with details of a plan B beyond one-off asset sales: interim measures for chronic problems. After review of the Draft Budget Proposals, the Commission has concluded that areas of grave concern remain. Vast increases in borrowing. Inadequate detail on budgetary impact and the implications for Newham. Insufficient levels of Council reserves. Implications for financial resilience, sustainability and viability. Expenditure on statutory duties, such as Temporary Accommodation, Adult Social Care and Children's Services.

Newham Council has to assure its ability to continue delivering essential services, planning for any shocks to come. We therefore recommend in our report that the administration take further steps to identify and reduce discretionary spend immediately. To further enhance financial oversight, the Commission recommends other measures, including income-generation and increased restraint, such as Full Council approval for discretionary spend.

Without the detailed and comprehensive scrutiny that a draft budget warrants, the Commission feels unable to give full assurance that the budget proposals, efficiency savings, service growth and delivery plans are realistic or can align adequately with the Building a Fairer Newham Corporate Plan priorities.

As lead scrutiny member, I am acutely aware of my responsibility to the residents of this Borough. How can we deliver more with less? Whilst there are some instances for celebration in the Executive's Draft Budget Proposals, our role is to challenge, which may lead our report to seem negatively critical. This challenge is the natural consequence of the role of budget scrutiny, to ensure that decision-making is robust, so our attention will necessarily be drawn towards pressure points.

As with last year, the Budget Scrutiny Commission has been aided in its work by an independent advisor. The Commission should like to thank Stuart Brown from Price Waterhouse Coopers for his expert assistance. My thanks also go to all my Commission colleagues and scrutiny officers, as well as those Executive Members and Council Officers who fully participated in and contributed to our evidence-gathering sessions with honesty and transparency, as we attempt to collaboratively serve our Newham residents.



Councillor Anthony McAlmont
Chair of the Overview and Scrutiny Committee
Chair of the Budget Scrutiny Commission

Executive Summary

This is a qualified report, as the work of the Budget Scrutiny Commission was restricted in its ability to perform its role by having insufficient time and limited access to information. Discussions about Exceptional Financial Support (EFS) and Section 114 notices featured in the Commission's sessions and formulation of recommendations this year. Both act as signals of severe financial distress in any local council. Increasing reliance on EFS across multiple councils underscores systemic weaknesses in local government finance and inherited underfunding; these raise concerns about long-term financial sustainability. This is true for Newham Council. The Budget Scrutiny Commission remains concerned that the £50 million EFS request is only a temporary fix. Members also considered progress on the implementation of last year's recommendations and the recommendations of the LGA Corporate Peer Challenge review.

The Commission saw a necessity for correction for organisational optimism bias, unduly optimistic projections that have not been delivered. We also saw longer-term solutions in collaborative partnership working with the third sector, and a necessity for changed mindsets at the local level, both within the organisation and beyond, as we bring our residents with us on this difficult journey. Within Newham Council, realistic attitudes are needed towards our discretionary spending, project overspend, under-delivery on savings, and high borrowing levels, whilst warning that, without fundamental financial reforms at central government level, the problem will persist beyond the current fiscal year.

The findings and corresponding recommendations of the Budget Scrutiny Commission for 2025/26 contained here must therefore be qualified due to factors outside of the Budget Scrutiny Commission Members' control. The conclusions of this report are also limited to the extent that the information on which these conclusions are based was incomplete, inaccurate and bore inconsistencies throughout. Budget Scrutiny Commission Members were also constrained by a tight timeframe within which to perform their scrutiny of the Draft Budget Proposals (from 24 December 2024 to 3 February 2025: 24 working days) and the documentation required or requested to inform the scrutiny process was incomplete or in some cases not provided.

Where last year, the 2024/25 budget reported a £47m budget gap to be closed through an ambitious savings programme and one-off measures including asset disposals, one-off funding and reductions in contingency budgets and a reported £15.9m forecast overspend on its General Fund Revenue Budget as at Quarter 3 for 2023/24, this year Newham Council's financial outlook is starker. The Council's General Fund Reserves

balance (excluding earmarked reserves) is below the 5% net revenue budget benchmark that the Council has set as the optimum level to maintain.¹

The Budget Scrutiny Commission highlighted the serious risk of a Section 114 notice, if financial stability is not achieved and noted reluctance from the Mayor and Cabinet to consider further reductions in discretionary expenditure. To enhance financial oversight, the Commission recommends various measures, including income-generation and increased restraint, such as key officer reporting measures for discretionary expenditures exceeding £50,000 to increase financial mindfulness and probity.

The Budget Scrutiny Commission also calls for a strategic shift in Newham Council's budgeting approach, advocating for a long-term financial strategy that aligns with broader policy goals such as early intervention, prevention and stronger partnerships. It suggests that Newham Council transition from a direct service provider to an enabler, working collaboratively with partners to improve efficiency. Additionally, the Commission highlights the need for enhanced governance, transparency in budget documentation, and meaningful stakeholder engagement to ensure robust financial planning and sustainable service delivery for Newham residents.

Aside from financial outlook, even starker financial choices for Newham Council this year occur in a wider context of the role of local government and how it is funded. As we know, chronic underfunding of local authorities since 2010 has pushed them into entrepreneurial spaces and has also resulted in excessive borrowing and a litany of cautionary tales, which included Barnet, Birmingham, Croydon, Hampshire, Havering, Nottingham, Spelthorne, Surrey Heath, Thurrock and Woking. But there is no cause for complacency in our Council. The balancing of the Budget this year relies on the request for Exceptional Financial Support, the use of sale of assets and delivery of savings. This trifecta gives cause for concern, reliant as it is on uncertain or still unknown variables, including the use of one-off capital receipts to meet ongoing financial pressures and central government aid, some of which will not be made certain until after the budget setting Full Council. These are not sustainable ways to finance local authorities, which touch every aspect of the lives of residents.

Tables of Recommendations

A table of strategic recommendations is included here for ease of reference. A table stating recommendations concerning individual savings proposals is also included. Please see section 5 for narrative relating to the recommendations and Appendix 4 for underlying documentation.

¹Given how local circumstances vary, CIPFA considers that local authorities should determine the level of their reserves, based on the advice of their S151 Officer.

Rec. Number	It is recommended that the Mayor and Cabinet:
1	<p>a) focus on savings delivery throughout the year and continue to provide monthly Budget Monitoring Reports (management accounts) for in-year scrutiny of the accounts to continue.</p> <p>b) share Budget Monitoring Reports (management accounts), business plans and performance reviews of subsidiary companies owned by Newham Council on a quarterly basis with the Overview and Scrutiny Committee, as per the 2023/24 audit recommendations and the LGA Corporate Peer Challenge review.</p>
2	<p>a) identify and make further substantial savings in discretionary spending, to ensure the financial viability of Newham Council. To assist, where information and date has been provided, the Budget Scrutiny Commission has provided suggestions against individual proposals (Appendix 4). These include:</p> <ul style="list-style-type: none"> i) bring forward Libraries Review by a year - B15; ii) further reduce the level of spend on Events, Culture and Heritage – B5; and iii) further reduce spend on Heritage, Archive and Local Studies or replace with grant funding – B6. <p>b) ensure clear identification of discretionary and non-discretionary expenditure and ensure that all expenditure over £50k is declared at a key officer meeting, to be published.</p>
3	<p>a) devise a mission statement for Newham Council, sharing its intent to become an enabler and facilitator (as opposed to a provider) of place, as an underlying principle of budget setting and to be presented to the Overview and Scrutiny Committee by June 2025.</p> <p>b) adopt a position statement on its shared understanding of early intervention and prevention, and consider how this is measured and documented as part of the performance review framework and to be presented to the Overview and Scrutiny Committee by June 2025.</p>
4	Provide bi-annual reports to the Overview and Scrutiny Committee on blockages and delays in delivery of strategic priorities.
5	Develop an improvement framework for the development of budget proposals' savings and growth pro forma documentation in 2025/2026 and beyond by June 2025.

6	<p>Strengthen future budget consultation processes, including development of savings proposals, by June 2025, by:</p> <ul style="list-style-type: none"> a) developing a comprehensive stakeholder engagement strategy; b) establishing formal consultation protocols with public sector partners; c) integrating existing community forums, particularly People Powered Places, into the budget consultation process; and d) creating structured engagement opportunities with the development sector.
7	<ul style="list-style-type: none"> a) develop a comprehensive third sector engagement strategy generally as a council, to reset our relationship with this sector; b) review the cumulative impact of proposed savings on voluntary and community organisations; c) establish clear protocols for managing relationships with the sector; and d) create a structured approach to partnership development and sustainability setting. <p>To achieve this by June 2025.</p>
8	<p>Address concerns of optimism bias, including, for example, in assumptions used as the basis for savings proposals or revenue prediction.</p> <p>Re-examine all savings proposals for achievability of savings, with regard to the average 20% slippage rate and set more ambitious savings targets. The LB Newham scrutiny commissions, in turn, will incorporate optimism bias assessment as a standing item in their budget review processes. This systematic approach will help ensure more realistic planning and risk assessment in future budget cycles.</p> <p>Revise modelling, using 60 presentations as the basis for the Temporary Accommodation model.</p> <p>Accelerate the development of an Asset Management Strategy, including a comprehensive list of assets. To be presented to the Overview and Scrutiny Committee by June 2025.</p>

9	<p>Explore new sources of revenue, including:</p> <ul style="list-style-type: none">a) the potential for income generation through a tourist levy (short term) and lobby as a council for primary legislation for a tourist tax in the longer term; andb) business sponsorship to enable the reversal of A14 – the provision of street decorations and lights, as part of a wider repurposing of Community Wealth Building team to source funding and set up BIDS within the borough.
10	<p>Ensure equity of burden and outcomes of the Budget Proposals. Examples of this include:</p> <ul style="list-style-type: none">a) a reversal of the savings proposal concerning Our Newham Money - B20;b) a reversal of the savings proposal concerning the removal of the Pest Control Subsidy - A12;c) a reversal of the savings proposal reducing the Council Tax Reduction Scheme – B4; andd) a freeze on Members' Allowances and withdrawal of all Deputy Cabinet Members. In view of Newham Council's serious financial circumstances this year, such a recommendation seems appropriate and necessary.

TABLE OF RECOMMENDATIONS (SAVINGS PROPOSALS)

Rec.	It is recommended that the Mayor and Cabinet:
Reverse	<p>Cease Active Centre Activity (A6)</p> <p>Reduction of Pest Control Subsidy (A12) – there is an unintended consequence of inequity of burden.</p> <p>End the provision of celebration lights and street decorations (A14) – this is currently being met through contingency, but this could be subsidised by sponsorship and is important to residents.</p> <p>Reverse the saving proposal B3, concerning the proposed reductions in Council Tax Support and suggest additional resources to improve Council Tax Collection Rates.</p> <p>Review the Our Newham Money Service (B20) – the proposal should be withdrawn. The service is an essential feature of supporting residents at this critical time.</p> <p>Review People Powered Places (B22) – this is significant discretionary spend and the Commission recommends a cessation of spending for any new rounds of People Powered Places in 2025/2026. In addition to NCIL funds, we were advised by the Cabinet Member that this is also subsidised by Newham Council. This is an uneven programme, the implementation processes of which need to be reviewed and which does not provide universal quality of impact across the Borough.</p> <p>Evolution of Youth Empowerment Service (C6/BCS16) - with immediate effect and for 2025/2026</p>
Make new savings	<p>Reduction of seven (7) Deputy Cabinet Members</p> <p>Freeze of Members’ allowances</p>

<p>Bring forward</p>	<p>Reduction of staff for Newham Council's volunteering service (A13) - originally scheduled for 2026/27, this can be brought forward to 2025/26 and the viability of an in-house service re-examined.</p> <p>Relocation of HQ and disposal of other operational assets (B2) – given the ability of the organisation to work at pace during the pandemic, this can be brought forward.</p> <p>Review of Library service (B15) – this can be brought forward to the first six months of 2025/2026 and the savings proposals can be brought forward.</p> <p>Removal of subsidy for Dockside Diner (A28) - we recommend bringing forward from 2026/2027 to increase savings this year.</p> <p>Savings proposal NCIL and S106 (C7) – this has been raised by the Budget Scrutiny Members in previous years and we believe that there are significant savings to be found from a repurpose of the way in which such monies are used. We understand that this is subject to formal consultation and discussions with developers, but we believe that the process could be expedited.</p> <p>Reduce the Events, Culture and Heritage Budgets (B5) to identify further savings.</p> <p>Review Heritage Funding (B6) - for future years to identify further savings.</p>
<p>Pause and Review</p>	<p>Increase in community centre income (A7) – this places a disproportionate burden on the VCFS and need to be understood in the wider context of the development of a new covenant between Newham Council and the VCFS.</p> <p>Reduce Community Grant Allocations (A26)</p> <p>Pausing saving proposal Review of Children's Sector Thresholds (A32) - to allow cross-referencing with potential cuts to the Children's Sector and reconfiguration of assessment teams and thresholds, pending outcomes from the government's Child Poverty Strategy and Taskforce.</p> <p>Review of Voluntary Sector Estates (B1)</p>

	<p>Cease funding for the VCFS Infrastructure and Capacity Building (B21) – although this is not until 2027/28, it takes typically a year for a VCFS partner to secure funding. We recommend pausing the cut and reviewing this as part of the broader work in developing a new covenant between Newham Council and the VCFS.</p>
<p>Notes of caution</p>	<p>Combine Adult and Children commissioning function (A19) – we would suggest that there is a need to carefully explore the long term risks of losing specialist knowledge and understanding. Further work in this area is required on the long-term implications.</p> <p>Embedding Newham Circles of Support (combining assessment and safeguarding interventions) (A20) – we would recommend again (as in A19) addressing the risk posed by the loss of specialist expertise and knowledge.</p> <p>Asset Sales and Income Generation (A8 and B2) - we note the contradiction in seeking to sell assets and generate income from them simultaneously. The Commission was not provided with sufficient information to address this clear paradox.</p> <p>Review Specialist Offer of Interventions to Adolescents (A31) monitor for risk.</p> <p>BSMI Service Offer Reduction (staffing) (A41) – we note the potential for risk to directorates.</p> <p>Re-design and reconfigure Children’s Centre provision in the borough to achieve scaleable reductions (B13) - the review needs to proceed, being mindful of impact.</p>

1 Introduction

Local government plays a crucial role for our society, providing many of the basic public services, influencing our residents' daily lives, and also enhancing them, as an important investor in infrastructure. Yet, alarmingly, since 2010 investment in (and therefore by) local government dropped substantially as a result of austerity measures, which resulted in lower central government grants to local authorities. The national landscape in 2025 remains one of local authorities continuing to navigate chronic constraints and financial failures. As concluded in our Report last year, failings in local government finance are explained in less binary, less simple ways than as being symptomatic of councils decimated by reduced funding from central government over the last decade or councils that were poorly managed.² Confidence in the sustainability of council finances is low, within the sector and beyond. In such a landscape, scrutiny is essential to ensure robust decision-making in continuingly challenging times for all local authorities, and constructive scrutiny of a local authority budget is crucial towards ensuring its financial viability.

Scrutiny has a specific statutory role to challenge groupthink, optimism bias and undue focus on the potential deliverability of savings and the achievable benefits of transformation, projects and investments, at the expense of proper weighting of the accompanying risks. LB Newham's budget is placed under the scrutiny lens annually as part of the nexus of accountability, assurance and compliance, to deliver good services and Value for Money (VfM) for our residents. As last year, Newham Council's primary vehicle for doing this is the Budget Scrutiny Commission. This sits alongside the work of its Audit Committee and that of the Overview and Scrutiny Commission, which monitors budget performance throughout the year.

The wider context is of course the London Borough of Newham and our residents. A tale of two cities in one borough, Newham thrives as a culturally rich and diverse borough, but it continues to confront significant challenges related to poverty, housing, and the equitable distribution of the benefits from regeneration efforts. Over 350,000 residents co-exist in vibrant communities, both long-established and recent arrivals, and speak over 102 languages. We are also home to the Thames Barrier, City Hall and the 2012 Olympics legacy, which has brought over a billion pounds in investment into the Queen Elizabeth Olympic Park area as the East Bank cultural hub, housing internationally known corporate entities like Sadler's Wells, BBC studios, V&A

² According to the Institute for Government, local authority spending power fell by 17% between 2009/10 and 2019/20, and in 2021/22 it was still 10.2% below 2009/10 levels. Institute for Government, "Explainer: Local government funding in England – How local government is funded in England and how it has changed since 2010" (10 March 2020; updated 21 July 2023). Available at: [Local government funding in England | Institute for Government](#). [Accessed on 19 September 2023]. See also Ogden, Kate, Phillips, David, and Sion, Cian, "What's Happened and What's Next For Councils?", The Institute for Fiscal Studies (7 October 2021) at pp. 299 and 311.

Museum, University College London, and the London College of Fashion.³ But housing is a daily issue for our human residents, of whom close to 7,000 households exist in Temporary Accommodation and 38,614 wait on our social housing list, whilst 70,000 work in low-paying jobs. As one of the youngest and most diverse populations in the country, 44% of our children are growing up in poverty, but we are also an ageing outer London borough, with levels of deprivation and regeneration more typical of an inner London authority. All these contradictory facets contribute to the uniqueness of Newham. Yet we resemble all other local authorities in having to bear ever steeper challenges and rising costs of our strict statutory duties to provide adult social care, children's services, school transport, and homeless provision and accommodation, whatever the wider financial position. Alongside financial and policy decision-making, these four statutory duties are drivers and determinants of LB Newham's financial capabilities, with some 65% of our expenditure going towards Adult Social Care and Children's Services. Despite these significant financial pressures, Newham Council's Draft Budget Proposals for 2025/2026 attempt to maintain our collective dedication towards investing in, protecting and enhancing services for all our residents.

³ See Morrison, R. (2024). "What is our 2012 Olympic legacy? Swanky cultural palaces and a housing crisis", *The Times* (8 August 2024) for a discussion of the cost to the public purse, currently estimated at £675 million in costs to London taxpayers and several hundred million pounds coming from other public funding sources. Available at: [Online] [What is our 2012 Olympic legacy? Swanky cultural palaces and a housing crisis](#). [Accessed on 15 August 2024]. The Olympic legacy and its impact on city housing has also proved controversial in Paris: Ostlere, L., (2024). "The side of the Paris Olympics they don't want you to see", *The Independent*, (10 August 2024). Available at: [Online]: [The side of the Paris Olympics they don't want you to see](#). [Accessed on 15 August 2024]. For a discussion of the contradiction between the discourse of sport mega-events guardians for supporting the United Nations Sustainable Goals (SDG) and impact on housing in host cities of such event, see Rocha, C. R. and Xiao, Z. (2022). "Sport Mega-Events and Displacement of Host Community Residents: A Systematic Review", *Front. Sports Act. Living* (7 January 2022). *Sec. Sports Management, Marketing, and Economics*, Volume 3 – 2021. Available at [Online]: <https://doi.org/10.3389/fspor.2021.805567>. [Accessed on 15 August 2024].

2 Methodology

The Budget Scrutiny Commission (BSC) was established on 4 June 2024 by the Overview and Scrutiny Committee (OSC) to consider the Mayor's Draft Budget Proposals for 2025-2026 and any budgetary matters referred to it, and to report and make recommendations through the OSC to the Mayor, Cabinet and Full Council. At this OSC meeting on 4 June 2024, the terms of reference for the Budget Scrutiny Commission included:

- i) monitoring and reviewing the Council's budget situation and development of budget proposals throughout the year;
- ii) considering the Executive's initial budget proposals for 2025-2026;
- iii) considering any budgetary matters as referred to it by the Overview and Scrutiny Committee from time to time; and
- iv) making any reports and recommendations through the Overview and Scrutiny Committee to the Mayor and Cabinet, and to Full Council.

However, OSC Members subsequently reflected that, since the publication of Newham Council's Budget, the in-year position for 2023/24 had worsened, necessitating further use of an already depleted reserve. Additionally, OSC Members had noted that permission to use capital receipts to fund revenue had not yet been granted, which meant that with the additional overspend and without the ability to use capital receipts, the in-year position for 2024/25 had increased from the reported £24.9 million to somewhere in the region of £40 million.

The Overview and Scrutiny Committee Members also reflected that financial reporting and member oversight of our varied financial processes were conducted by various committees with diverse memberships and on different timescales. The OSC Members therefore believed that an additional body should provide oversight during this unusually challenging year, where closer member oversight and scrutiny were essential, including receipt of regular reports to monitor savings, financial controls, capital and borrowing strategies, progress against financial elements of the Local Government Association (LGA) Corporate Peer Challenge review action plan,⁴ service reorganisation, and the budget-setting process over the coming year.

This mechanism was intended to support and not replace the existing financial reporting structures to the Overview and Scrutiny Committee, Audit Committee and Full Council. It was envisaged as providing an additional level of member oversight that consolidated multiple areas of financial management, allowing for comprehensive

⁴ For more information on the LGA Corporate Peer Challenge, see the Newham Council website. Available at: [Online] [LGA Corporate Peer Challenge](#). [Accessed on 24 December 2024].

monitoring by one member-led group. Considering that an adapted approach was required, the OSC Members decided in July 2024 to commence its budget scrutiny earlier this year, in line with recommendations by the Budget Scrutiny Commission 2023/2024. On 6 August 2024, the Overview and Scrutiny Committee decided to establish an informal working party, which planned to hold monthly meetings to examine in-year budget performance, risks and challenges. This resulted in the establishment of an informal working party, the Budget Scrutiny In-Year Working Party (BSIYWP or the Working Party), to be composed of seven members.⁵ Four informal sessions were held between August and December, supported and attended by Newham Council's scrutiny, directorate and finance officers. BSIYWP Members explored lessons learnt from other local authorities and the Newham context by receiving reports such as the Budget Monitoring Reports, updates on overspend in particular directorates, briefings on areas of local government finance and progress briefings about implementation of the recommendations of the Budget Scrutiny Commission 2023/2024.

This year, the Budget Scrutiny Commission's Members were clear throughout on adopting strategic approaches to scrutiny of LB Newham's budget. This included flexibility around the compressed budget scrutiny timetable, in part due to portfolio holder availability and release to BSC Members of LB Newham's Draft Budget Proposals on 24 December 2024.⁶

In January 2025, the Commission held three evidence-gathering sessions, organised thematically by portfolios to reflect Cabinet, relating to People, Place and Resources, for the LB Newham Draft Budget Proposals of 2025-2026. This complemented the role of the OSC in monitoring budget performance throughout the year and had been supplemented by the work of the informal task and finish group, the Budget Scrutiny In-Year Working Party. On 23 December 2024, LB Newham's Draft Budget Proposals for 2025/26 were published, ahead of Cabinet on 9 January 2025, and at this point provided to the BSC Members. Responding rapidly, the Commission conducted a deliberations session to establish Key Lines of Enquiry on 7 January 2025. The Commission based its Key Lines of Enquiry on the Full Council Budget Papers for 29 February 2024, the Summer Finance Review Report for 6 August 2024, the October Finance Review Report for 15 October 2024, and Draft Budget Proposals (2025/2026) included in the Cabinet papers for 9 January 2025.⁷

Further evidence-gathering meetings to scrutinise the Mayor's Draft Budget Proposals occurred between 14 January and 23 January 2025, ahead of LB Newham's Full

⁵ The membership was to be seven members, drawn from the Labour majority group (six) and the Newham Independents (one). Membership for the period described was as follows: Cllrs Lester Hudson (Chair), Rita Chadha (Deputy Chair), Susan Masters, Anthony McAlmont, Terence Paul, Lakmini Shah and one vacancy (no nomination).

⁶ The Draft Budget Proposals were published at 21:00 on 23 December 2024 as part of the documentation for a meeting of the LB Newham Cabinet on 9 January 2025. Cabinet, Meeting (9 January 2025). Available at: [Online] <https://mgov.newham.gov.uk/mgAi.aspx?ID=86968#mgDocuments>. [Accessed on 24 December 2024].

⁷ Full Council, 29 February 2024, Summer Finance Review Report – 6 August 2024; October Finance Review Report – 15 October 2024; and Cabinet papers - 9 January 2025.

Council meeting scheduled for 27 February 2025. This thematic ordering, adopted from last year's Budget Scrutiny Commission, was reflected in the organisation of the BSC's work as follows:

- 14 January 2025: PEOPLE: Adult Social Care and Health, Children's Services and Education, Youth Empowerment and Resident Engagement;
- 21 January 2025: PLACE: Strategic Housing Delivery, Environment and Sustainable Transport, and Community Safety and Crime; and
- 23 January 2025: RESOURCES: Finance and Resources, Digital, Performance and Transformation.

The Commission met in a closed session on 30 January 2025 to deliberate and reflect on evidence received. This also enabled the BSC Members to formulate thinking and shape some draft recommendations. This phase of the Budget Scrutiny Commission's work was then completed with a meeting held in public for BSC Members to consider and approve their draft recommendations. These draft recommendations, though subject to refinement and consolidation, were then informally shared with the Executive. This was consistent with the BSC Members' preferred approach of collaborative and constructive sharing of information, and with Budget Scrutiny Commission practice last year.

Following consolidation and further agreement by the BSC Members, the draft recommendations and contextual report were submitted to the Overview and Scrutiny Committee for approval on [10 February 2025], ahead of submission to Cabinet for its meeting on [18 February 2025] and Full Council on [27 February 2025].

3 Budget 2024 – 2025: in-year budget position, performance and risks

As a precursor to the planned scrutiny of the Draft Budget Proposals 2023/24, the Budget Scrutiny Commission as a collective had reviewed in-year budget position, performance and risks in two sessions on 10 January and 15 January 2024. The Commission specifically considered two documents concerning the Council's overall financial position: the Part One and Part Two Reports, published for Cabinet meetings on 3 October and 9 November 2023 respectively.^{8 9}

This year, the Overview and Scrutiny Committee considered that more agility and more grip was required and so established an informal working party to examine in-year budget performance, risks and challenges.¹⁰ The Budget Scrutiny In-Year Working Party (BSIWP or the Working Party) held three informal sessions in Dockside between 28 August and 17 December 2024.¹¹ These informal sessions were supported and attended by Newham Council's directorate, finance and scrutiny officers. The Working Party Members explored lessons learnt from other local authorities and the Newham context in addition to receiving reports such as the Budget Monitoring Reports.

In August 2024, the Working Party met to discuss the Period 3 Budget Monitoring Report. Members discussed finances concerning Adult Social Care, Children's Services, the Housing Revenue Account (HRA), Temporary Accommodation and the General Fund, in addition to wider discussions about financial controls, central government funding of local government, mitigations, and efficiency savings. The Working Party Members raised queries and were also advised about the impact of the London Living Wage on council costs, progress on various consultations, wider budget

⁸ Presented to Cabinet on 3 October 2023 and received by the Overview and Scrutiny Committee, Meeting (12 October 2023). Available at: [Online] [Appendix C \(newham.gov.uk\)](#). [Accessed on 23 December 2024]. The report highlighted a forecast overspend position of £14.2m, an adverse movement of £6m from the reported Quarter 1 position in July 2023 and a forecast overspend at the Quarter 2 was £14.2 million against a total fund of £363 million. Significant issues contributing to this overspend included the local and national crises in temporary accommodation and increasing demands in social care.

⁹ Cabinet, Meeting (9 November 2023). Available at: [Online] [Agenda for Cabinet on Thursday 9th November 2023, 10.00 a.m. \(newham.gov.uk\)](#) [Accessed on 23 December 2024]. This report outlined various savings proposals and mitigations across all directorates and service areas for the fiscal year 2023/24 to arrive at a balanced budget. Following the Part One Report's forecast overspend position, the Executive and Corporate Management Team had conducted a review of service area spends, identifying mitigations as part of a recovery plan. As a result of these efforts, the Part Two Report forecast an estimated overspend of £7.3m against the General Fund of £363m.

¹⁰ This was in accordance with the LB Newham Constitution, Part 4 Rules of Procedure, 4.1 Council Procedure Rules at paragraphs 27.9-27.10. The current version of the LB Newham Constitution is dated 16 December 2024 and is available at: [Online] [LB Newham Constitution 16 December 2024](#). [Accessed on 23 December 2024]. Working parties are not subject to usual rights of access rules: rights of access to Working Party meetings and to information of such meetings is restricted for the public, but is available to members on a "need to know" basis.

¹¹ Two sessions were postponed, one due to an emergent briefing by the Mayor on 30 September 2024.

mitigations and savings conversations, higher Medium Term Financial Strategy targets, challenges for social care (such as integrating prevention, reablement and reducing market costs) and the numbers affected by the Cap on Care. The Working Party Members also discussed the Private Rented Sector, benchmarking, the placement policy changes, Temporary Accommodation, 10 Victoria Street, provision for Care Leavers and queried whether Newham Council is building housing that meets the needs of our cohort of young people, that meets predicted needs (such as for Care Leavers), and whether Newham Council had the right resources and strategies in place to achieve this. Members also heard about the preparatory work for budget setting, which was in progress for the October Cabinet meeting.

The session of 30 October 2024 fell coincidentally on the evening of Chancellor Rachel Reeves' first Autumn Budget, which focused on growth and announced several measures with impact on local authority finances. These included increased funding for local authority services, social care and investment in the planning system. The Reeves budget introduced an additional £1.3 billion in grant funding for local authority services, of which £600 million was allocated to social care and £233 million designated for homelessness prevention in the 2025-2026 fiscal year. An additional £46 million was allocated to support recruitment into local planning authorities and to digitise local government processes, aiming to streamline operations and improve efficiency. Whilst welcoming these funding increases, the Working Party Members also recognised that local authorities, including LB Newham, would continue to face significant financial challenges, noting that the Local Government Association (LGA) had warned of potential widespread local authority 'bankruptcies' without further support, and a cumulative £54 billion funding shortfall over this Parliament.

The Working Party was also interested to understand what made Newham Council an outlier, with a Temporary Accommodation crisis of deep historical roots, stemming from a combination of systemic issues and external factors. The Borough has long grappled with high levels of deprivation that have contributed to a persistent demand for housing assistance coupled with increased private rented sector evictions and a reduction in council housing stock, partly due to policies like the 'Right to Buy' scheme, resulting in the shortage of affordable homes.

As Members heard, in recent years, the situation has reached a critical point. As of 2024, close to 7,000 households in Newham are residing in temporary accommodation, marking a 14% increase from the previous year.¹² This surge has placed immense financial strain on Newham Council, with projections indicating that, by 2027/28, one-third of its budget could be consumed by temporary accommodation

¹² Trust for London (2024). London's Poverty Profile. Available at: [Online] [Poverty and Inequality Data For Newham - Trust For London | Trust for London](#). [Accessed on 3 January 2025].

costs.¹³ The COVID-19 pandemic and the subsequent cost-of-living crisis have further intensified demand for housing support, leading to a significant overspend in Newham Council's budget allocated for Temporary Accommodation. External economic conditions have also played a significant role. Rising private rental costs, insecurity in the private rented sector and a lack of affordable housing options have left many of our residents with no choice but to seek assistance from Newham Council. Despite various initiatives and prevention strategies, the challenges persist, highlighting the need for comprehensive solutions that address both the immediate housing needs and the underlying causes of homelessness in the Borough.

However, the Working Party heard that there were risks associated with assumptions around ongoing major pressures on the Temporary Accommodation and the social care budgets. Increasing Temporary Accommodation pressures across London but with severe impact in LB Newham resulted in increased pressure on the LBN General Fund. The Working Party Members queried achievability and robustness of savings proposed, confidence levels, variances, approaches to the Equality duty and screening of the Equality Impact Assessments, and an update on the implementation of the recommendations of the Budget Scrutiny Commission Report 2024. Members also raised questions which spoke to risk, overspend, placement policies (both in Housing and in Adult Social Care), and the Housing Revenue Account Business Plan.

At its December meeting, the day before the announcement of the provisional Local Government Finance Settlement,¹⁴ the Budget Scrutiny In-Year Working Party received various reports and a verbal briefing on Exceptional Financial Support (EFS). Whilst central government's budget in October 2024 had offered positives for local government, the Working Party Members were aware that, according to the LGA, one in four councils in England had indicated that they are likely to have to apply for emergency government bailout agreements to stave off issuing Section 114 notices in the next two financial years (2025/26 and 2026/27). The briefing to BSIWYP Members provided insight into the financial challenges facing Newham Council and the complexities of navigating the government's evolving approach to local authority funding. Discussions also focused on the proposed reorganisation of local government in the English Devolution White Paper,¹⁵ the limitations of the government's one-year settlement for 2025-2026, which provides no certainty for subsequent years, and

¹³ Florence Eshalomi MP, speaking at an Institute for Government event, "Government 2025: IfG's annual conference", referred to London boroughs collectively spending £4m per day or £114m per month on Temporary Accommodation. Davies, N. (Host) 'How to fix local government' [Audio podcast], IfG Events, 25 January 2025. See Lees, M. (2025). Our grotty B&B bedroom costs taxpayers £2,383 a month'. *The Times* (19 January 2025) for a discussion of the human costs and the cost to the public purse of Temporary Accommodation. Available at: [Online] ['Our grotty B&B bedroom costs taxpayers £2,383 a month'](#). [Accessed on 19 January 2025].

¹⁴ Provisional Local Government Finance Settlement (18 December 2024). Available at: [Online] <https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2025-to-2026>. [Accessed on 19 December 2024]. The government announced £515m for local authorities in compensation of National Insurance Contributions and the introduction of a new Recovery Grant.

¹⁵ Ministry of Housing, Communities and Local Government (2024). English Devolution White Paper: Power and Partnership: Foundations for growth" (16 December 2024). This is the Labour government's recently announced re-imagining of the state at the place-based level and recognition that the inherited local government funding system was not sustainable. Available at: [Online] [English Devolution White Paper: Power and partnership: Foundations for growth - GOV.UK](#). [Accessed on 19 December 2024].

consequently how Newham Council's Medium Term Financial Strategy (MTFS), spanning 2025-2028, is only partially underpinned by confirmed funding, increasing financial risks and complicating long-term planning.

Members addressed budget reversals and funding allocations for specific projects and raised concerns about items such as the enrichment programme, being removed during subsequent budget adjustments and the status of the Newham Sparks project, which, despite being paused, still appeared to be funded through the Community Infrastructure Levy (CIL). Officers clarified that while the enrichment programme was reinstated for 2024-2025, there was no obligation to continue funding into 2025-2026. Discussion on allocation of CIL funds was revisited with specific reference to a 'data education programme' at East Ham Town Hall, presumed to be linked to Newham Sparks. An officer committed to investigating the matter further and providing clarity.

The discussion shifted to delays in the comprehensive review of CIL funding, with the Working Party Members emphasising the importance of a prioritisation list for CIL and Section 106 (S106) funds to support effective budget scrutiny. Members also highlighted the need for transparent opportunity-cost assessments of CIL funds, with planning representatives and the newly appointed CIL review officer were identified as key to providing further clarification in future sessions.

Noting the recommendations of the Budget Scrutiny Commission in February 2024, the Working Party Members noted improvements in this year's budget consultation process, including higher attendance and more balanced discussions of diverse issues compared to previous years. Members had requested an update on implementation of the 2024 recommendations.

The Working Party also discussed the current council tax system and the government permission needed annually to exceed the 4.99% council tax cap, potentially increasing rates by up to 10% for one year, which could raise additional resources. Members questioned why budget overspends frequently emerge in the first quarter of the financial year, suggesting that initial projections often underestimate known cost pressures and querying the role of optimism bias in this. Officers acknowledged this as a recurring issue and emphasised the need to improve forecasting and align budgets with anticipated demands. BSIWMP Members noted the urgent need for strategic, sustainable solutions to navigate a challenging fiscal environment.

The Working Party Members reviewed the October Budget Monitoring Report, which demonstrated a projected overspend of £46 million, consistent with earlier forecasts. Members considered Value for Money, Outcomes versus Zero-Based Budgeting, and key cost pressures (attributed to Temporary Accommodation demands and rising social care costs, particularly within the Adults and Health Directorate) as well as other detailed information included on the General Fund, Dedicated Schools Budget (DSB), Housing Revenue Account (HRA), and capital programme budget monitoring.

As is to be expected, many themes and lines of questioning which were explored during these closed Working Party sessions between August and December 2024 did recur in later Budget Scrutiny Commission sessions scrutinising the Draft Budget Proposals (2025/2026).

4 Draft Budget Proposals 2025-2026

The Budget Scrutiny Commission Members found that the financial information and documentation provided was inconsistent, which was challenging. Compared to publication last year of the Draft Budget Proposals (DBP) on 23 January 2024,¹⁶ publication of the DBP on 24 December 2024 was an improvement. The Budget Scrutiny Commission had suggested financial briefings and early access to financial information, and a mayoral briefing was offered to the four Scrutiny Commission chairs on [30 September 2024 and] 19 December 2024.

This led BSC Members to reflect on parity of esteem, which means that the scrutiny function of a council deserves the same respect, and has the same importance in the governance system, as decision-making, executive activities.¹⁷ For example, BSC Members were given access to the Draft Budget Proposals on their publication with access in effect on 23 January 2024. BSC Members reflected on how performance of their duties as scrutiny members engaged in scrutiny of LB Newham's budget relies on access to current financial information. Formulating their recommendations, BSC Members noted the importance of parity of esteem and statutory provisions concerning the enhanced rights of access to information of overview and scrutiny committee members, with particular reference to Regulation 17 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations (2012).¹⁸ Where information in the pro forma documentation was assessed as insufficient, BSC Members acknowledged the proposal, without formulating a recommendation.

¹⁶For the Mayor's Draft Budget Proposals 2024/2025, see the agenda for Cabinet on 30 January 2024. Available at: [Online] [Appendix C \(new ham.gov.uk\)](https://www.newham.gov.uk/appendix-c). [Accessed on 24 January 2025].

¹⁷ See Report of the Communities and Local Government Committee, (2017). "Local authority culture change needed to ensure effective scrutiny". Available at: [Online] <https://www.parliament.uk/external/committees/commons-select/communities-and-local-government-committee/news/2017/scrutiny-committee-report-17-19/>. [Accessed on 6 January 2025]. See comments by the Committee Chair, Clive Betts MP. For more information on executive and scrutiny arrangements, see Statutory guidance: Overview and scrutiny: statutory guidance for councils, combined authorities and combined county authorities, (2024). MHCLG/DLUHC (22 April 2024). This replaces the guidance issued in 2019. Available at: [Online] <https://www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-combined-authorities-and-combined-county-authorities/overview-and-scrutiny-statutory-guidance-for-councils-combined-authorities-and-combined-county-authorities#introduction-and-context>. [Accessed on 6 January 2025].

¹⁸ The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 UK Statutory Instruments 2012 No. 2089, PART 5, Regulation 17. Available at: [Online] <https://www.legislation.gov.uk/uksi/2012/2089/regulation/17/made>. [Accessed on 14 September 2024].

14 January 2025 – PEOPLE Evidence-Gathering Session¹⁹

Budget Consultation

The Commission was keen to know to what extent the Draft Budget Proposals had been consulted on with stakeholders, especially key external stakeholders for the Education, Children’s Services, Adult Social Care, Health, Youth Empowerment, People Powered Places and Resident Engagement directorates. BSC Members heard that key external stakeholders were aware of the Draft Budget Proposals, with overarching budget insights and analysis being produced from online meetings and surveys, in addition to in-person meetings. This analysis was then used to provide policy and strategy steer about what should be prioritised and protected, such as, for example, Children’s Centres and Libraries. Stakeholders who were consulted included voluntary sector stakeholders, the Parents and Carers Forum, and the Children’s Safeguarding Partnership. BSC Members were advised that the Integrated Care System (ICS) and East London Foundation Trust (ELFT) had not been formally consulted.

The Commission also wanted to understand demographics and churn within the borough, to establish which of those cohorts would still likely be in the borough in five or ten years’ time. Officers advised that data was indicating a drop-off in the proportion of younger people under 18, with similar trends for under-21s and under-25s and a steady increase in the number of residents of an older age, particularly in the over 60-65 age bracket, constituting a 5 to 10% shift in both of those groups over that period. Officers further advised that these were used as projections to inform the capital programme, including housing needs, for the borough. BSC Members queried whether this would see a re-focus onto residents who are ageing (as a growth cohort) and officers advised that this was likely in the mid-term.

Resident Experience

The Commission queried the timing of the Libraries Review, and People Powered Places. Concerning information drawn from the Draft Budget Proposals consultation and its analysis, officers advised that this had provided useful inputs for considerations around how savings could be implemented. BSC Members referred to Table 2,²⁰ commenting that participatory democracy (such as People Powered Places) had notably placed at the bottom of the hierarchy, lending itself to a conclusion that People

¹⁹ This session was chaired by Cllr Susan Masters, Chair of the Health and Adult Social Care Scrutiny Commission.

²⁰ See the Draft Budget Proposals published as part of the documentation for a meeting of the LB Newham Cabinet on 9 January 2025: Table 2 can be found at page 315. During resident engagement sessions, residents were asked about prioritisation of services, given the challenging financial situation of Newham Council. Likewise, survey respondents were asked to rank ten services in order of importance to them. Of survey respondents, 48% of respondents ranked Children and Young People’s Services as their number one priority out, whereas 37% of respondents ranked participatory democracy initiatives 10th, in last place. Cabinet, Meeting (9 January 2025). Available at: [Online] <https://mgov.newham.gov.uk/mgAi.aspx?ID=86968#mgDocuments>. [Accessed on 24 December 2024].

Powered Places might be a savings candidate. The Mayor disagreed, affirming her support for the programme.

Concerning the Libraries Review, the Commission heard that the public review would be starting in spring 2026 and the outcomes actioned in 2027. Officers advised BSC Members about the difference between a review and a consultation, noting that the Department of Culture, Media and Sport (DCMS) had formal expectations about what constituted a library consultation. The LB Newham Libraries review would encompass nine different areas of libraries in spring 2026. The Commission queried whether there was already a vision of Newham Council's Libraries, what needs assessment would be conducted and how the review aligned with the budget process, with respect to the announced impact of the budget. Officers advised an indicative figure of savings up to £1.6 million and other outcomes such as information on colocation and potential income generation.

Children's Services

BSC Members were aware of the increasing demand for and year-on-year rising expenditure on placements for children and young people in LB Newham, costing between £10,000 and £25,000 per week, which echoes the national picture of demand, need and cost. However, officers were able to report finding efficiencies and ways of working which had enabled a reduction of three placements, generating savings for Newham Council whilst maintaining high standards of care for our children and young people. This included significant progress in cost-saving initiatives within Children's Services, particularly in reducing high-cost placements and agency spending, achieved through weekly oversight meetings which contributed to these savings, ensuring that financial decisions prioritise both efficiency and child welfare.

The discussion also covered potential outsourcing of 0-19 services to the NHS, with initial planning underway and implementation expected to take up to 18 months. Meanwhile, BSC Members also heard that Newham Council is preparing to cut £600,000 from the Youth Empowerment Service budget by April 2025, acknowledging that this programme was always intended to conclude by 2027-2028. Despite these financial pressures, Youth Zones across Newham have seen strong engagement, though their ability to target at-risk youth remains under review.

Budget concerns were a key focus, particularly regarding the future of Children's Centres, SEND funding, falling school rolls and school deficits. Newham Council is assessing potential reductions of up to 75% in Children's Centres whilst considering how to maintain essential services for disadvantaged families. BSC Members recalled similar budget discussions last year, including the key role played by our Children's Centres in improving life outcomes for our children and young people, in a number of ways including ensuring school readiness.

The Commission discussed the decline in primary school enrolment, and exploration of voluntarily reducing school form entries, but financial sustainability remains a challenge. Members heard that Newham Council is closely monitoring schools in deficit, with eight currently receiving targeted support, though concerns were raised about some governing bodies' ability to manage budgets effectively. Additionally, SEND transitions and alternative education provisions require improvement to ensure vulnerable children receive appropriate support as they move into adulthood.

Discussions also addressed the future of Debden House, a historically significant site that has seen reduced use post-COVID. BSC members noted last year's Budget Scrutiny recommendations which had recommended the removal of this asset from Children's Services to the corporate centre. However, since it still appeared under Children's Services. BSC Members wanted to know what possibility there was for ring-fencing and reinvesting its sale proceeds into Children's Services. There was also a focus on the long-term sustainability of fostering and residential care, with plans to transition more children from residential placements to foster homes, generating cost savings while maintaining quality care. The Commission heard that Newham Council remains confident in achieving these goals but acknowledges ongoing challenges in balancing financial constraints with service quality.

Adult Social Care and Health

The Commission revisited the line of questioning around breadth and depth of consultation, noting that there was a suggestion of risk to budget plans if key conversations with senior people in external stakeholders like the East London Foundation Trust (ELFT) or the Metropolitan Police Service did not occur. BSC Members also referred to a heavy focus on resident consultations but were assured by the Chief Executive that budget conversations were being held at very high, strategic levels.

The Commission asked officers to share which proposals they were most concerned about and were advised that the biggest areas of risk involved inflation in the care market and diminishing returns on reviews. Members heard about the increasing demand for and expenditure on adult residential care, which echoes the national picture of demand and cost over longer periods of time. BSC Members heard that the service was dealing with a fragmented, privatised residential care market but that the service was committed to ensuring that more preventative work was undertaken, in accordance with central government directives on caring for and keeping more people at home. There was more upstream preventative work in progress to support reductions in numbers of care packages and Newham Council was on a journey of scaling up reablement for mental health, dementia, and learning difficulties next year.

BSC Members questioned officers about whether they had concerns about merging Adult Social Care and Children's Centres commissioning. Officers advised that savings would derive from the deletion of a post, with the responsibilities being

allocated temporarily to the directors in Children's Services or Adult Social Care. The Corporate Director of Children's Services, the Corporate Director of Adult Social Care and their services were working together to explore efficiencies and potential further service convergence with limited impact on residents.

The Commission considered the evidence received and formulated their People recommendations with a focus on balancing financial sustainability and maintaining essential community services. One major proposal is to cease Active Centre activity, which has been a key part of community engagement efforts. Members found that, whilst this move was expected to reduce operational costs, this raised concerns about the impact on vulnerable populations who rely on these programmes for social interaction, skill development, and well-being. The Commission advised further analysis to determine whether alternative community-led initiatives could fill this gap.

Another key recommendation of the Commission is to increase revenue from community centres by adjusting fees and improving service offerings. The projected savings are £10,000 in 2025/26, increasing to £50,000 by 2027/28. However, the Commission flagged that any charge increase should be carefully structured to avoid deterring participation, especially amongst low-income groups in the Borough. A proposal review is recommended to align with an inclusive community strategy as part of Newham Council's wider review and realignment of its relationship with the voluntary sector.

Beyond financial adjustments, the Commission also highlighted the need for a wider assessment of workforce efficiency in service delivery. This included ensuring that human resources are optimised without compromising service quality and a realistic data-driven workforce management plan to ensure long-term sustainability.

21 January 2025 – PLACE Evidence-Gathering Session

Culture / Heritage

BSC Members value the Borough's diversity, applauding any celebration of culture within LB Newham and initiatives to celebrate the culture of LB Newham. Discussions focused on culture, Value for Money and job creation, with Commission consensus being that, in financially straitened-circumstances, where there were decisions about maximising savings and efficiencies across the organisation, certain cultural expenditures by Newham Council cannot be justified at this time, when securing reserves or maintaining and improving core services are essential. However, the Commission considered that alternative, collaborative approaches are available, with BSC Members persuaded by Cabinet Member comments about encouraging and empowering communities to "own" cultural events. This led the Commission to recommend pursuit of savings combined with alternative approaches to this, including having Newham Council in more of a facilitator role, rather than a provider, with greater

collaboration across faith, voluntary and business communities to bring our residents together for key cultural, religious and heritage events.

CIL/S106

The Commission raised questions concerning CIL and the allocation of the average payment: officers advised that discussions were ongoing on how to accept the offer. In regard to CIL, the Commission heard that money is still to be apportioned as the CIL strategy under review, with consultation due in order to determine what the money can be spent on. The Commission heard that until the review was complete, CIL monies were still being used to support People Powered Places. BSC Members reflected on concerns around the detail concerning what expenditure would be stopped and where else the CIL or S106 funding would be used, noting large savings numbers attached to them

The Committee queried how proposed fee increase in planning applications would translate into benefits, improvement in the quality of service or a reduction in complaints. BSC Members heard that there would be Improvements in how larger applications are processed, enabling the team to deal with the growing demand for the services.

Our Newham Money, Our Newham Work and NEET

The Commission expressed concern over proposed closures relating to Our Newham Money and potential impacts on residents' mental (in addition to their financial) health. This led to a strong recommendation to maintain the service as essential to residents' mental and financial well-being. However, BSC Members queried performance information relating to Our Newham Work, which raised concerns about duplication of work done by other organisations, as well as the Value for Money of Community Wealth Building. BSC Members therefore recommended a repurposing of this team towards part of a wider repurposing of Community Wealth Building to source funding for community events (such as and set up BIDS within the borough.

The Commission queried the funding and targets of programmes aimed at re-engaging young people not in education, employment or training (NEET), usually via Department for Education financing for mentoring, career advice, work experience and support. Officers advised that, whilst over the last two to three years Newham Council had been short of targets, this year the target was close to being met. BSC Members subsequently received the December to February Annual NEET Scorecard (below), which provided information about number of young people not in education, employment and training under the Raising Participation Age (RPA) 2013.²¹

²¹ The Department for Education (DfE) takes a three-month average of the NEET and Unknown young people in a local authority from December to February and assigns a quintile position with Quintile 1 being within the 0-20% range (Lowest NEETS & Unknown) and Quintile 5 being within the 80-100% range (Highest NEETS & Unknowns). Using the DfE scorecard also allows local authorities and their partners to monitor their own performance and compare it other local authorities. Newham Council has moved from Quintile 3 to Quintile 2 in recent years, despite an increase in cohort size and a reduction in provision available for young people.

Year	Average Total Cohort Size (Yr 12&13)	NEET	Dec to Feb Quintile Position
2019/2020	8590	2.10%	3
2020/2021	8800	2.10%	3
2021/2022	8950	1.80%	2
2022/2023	9300	1.80%	2
2023/2024	9450	2.30%	2
2024/2025	9783	2.8%	TBD

Housing and Populo

The Commission had various lines of enquiry about Newham Council’s house building programmes, including local and national challenges which result in significant shortfall in affordable and social housing, planning, high construction costs and significant demand.²² BSC Members raised concerns about borrowing levels, Minimum Revenue Provision, interest, acquisitions, and the lack of information in the Draft Budget Proposals around revenue implications for that borrowing. The Commission concluded that the housing crisis, at local, regional and national levels, is not something that we can ‘build our way out of’ and we query whether Newham Council’s significant borrowing for capital expenditure can be considered prudent at this time.

BSC Members queried the total amount of affordable homes in the Borough provided by Populo, requesting for each of the Populo schemes, the average cost or price per affordable unit in the development, how many homes developed since March 2024, and whether there had a report on Populo’s effectiveness. BSC Members also wanted to understand whether there was potential to recover money or pause spend on Populo as opposed to our Affordable Housing Team. Officers provided a written response, which included the table below depicting the number of new homes delivered in LB Newham from 2019/20 until the end of March 2023. Populo had delivered 366 market units and 317 affordable units (split between Social Rent, London Affordable Rent and Affordable Rent), equating to around 28% of the homes provided across these tenure types. BSC Members noted that the table provided information until 2023; 75 units completed since March 2024, with work progressing on planning and design for circa 300 units at Pier Road and Cyprus.

	2019/20	2020/21	2021/22	2022/23
Market	1855	1233	1787	526
Social Rent	138	81	176	31

²² A shortage of local authority planning staff is cited as having potential to derail national housebuilding pledges, with two-thirds of councils relying on agency planning staff. See Wright, O. and Kendix, M. (2025). “Labour’s housebuilding pledge derailed by planning staff shortage”. The Times, 27 January 2025. Available at: [Online] <https://www.thetimes.com/uk/politics/article/labours-housebuilding-pledge-derailed-by-planning-staff-shortage-bts7wh9x5>. [Accessed on 27 January 2025]. Being able to build housing also relies on the construction and engineering sectors having sufficient (and sufficiently skilled) workers: a recent government review has warned of “unprecedented risk now emerging in relation to declining workforce size and skills misalignment”, in part due to reliance on EU migrant labour. See Topham, G. (2025). “Can we build it? No - because Britain may not have enough workers.” The Observer, 2 February 2025. Available at: [Online] [Can we build it? No – because Britain may not have enough workers | Construction industry | The Guardian](https://www.theguardian.com/construction/2025/feb/02/can-we-build-it-no-because-britain-may-not-have-enough-workers). [Accessed on 2 February 2025].

London Affordable Rent	12	7	81	2
Affordable Rent	266	189	97	0
Intermediate	325	245	241	5
London Shared Ownership	0	69	0	0
London Living Rent	0	28	0	0
Specialist housing bedspaces or units of an unknown tenure	4	56	23	32
Total	2600	1908	2405	596

Officers advised that the average cost per unit delivered did not differ between tenure types. Currently Populo are providing Development Management services to the Council and therefore not directly delivering schemes. This means that the Council has control over the funding of the schemes and none of these schemes will progress to the development stage unless they are viable and subject to Cabinet decisions. The Council could choose to pause this design and planning work at any stage, although it would delay the provision of new homes and potentially lead to abortive costs. The council could also choose to finalise the design work and sell the sites with planning permission (before construction) and through that aim to recover the cost spent on promoting the sites to date.

The Commission was concerned to be provided with no other alternative schemes (or opportunity costs for such schemes) to the Populo model. The BSC Members had noted that in the last two years, [Home Safe Housing](#) had brought a proposal to Newham Council for a scheme to develop homes for Newham Council; no details of the proposal, including how many homes, the cost to the Council, the duration of the scheme, the on-stream date and reasons why this proposed scheme was rejected, were provided. The Commission noted that this scheme was subsequently taken to [Capital Letters](#), a pan-London organisation with participation from the London Boroughs of Brent, Camden, Croydon, Enfield, Hackney, Harrow, Havering, Lewisham, Merton and Waltham Forest. Officers advised that Newham Council had acquired 293 units in the Borough over the last two years and that, at this current point in time, Home Safe Housing is not yet in a contract with Capital Letters as negotiation on the viability is still ongoing and that there were no examples of competition for the same pool of housing (which seemed surprising). Officers further advised that any risk of competition between Capital Letters and Newham Council for the same pool of housing could be mitigated by continued good relationships with a wide ranging set of agents to ensure in-borough opportunities are presented to the Council at the earliest opportunity, and by looking to acquire outside of the Borough, widening the pool of properties available. BSC Members remain concerned by the lack of clarity around numbers of units delivered by Populo, Newham Council's missed housing opportunities, and the Council's position outside a bloc which will be seeking to acquire properties within the Borough.

The Commission was keen to learn about plans or proposals for minimising the impact of Temporary Accommodation. Officers advised that the Council had acquired 369 General Fund units since November 2022 and 194 HRA units; a pipeline of over 800 acquisitions approved by Cabinet and currently undergoing due diligence; and 15 small sites which were being taken forward by Populo to develop 106 units.

BSC Members remembered last year's discussions about audits of Newham Council's tenants (to verify who is living in our properties) and queried the resourcing of Newham Council's Anti-Fraud team. Officers advise that the Counter Fraud Team investigates all fraud against Newham Council, both externally and internally, and so this team does only deal with Temporary Accommodation or with specific focus on Housing. Acknowledging that more scope for investigation provides more opportunity to discover relevant information, there are many variables involved in investigations. However, this year there had been a pilot to move into a 'Business as Usual' model establishing links between the Fraud Team and investigations of Temporary Accommodation.

Temporary Accommodation and Homelessness

The Commission was aware of the acute Temporary Accommodation and homelessness challenges in Britain, London and specifically within LB Newham, and the interplay between decreased central government funding and depleted social housing stock, a lack of affordable private housing, diminished state support, and a sharp rise in homelessness.²³ BSC Members discussed the strategy of acquiring homes to meet Temporary Accommodation needs, the overspend and whether purchasing properties was a viable strategy. The Commission noted favourably the service adjustments and efforts in preventive action and the Homelessness Programme which had led to six-fold improvements in outcomes.

BSC Members again considered optimism bias and remembered that last year Members had recommended that TA modelling be based on 50 presentations per month. Whilst acknowledging the work completed and progress made to ensure a tool that was more sensitive and better tuned to make realistic predictions, Member discussion reflected on last year's recommendation about modelling and focused on a recommendation this year to model for 60 presentations.

Hotel Tax

With an estimated 500-750 hotels in the Borough, the Commission considers that there is an opportunity for income generation that has not been considered: the introduction of a "transient visitor or tourism levy" or occupancy tax. This would generate income, and Newham Council with its proximity to Excel London, City Airport

²³ Britain has the highest rate of homelessness in the developed world, according to the Financial Times using data from the Organisation for Economic Co-operation and Development (OECD) and the National statistics agencies of England, Northern Ireland, Scotland and Wales. Burn-Murdock, J. (2024). "Why Britain is the world's worst on homelessness". The Financial Times, 17 May 2024. Available at: [Online] <https://www.ft.com/content/24117a03-37c2-424a-97ed-6a5292f9e92e>. [Accessed on 23 July 2024].

and central London could use this as a source of funding for infrastructure maintenance, conservation and environmental commitments, and, if a taxation route is pursued, as an offset for the costs of Temporary Accommodation. Other cities have implemented a tourist tax as a way to finance and elevate public services for residents, fuel growth, fund projects that will enhance tourism, and improve infrastructure. Amsterdam has the highest tourist tax in Europe, at 12.5%,²⁴ Paris uses a scale between €0.75 and €14.95 per night,²⁵ and Greece will implement increased tourist taxes dependent on low and high seasons, ranging between €2 and €8.

As a campaigning council, we can innovatively leverage our London location and align with other councils to lobby for the implementation of primary legislation needed to instigate such a tax.²⁶ Manchester and Liverpool have instituted a tourism levy, via BIDs, which operates as a legal workaround. In the first year of the tourism levy, Manchester has raised £2.8m.²⁷ Liverpool's BID levy, which covers the whole of the city, is payable in respect of accommodation properties with a rateable value of £45,000 or more. The levy is administered by Liverpool BID Company.²⁸ Edinburgh has announced that it will be introducing a "Visitor Levy", Scotland's first ever tourist tax, which will be applied to any trips booked after 1 October 2025 and taking place from 24 July 2026. The Visitor Levy will be added onto accommodation charges and will apply to anyone staying in paid overnight accommodation in the city. It will extend to all visitors, including UK and Scottish residents. This type of levy may be another approach to consider in the short term.

Environment and Sustainable Transport

The Commission Members discussed various issues in the Environment and Sustainable Transport directorate. Lines of questioning included roll out of a food waste pilot across the Borough (and potential savings), statutory obligations (especially in a context of climate change), whether it was prudent to rule out savings from reconfiguration of refuse collections and street cleansing, electric and diesel

²⁴ See Kryeziu, A. (2023). "Amsterdam tourist tax set to become Europe's highest in 2024 at 12.5%" Schengen News (29 September 2023) Available at: [Online] <https://schengen.news/amsterdam-tourist-tax-to-become-europes-highest-in-2024-at-12-5/>. [Accessed on 9 January 2025].

²⁵ See the website of the Directorate for Legal and Administrative Information (government of the French Republic), explaining tourist tax rates from 1 January 2025 (17 December 2024). Available at: [Online] [Taxation - Evolution in 2025 of the tourist tax in Île-de-France | Entreprendre.Service-Public.fr](https://www.iledefrance.fr/entreprendre/service-public/fr/taxation-evolution-in-2025-of-the-tourist-tax-in-ile-de-france). [Accessed on 10 January 2025]. See also Which? For a general guide to tourist taxes in various holiday destinations. Available at: [Online] [Tourist tax 2025: Spain, Greece, Portugal rules - Which? News](https://www.which.co.uk/news/2025/01/tourist-tax-2025-spain-greece-portugal-rules-which-news/). [Accessed on 10 January 2025].

²⁶ Sandford, M. (2024), House of Commons Library, 26 September 2024. "Tourist taxes in the UK". Available at: [Online] [Tourist taxes in the UK](https://www.parliament.uk/library/research-briefings/briefing/snippets/2024-09-26-tourist-taxes-in-the-uk/). [Accessed on 9 January 2025]. See also Amin Smith, N. et al (2019). Institute for Fiscal Studies, 21 March 2019. Available at: [Online] [Taking control: which taxes could be devolved to English local government? | Institute for Fiscal Studies](https://www.ifs.org.uk/publications/10106). [Accessed on 9 January 2025]. Centre for Cities (2022). "What could a tourism tax do for city budgets?" Available at: [Online] [What could a tourism tax do for city budgets? | Centre for Cities](https://www.centreforcities.org/insights/what-could-a-tourism-tax-do-for-city-budgets/). [Accessed on 9 January 2025].

²⁷ See BBC News (2024) 'Manchester's tourist tax raises £2.8m after first year', (7 April). Available at: [Online] [Manchester's 'tourist tax' raises £2.8m after first year - BBC News](https://www.bbc.com/news/uk-politics-68111111). [Accessed on 9 January 2025]. This is based on some 12,000 bed spaces.

²⁸ The Liverpool BID levy was set at 1.6% of a property's rateable value, due to rise to 4.5% in 2024/25 and 2025/26. It was expected to raise £939,000 per year in the latter two years. However, analysis in 2024 showed that the Liverpool Accommodation BID had generated £47m for the city. See McDonough, T. (2024) "Accommodation BID 'generates £47m for Liverpool'". Liverpool Business News, 29 May 2024. Available at: [Online] [Accommodation BID 'generates £47m for Liverpool' - Liverpool Business News](https://www.liverpoolbusinessnews.com/news/2024/05/29/accommodation-bid-generates-47m-for-liverpool/). [Accessed on 7 February 2025].

vehicle charging, consultation with stakeholders, alignment with policies, outsourcing, and the impact of our Active Travel spend.

The Commission asked questions about the diesel surcharge and emissions-based charging, particularly with the move from diesel to electric cars, and enquired if the proposal had been researched and benchmarked against other boroughs. Officers advised that schemes would have to be introduced to encourage the adoption of electric vehicles but that the impact of the diesel surcharge on residents would be negligible due to low numbers of diesel vehicles in the Borough. The Commission heard that there had been extensive benchmarking. However, the Commission observed that there was optimism bias around income levels. BSC Members considered that, as the proposed changes to parking charges took effect, and as behaviours changed around diesel or higher polluting vehicles, Newham Council's income levels would reduce, which was not reflected in the future MTFS years. The Commission also discussed the data and benchmarking used to support some of these proposals not being as transparent as they should be when conducting comparisons with other boroughs.

The Commission discussed increasing revenue from existing public assets whilst ensuring that essential services remain accessible. One of the key initiatives proposed is to generate additional income from digital advertising in public spaces, which is expected to bring in £150,000 in 2025/26. Although this approach could provide a sustainable revenue stream, it was felt that careful planning is required to avoid excessive commercialisation of public areas.

Another area of focus for the Commission's Place recommendations was consultation about and a review of park sports pitch fees. The proposed adjustments aim to ensure fair usage whilst generating an estimated £54,000 in 2026/27. The Commission recognises the value of green space for residents and acknowledged the potential benefits of this approach, but also emphasised the need for an Equalities Impact Assessment (EQIA) to ensure that increased costs do not disproportionately affect grassroots sports and youth activities in the Borough.

A more contentious proposal involved the reduction of subsidies for free pest control services. This measure could save £43,000, but concerns were raised about the unintended consequences, particularly for low-income households and vulnerable populations, which pay for this service twice, resulting in an inequitable outcome for our social housing tenants. The Commission discussed how these services and expertise could be marketed and sold beyond the Borough and also suggested that a tiered pricing model to balance cost recovery with social responsibility would ensure that those in need are not disproportionately affected, in line with the principles of Building a Fairer Newham.

Additionally, there were recommendations discussions around urban regeneration and infrastructure improvements to attract external investment and create long-term

economic benefits. The Commission found that strategic review of underutilised spaces to identify opportunities for better resource allocation and revenue generation was essential, given current financial realities, but that there needed to be clarity and transparency about the approaches.

23 January 2025 – RESOURCES Evidence-Gathering Session

Finance and Resources

BSC Members were disappointed by the inconsistencies and incompleteness of the overall pro forma documentation which had been submitted with the Draft Budget Proposals, stating how important accurate and current information is to the work of scrutiny. BSC Members observed that, whilst some selected Equality Impact Assessments had been published, there did not appear to be standardisation of the information; the narrative in the delivery risk, dependencies and mitigations section of the appendices was varied, with most containing light information; and that whilst all of the listed savings in Appendix B had been included in the Draft Budget Proposals, some stated that they were in development or not taken in the appendix. This resulted in BSC Members requesting further information concerning the above during the session or subsequently. In the compressed timetable within which the Commission was having to operate, the lack of information or finalised complete information was frustrating and an impediment to the BSC Members, particularly when trying to reach recommendations. The Commission therefore recommends the development of a framework for the pro forma documentation, to ensure greater consistency of information presented, clarity and transparency.

The Commission's discussions focused on the drivers behind the financial pressures on LB Newham which, having been chronic, are now acute. These included reduced central government funding to local authorities, which is determined annually via the Local Government Finance Settlement.²⁹ As for many local authorities, spending on Adult Social Care, Children's Services, SEND transport and Temporary Accommodation, combined with over a decade of insufficient central government funding, were significant. BSC Members recommended review before the final budget of the savings proposals and new approaches towards LB Newham's financial strategy and planning, including grip on discretionary spending, and financial programmes and project plans to oversee growth and savings.

Exceptional Financial Support

The Commission noted that the Draft Budget Proposals outlined that LB Newham would be making a request for Exceptional Financial Support. BSC Members were

²⁹ See footnote 14 supra. The provisional local government finance settlement for 2025/26 was announced on 18 December 2024 and confirmed on 3 February 2025. For more explanation of the Local Government Finance Settlement generally, see the House of Commons Library, "Research Briefing: Local Government Finance Settlement 2024/25" (5 February 2024). [Online] Available at: <https://researchbriefings.files.parliament.uk/documents/CBP-9956/CBP-9956.pdf>. [Accessed on 31 January 2025]. According to Kate Ogden and David Phillips of The Institute of Fiscal Studies, the real pain would come this year in 2024-25, as the costs facing councils are growing faster than whole-economy inflation. See IFS (19 December 2023). Available at: [Online] <https://ifs.org.uk/articles/2024-25-local-government-finance-settlement-real-pain-still-to-come>. [Accessed on 6 January 2025].

concerned that this presented unresolvable uncertainties, as the outcome would likely not be known until after the budget-setting Full Council on 27 February 2025, though Members noted that a provisional Full Council date has also been set for 4 March 2025. Further, in the event of an award of EFS, there was no guarantee of the amount that would be granted. BSC Members were keen for any award of EFS not to become a reason for the postponement of today's tough decisions, recommending that more discretionary spending should be within scope of savings. From learning from the experience of other authorities that have previously received EFS, including our geographic neighbour Havering, the Commission is of the opinion that however cautious or cushioned our bid for EFS, any headroom or leeway built into that bid will soon evaporate. BSC Members also noted learning from previous recipients of EFS that financing of interest payments starts to dominate a council's finances. The Exceptional Financial Support, like the proposed asset sales last year, is an interim fix to an ongoing problem. Whilst we are cognisant of the unsustainability of inherited local government funding models, this makes delivery on last year's savings crucial, such as those from the Mayor's Office,³⁰ and is not good cause for us to soften our approaches to savings on discretionary expenditure to be made decisively now.

As stated previously, when formulating recommendations, the Commission considered cautionary tales from other local authorities, including last year's 19 councils which sought the Exceptional Financial Support and authorities where their Section 151 Officers have issued Section 114 notices.

As last year, the BSC Members queried the characterisation of LB Newham as a young borough: evidence was presented that we are also an increasingly populous, ageing borough. Members considered that a shift in modelling for the savings proposals and focus for the organisation generally was needed to take this into consideration.

Council Tax Collection Rates

The Commission was concerned to discover that since 2018, Council Tax Collection Rates for Newham Council had dropped. BSC Members were further concerned that, in a time of increased hardship for our residents, an anticipated request for Council Tax increase, and when our council tax collection rates are low, the Executive was considering a saving to the Council Tax Reduction Support service. Again, this was felt to be in contradiction with the spirit of a Fairer Newham. Improved collection of council tax would allow us to continue to support our economically vulnerable residents.

³⁰ See LB Newham, Cabinet, Agenda Papers (15 October 2024), Agenda Item 8, Appendix C. 4.1, MTFS Tracker for Period 5. Available at: [Online] [4.1 App C - Annex 1 MTFS Savings Tracker 2024-25 Period 5.pdf](#). [Accessed on 20 December 2024].

Year	NEWHAM In-Year Col. Rate (%)	LDN Average In-Year Col. Rate (%)	NEWHAM Position (out of 33 Councils)
2017/18	96.13	96.70	23 rd
2018/19	96.20	96.74	22 nd
2019/20	95.90	96.53	20 th
2020/21	89.48	93.94	32 nd
2021/22	89.41	93.88	32 nd
2022/23	90.27	94.88	32 nd
2023/24	89.40	94.95	32 nd
AVERAGE	92.40	95.37	28th

BSC Members found that there may be optimism bias around Newham Council’s ability to collect council tax and increase revenue, with increased council tax rates being sought (up to 10%) at a time when our residents are struggling financially. This would also be in a context of changes to Council Tax Reduction and Support. This finding was based on recent past performance. The Commission also reflected on the amount of revenue not collected combined with the optics of lowered collection rates whilst seeking permission to increase council tax.

It should be noted that on 3 February 2025, it was announced in Parliament that Newham Council would be permitted an increase to its Council Tax of 8.99% without holding a referendum. Five other local authorities were also granted permission to increase council tax without a referendum: all six (including Newham Council) were granted permission for council tax increases lower than they had sought.

Transformation

Last year, there were corporate ambitions for transformation of £1.5m for 2024/25, rising to between £15m and £20m thereafter. BSC Members had commended the efforts being undertaken and planned by the corporate side of the organisation, but felt that this financial grip was not being matched in the political decisions, where there appeared to be continuing reluctance to prune “nice to haves” in order to maintain core services. This year, BSC Members remained unconvinced that the savings promised by transformation are in fact deliverable, noting optimism bias as well as churn in senior leadership. As in many organisations, much depends on our ability to harness the efficiencies promised by AI, technology and digital transformation. However, this

level of expenditure on digital did not appear to provide the level of efficiencies and savings needed.

General discussion and deliberations

The Commission's Resources recommendations focus on asset optimisation and operational efficiency. One of the most significant proposals is the sale of the Debden House assets, expected to generate £300,000. Whilst acknowledging broadly that this initiative aligns with a broader strategy to rationalise underused properties and redirect funds toward priority areas, the BSC Members highlighted concerns regarding the long-term implications of selling assets without a clear reinvestment plan. Members also noted missed opportunities outlined in the November 2020 feasibility study, attributed by the Mayor to officer inaction. A full financial impact assessment should be conducted before proceeding, including scaling charges for users (residents/non-residents), given that during verbal evidence it transpired that only 18% of Debden House users are Newham residents.

Another proposal involves the rationalisation of Council estate and assets used by community and voluntary groups, which could lead to operational savings of £200,000 by 2027/28. Commission Members found that, whilst this initiative aims to streamline the use of physical spaces, reducing available facilities may negatively have an impact on the non-profit organisations and residents that depend on them. The Commission therefore recommended a review and recalibration of Newham Council's relationship with the voluntary, community and faith sector, and engagement with community stakeholders to ensure that essential services are not disrupted.

BSC Members reflected on major cost-saving proposals to relocate Newham Council's operational headquarters and disposal of other operational buildings, with potential savings of up to £2.5 million. This plan includes closing Dockside for council use and exploring leasing or sale options. The Commission acknowledged the financial benefits, though noted that other proposals involved finding tenants for a building slated for sale and emphasised ensuring continuity in administrative functions and accessibility for employees and the public. A phased implementation plan has been recommended to mitigate disruption.

Lastly, the Commission discussed transformation within the organisation, and was not convinced that the amount and timescales of savings in transformation proposals were realistic. BSC Members highlighted the importance of digital transformation and investment in technology in reducing long-term costs, but queried the feasibility of the savings proposed. Members felt that it was important to manage expectations of staff and residents, opining that it may be difficult to improve service delivery and enhance operational efficiency with fewer resources.

In light of last year's Members' Allowances recommendation and with a 'whole council, one borough' approach as a driver, BSC Members queried the amount budgeted for,

roles filled and current headcount of staffing in the Mayor's Office and numbers of Cabinet Member deputies. BSC Members again queried the appropriateness of increases in Members' Allowances, remembering the Commission's discussions last year and the Executive response to last year's recommendation. Whilst wishing to ensure accessibility and assist diversity amongst politicians, local or national, the BSC Members still considered that a rise in Members' Allowances would not be in step with a 'whole council, one borough' approach to current financial imperatives facing LB Newham. All parts of the organisation have a role to play in achieving leaner transformations.

Considering the sustainability of inherited local government financing models, Exceptional Financial Support and Newham Council's potential financial trajectory in the mid-term, the Commission discussed learning from other local authorities, like Woking³¹ and Birmingham, and external and internal factors in failures of local authorities. External factors contributing to failure in councils can include global events and pressures which contribute to the cost of living, National Insurance and National Living Wage, competition for and unnuanced distribution of funding pots, and central government: these are beyond the control of any council. Internal factors which public interest reports often cite as having contributed to a local authority's failure include: council-owned companies and joint ventures, an over-reliance on interim or churn in statutory officers, optimism bias, attitudes towards risk and borrowing, and a lack of challenge.³² The optimism of the Reeves Budget in October is already shadowed by the prospect of stagflation, all the more cause for Newham Council to reduce discretionary spending now. BSC Members reflected on the text for Full Council in 2023, which had accompanied £130m of Council investment in Populo:

"Unallocated Budget to enable opportunistic investments (e.g., Residential acquisitions, supported living accommodation, grant funding opportunities etc.)".³³

Given that recent public interest reports cite instances of Members not being provided with sufficient financial detail or training to understand the financial decisions for which they bear responsibility, BSC Members recommend that more information about subsidiary companies is required to be provided to Members ahead of the budget-setting Full Council. The Commission recalled last year's example of Populo where no business plan or other detailed information were provided ahead of Members' voting on £130m at Full Council in 2023, and also mentioning Juniper Ventures, BSC

³¹Grant Thornton (November 2024). "Woking Borough Council: Report in the public interest on the council's governance arrangements over investment decisions". Available at: [Online] [Woking Borough Council](#). [Accessed on 9 December 2024]. Notable because Woking issued a S114 notice in 2023, having run up debts of £2 billion, following a "potentially unlawful" approach to Minimum Revenue Provision.

³² Partington, R. (2025). "'Stagflation' fears as Bank of England cuts growth forecast and warns of price rises". The Guardian, 6 February 2025. Available at: [Online] ['Stagflation' fears as Bank of England cuts growth forecast and warns of price rises | Economic growth \(GDP\) | The Guardian](#). [Accessed on 8 February 2025].

³³ See Building a Fairer Newham Budget 2023/24, 27 February 2024 at page 347, para. 4.9 and accompanying table. [Online] Available at: [Agenda for Council on Monday 27th February 2023, 7.00 p.m. \(newham.gov.uk\)](#). [Accessed on 31 January 2025].

Members again stated that business plans for significant strategies, projects and programmes need to be supplied.

LGA Peer Review

In November 2023, the LGA conducted a Corporate Peer Challenge, making some 11 recommendations. Whilst the peer review team saw multiple examples of good delivery and improved service delivery, there was still a need for the council to improve its governance system and empower non-executive members, alongside cultural issues of mistrust that needed to be addressed. The LGA CPC team also noted that the council had introduced several performance management regimes and progress on transformation but commented that the current transformation programme did not go far enough. Additional observations included the need for member development, asset management strategy, and a scale of ambition, which, whilst commendable, did not match the ability of the organisation to deliver in a difficult financial climate. BSC Members had due consideration for the LGA Corporate Peer Challenge recommendations when weighing their own recommendations.

Regulator of Social Housing

On 16 October 2024, the Regulator of Social Housing (RSH) graded the London Borough of Newham with a C4 in October 2024. This grade indicated that Newham Council had serious failings and needed to make fundamental changes. Whilst there were some positive observations, including consideration of diverse tenant needs, accessible, well-publicised complaints handling, and collaboration with partners to tackle anti-social behaviour issues, the C4 grade was the lowest grade possible to award and indicated very serious failings. These have required improvement actions, which include a £64m investment programme, prioritising safety issues, and improving tenant engagement. Again, BSC Members considered the impact of the grading on our residents and (within the context of budget scrutiny) the financial implications of delivering the required improvements.

5 Recommendations

As last year, a key thread to our work was that a “**whole council, one borough**” approach must be taken, that all areas in the organisation must play their part in ensuring our collective financial leanness and health: grip and pragmatism over wishful thinking. This underpins our recommendations, because our role as a scrutiny function is to provide the Executive with alternative perspectives and challenge, to test the robustness of decision-making in a context where difficult decisions are demanded.

These recommendations are underpinned by thematic appendices (People, Place, Resources) relating to the savings within Appendices A, B and C to the Draft Budget Proposals.³⁴

1. Exceptional Financial Support

Exceptional Financial Support (EFS) from central government represents a concerning intervention that signals severe financial distress within Newham Council. The increasing reliance on EFS packages across councils (an estimated 1 in 7 councils in London could be applying) indicates fundamental weaknesses in local government funding structures and raises serious questions about long-term financial sustainability. We note that the EFS request for £50 million to be able to use capital receipts is an interim fix.

In the case of Newham Council, this is something that has continued to concern Members of the Budget Scrutiny Commission since 2022, leading in the last year to a special convening of a year-round task and finish group, the Budget Scrutiny In-Year Working Party, to look at in-year spending.

As the Draft Budget Proposals stand, the Commission considered this fiscal year to have been a wasted opportunity to improve Newham Council’s financial position, where large-scale discretionary spending has continued, projects have overspent (e.g., Affordable Homes for Newham Programme), and the transformation savings offered earlier in the year have not as yet materialised. At the same time, Newham Council also continued to have to invest in subsidiary companies and have considerably high levels of borrowing.

Taken together, the Budget Scrutiny Commission remains concerned that, even with Exceptional Financial Support being granted, this is an interim measure for a year and does not resolve the issue in the long-term. BSC Members considered that any headroom provided by the EFS is likely to evaporate quickly and therefore recommended greater focus throughout the year on savings delivery, including through regular monthly provision of the Budget Monitoring Reports for in-year scrutiny. The Commission also recommended that previous recommendations by the Audit Committee and the LGA Corporate Peer Challenge review should be heeded,

³⁴ See Appendix 4 to this Report.

including quarterly sharing of any management accounts, business plans and performance reviews for Newham Council's subsidiary companies (such as Populo) with the Overview and Scrutiny Committee.

1) Recommendation: that the Executive:

a) focus on savings delivery throughout the year and continue to provide monthly Budget Monitoring Reports (management accounts) for in-year scrutiny of the accounts to continue.

b) share Budget Monitoring Reports (management accounts), business plans and performance reviews of subsidiary companies owned by Newham Council on a quarterly basis with the Overview and Scrutiny Committee, as per the 2023/24 audit recommendations and the LGA Corporate Peer Challenge review.

2. Avoiding a Section 114 Notice

A Section 114 notice represents the most severe financial crisis that a local authority can face, effectively declaring a council effectively 'bankrupt' under the Local Government Finance Act 1988.³⁵ When issued by a Chief Financial Officer (the Section 151 Officer), this notice indicates that a council cannot achieve a balanced budget and is unable to meet its current or future financial obligations. Once declared, the council enters a period of extreme financial restrictions where only essential spending on statutory services and existing contractual obligations is permitted. All new expenditure must cease immediately, except for safeguarding vulnerable people and providing statutory services. The serving of a Section 114 notice triggers immediate intervention from central government and requires the council to meet within 21 days to discuss the situation and develop an emergency financial strategy. The Budget Scrutiny Commission has noted the Section 151 Officer's comments, and general comments through the budget scrutiny process, in stating the precarious nature of the situation and the steps needed to be taken to avoid a Section 114 notice.

The disposal of properties and the use of EFS (if secured) does not reduce the funding deficit of Newham Council. The Budget Scrutiny Commission found during deliberations instances where the Mayor and the Cabinet did not want to consider further savings in discretionary expenditure or appeared to rely on delivery by transformation. The Commission considered that there is potentially more that could be done in this area and therefore recommends that the Executive identify and make further savings. In arriving at their recommendations, the Commission considered how greater grip and oversight could be achieved, by clarifying discretionary and non-discretionary spend, and further how more savings from discretionary spend could be realised, by bringing forward reviews (Libraries, Culture). BSC Members discussed,

³⁵ Local Government Finance Act 1988, c.41, s.114. Available at: [Online] [Local Government Finance Act 1988](#). [Accessed on 10 August 2024]. For an 'explainer', see also Hoddinott, S. (2024). Local government section 114 (bankruptcy) notices. Institute for Government (7 August 2024). Available at: [Online] [Local government section 114 \(bankruptcy\) notices | Institute for Government](#). [Accessed on 10 August 2024].

for example, the Royal Victoria Dock Bridge, street cleansing (frequency of bin collections), People Powered Places and previous savings not implemented (Mayor's Office, Communications), balanced against expenditures that might improve Newham Council's financial situation. The Commission considered that declaration of expenditure over £50,000 at a key officer meeting, and its subsequent publication would contribute to grip, clarity and transparency, and recommended as such. However, BSC Members felt that to arrive at a workable and satisfactory solution, further details might require discussion with the S151 and Monitoring Officers. In the event that current constitutional provision did not allow the recommendation, BSC Members considered that the S151 and Monitoring Officers might use any emergency discretionary powers available to them to provide interim provision or that an interim measure be passed for the period of one year to support the management of savings and expenditure.

2) Recommendation: that the Executive:

a) identify and make further substantial savings in discretionary spending, to ensure the financial viability of Newham Council. To assist, where information and data has been provided, the Budget Scrutiny Commission has provided suggestions against individual proposals (Appendix 4). These include:

- i) bring forward Libraries Review by a year - B15;
- ii) further reduce the level of spend on Events, Culture and Heritage – B5; and
- iii) further reduce spend on Heritage, Archive and Local Studies or replace with grant funding – B6.

b) ensure clear identification of discretionary and non-discretionary expenditure and ensure that all expenditure over £50,000 is declared at a key officer meeting, to be published.

3. Strategic approach to budgeting

The Budget Scrutiny Commission acknowledges and endorses the Mayor and Cabinet's approach to framing the budget within the context of Building a Fairer Newham, which is effectively supported by the publication of several Equality Impact Assessments alongside the Draft Budget Proposals. However, the Budget Scrutiny Commission recommends that the Executive considers broader policy implications, particularly in relation to central government's emphasis on early intervention and prevention strategies. In addition, the Commission proposes that Newham Council consider its role as a provider and service deliverer, and shift more towards an enabler and facilitator of place and partners. This resonates with the findings of the LGA Corporate Peer Challenge review, which recommended strengthening partnerships.

The Budget Scrutiny Commission proposes that integrating this perspective, alongside a comprehensive three-year Medium Term Financial Strategy (MTFS) and robust demographic modelling, would significantly enhance:

- Newham Council's operational effectiveness across electoral cycles;
- collaborative working with partner organisations; and
- most importantly, service delivery to Newham residents.

This strategic approach would strengthen our long-term financial planning and ensure sustainable service provision for our community.

3) Recommendation: that the Executive:

a) devise a mission statement for Newham Council, sharing its intent to become an enabler and facilitator (as opposed to a provider) of place, as an underlying principle of budget setting, to be presented to the Overview and Scrutiny Committee by June 2025.

b) adopt a position statement on its shared understanding of early intervention and prevention, and consider how this is measured and documented as part of the performance review framework, to be presented to the Overview and Scrutiny Committee by June 2025.

4. Operational Effectiveness

The Budget Scrutiny Commission expresses its sincere appreciation to those Council Officers, Directors, and Cabinet Members who have addressed our enquiries with transparency and demonstrated a shared commitment to the Borough's advancement. However, the Commission noted with concern the Mayor's statements regarding delays in work progression being attributed to officer inaction. This raised significant concerns about the effectiveness of current governance arrangements.

To address this matter, the Budget Scrutiny Commission recommends that the Mayor's Office provide bi-annual reports to the Overview and Scrutiny Committee regarding the implementation status of strategic initiatives identified within the Corporate Plan, particularly focusing on matters highlighted by the Mayor as requiring attention. This is distinct from directorate service delivery performance indicators, which are currently reviewed by the Overview and Scrutiny Committee on a quarterly basis. Sharing any concerns around strategic blockages would enhance accountability, aid scrutiny, and ensure appropriate oversight of service delivery against agreed strategic objectives.

This structured reporting mechanism would strengthen governance arrangements and provide clear accountability pathways between the Executive and Officers.

4) Recommendation: that the Executive:

a) provide bi-annual reports to the Overview and Scrutiny Committee on blockages and delays in delivery of strategic priorities.

5. Improvements in budget pro forma documentation

Whilst acknowledging the notable improvements in the quality of the budget pro forma documentation, the Budget Scrutiny Commission wishes to highlight the following observations:

i. Information Completeness

Despite improvements, some pro forma documentation contains insufficient detail, necessitating additional queries from the Commission to enable comprehensive assessment. This has also in some cases led to the Commission responding to individual pro forma documentation as having insufficient evidence to make a recommendation on the merits of the proposal.

ii. Evidence-Based Decision Making

The Draft Budget Proposal documentation would benefit from enhanced inclusion of empirical data regarding service utilisation and outcomes. For instance, the Debden House decision should clearly reference that only 18% of campsite users in the previous year were Newham residents.

iii. Accessibility and Clarity

Future iterations of the pro forma documentation should adopt plain English principles to improve accessibility for residents. Where appropriate, hyperlinks to supporting data sets and background documentation should be incorporated to provide additional context.

iv. Financial Transparency

A clear distinction should be made within the pro forma documentation between service reductions and income generation initiatives to ensure transparency, particularly for residents' understanding.

v. Quality Assurance

The Budget Scrutiny Commission identified inconsistencies and limited cross-referencing within the current pro forma documentation. The Commission considered that revisiting the pro formas, and the completion and approval process to ensure that all sections are appropriately completed, was essential to the work of the organisation and of the scrutiny function itself. The Commission recommends that future budget documentation undergo independent review by a third party not involved in the budget-setting process. This would enhance scrutiny efficiency, ensure that the pro forma documentation contains sufficient detail and depth to enable robust oversight and support for delivery, and reduce the need for supplementary information requests.

These observations and the Commission's recommendation aim to further strengthen the budget scrutiny process and improve the accessibility and comprehensiveness of financial documentation.

5) Recommendation: that the Executive:

a) develop an improvement framework for the development of budget proposals' savings and growth pro forma documentation in 2025/2026 and beyond, by June 2025.

6. Budget consultation and engagement

The Budget Scrutiny Commission acknowledges the efforts made this year to initiate consultation on the Draft Budget Proposals earlier and broaden resident engagement. However, the Commission noted significant concerns regarding the depth and breadth of stakeholder participation, particularly with residents and partner organisations.

The Commission expressed disappointment that its previous recommendation - to develop a contemporary framework for consultation and engagement, moving beyond traditional co-production towards resident-centred design – had not been implemented during the past twelve months.

Current limitations in the consultation process include:

i. Insufficient Stakeholder Engagement

The Commission recommends establishing formal consultation mechanisms with public sector partners and developing structured dialogue with developers currently operating within the Borough.

ii. Under-utilisation of Existing Forums

It is particularly notable that the internationally recognised People Powered Places forums, despite their acclaim for participatory budgeting, have not been utilised in the budget consultation process. This represents a missed opportunity to leverage established community engagement channels. The Commission recommends various ways for future budget consultation processes to be strengthened, particularly in how Newham Council engages with partner organisations about our budget and harnesses existing community forums to drive engagement with and development of savings proposals.

6) Recommendation: that the Executive:

Strengthen future budget consultation processes, including development of savings proposals, by:

- a) developing a comprehensive stakeholder engagement strategy;
- b) establishing formal consultation protocols with public sector partners;

- c) integrating existing community forums, particularly People Powered Places, into the budget consultation process; and
- d) creating structured engagement opportunities with the development sector.

7. Impact of the Draft Budget Proposals on the Voluntary, Faith and Social Enterprise Sector

The Budget Scrutiny Commission noted with significant concern that a disproportionate number of proposed budget reductions affect the community, voluntary, faith and social enterprise sectors. This observation is particularly pertinent in light of the recent LGA Corporate Peer Challenge review findings, which emphasised the need for strengthened relationships with these crucial partners.

It is of considerable concern that there appears to be no strategic framework in place for managing corporate relationships with the third sector. Given the vital role these organisations play in delivering services to our most vulnerable residents, this represents a significant strategic gap. The Commission therefore recommends a reset in the relationship with the third sector, as a key partner in service delivery.

7) Recommendation: that the Executive, by June 2025:

- a) develop a comprehensive third sector engagement strategy generally as a council, to reset our relationship with this sector;
- b) review the cumulative impact of proposed savings on voluntary and community organisations;
- c) establish clear protocols for managing relationships with the sector; and
- d) create a structured approach to partnership development and sustainability setting.

8. Optimism Bias in Budget Planning and Implementation

The Budget Scrutiny Commission's recent analysis of the Draft Budget Proposals has identified concerns regarding optimism bias, particularly in relation to project timelines, revenue predictions, savings feasibility, modelling and asset management. This issue requires ongoing attention from scrutiny functions to ensure realistic planning and implementation. BSC Members reflected that as presentations for Temporary Accommodation continue to rise year on year, increasing the monthly figure for modelling to 60 was aligned with this increase. BSC Members also considered that optimism bias was present in the feasibility of delivering savings when, historically, there appeared to be slippage of between 20 and 25% (i.e., savings not achieved). This led to a recommendation that more ambitious targets might operate to bridge current savings gaps.

Key Areas of Concern

The current Medium Term Financial Strategy (MTFS) demonstrates several instances where critical actions are either deferred to the end of the three-year period or lack

specific implementation dates. This creates uncertainty in accurately assessing the timing and value of projected savings.

Evidence from current operations (2024/25) highlights several challenges that support this concern:

1. Asset Management and Sales:

- The ambitious £16 million asset sale target
- The current volume and pace of officer decisions regarding property disposals
- Extended timeframes for property transactions, as demonstrated by the five-year period required to secure tenancy for the Dockside East Wing, attributed to limited in-house expertise.

2. Programme Management:

- consistent cost overruns in the Affordable Homes for Newham programme;
- incomplete or inadequately detailed proposals in certain areas;
- extended implementation periods exceeding initial projections; and
- the absence of information related to the governance of transformation activity.

These factors collectively indicate a pattern of optimistic planning that may impact the achievability of stated financial objectives. The Commission remained concerned around the detail concerning the assignment or profiling of grants, and what expenditure would be stopped and where else any 'freed up' grant (CIL or S106) would be applied. The Commission also considered that several of the proposals lacked depth and had large savings numbers attached to them. BSC Members also discussed capacity for delivery, the level of scrutiny and sign off for proposals to ensure that they are sufficiently robust, and a need to identify the key dependencies and risks. The Commission recommends that these concerns are addressed in a number of ways.

8. Recommendation: that the Executive:

a) address concerns of optimism bias, including, for example, in assumptions used as the basis for savings proposals or revenue prediction.

b) re-examine all savings proposals for achievability of savings, with regard to the average 20% slippage rate and set more ambitious savings targets. The LB Newham scrutiny commissions, in turn, will incorporate optimism bias assessment as a standing item in their budget review processes. This systematic approach will help ensure more realistic planning and risk assessment in future budget cycles.

c) revise modelling, using 60 presentations as the basis for the Temporary Accommodation model.

d) accelerate the development of an Asset Management Strategy, including a comprehensive list of assets. To be presented to the Overview and Scrutiny Committee by June 2025.

9. Income generation

The Commission considered that there are opportunities to generate income. One example that has not been considered: the introduction of a “transient visitor or tourism levy” or occupancy tax. This would generate income, and Newham Council with its proximity to the Excel Centre, City Airport and central London could use this as a source of funding for infrastructure maintenance, conservation and environmental commitments, and as an offset for the costs of Temporary Accommodation.

As a campaigning council, the Commission recommends that we leverage our London location and align with other councils to lobby for the implementation of primary legislation needed to instigate such a tax.³⁶ Manchester and Liverpool have successfully instituted a tourism levy, via BIDs, which operates as a legal workaround. This may be another approach to consider in the interim.

Income generation, via BIDs, can be pursued in other ways. The Commission has elsewhere also recommended a repurposing for the Community Wealth Building team to pursue sponsorship (from businesses and developers), source funding, and work towards establishment of BIDs. Such funding would then facilitate or enable reversal of savings, such as the provision of street decorations and lighting during community festivals. The Commission recommends that new sources of funding be explored.

9. Recommendation: that the Executive:

Explore new sources of revenue, including:

- a) the potential for income generation through a tourist levy (short term) and lobby as a council for primary legislation for a tourist tax in the longer term; and
- b) business sponsorship to enable the reversal of A14 – the provision of street decorations and lights, as part of a wider repurposing of Community Wealth Building team to source funding and set up BIDS within the borough.

10. Ensuring equity

The Commission considered the profile of our residents and the importance of ensuring equity of outcomes of the Budget Proposals. Recent Trust for London analysis indicates that 38% of our residents live in poverty; of these, over 70% live in working households.³⁷ Since early 2021, the UK has experienced cost of living increases and this looks set to continue.³⁸ The Commission considered that a reversal

³⁶ Sandford, M. (2024), House of Commons Library, 26 September 2024. “Tourist taxes in the UK”. Available at: [Online] [Tourist taxes in the UK](#). [Accessed on 9 January 2025]. See also Amin Smith, N. et al (2019). Institute for Fiscal Studies, 21 March 2019. Available at: [Online] [Taking control: which taxes could be devolved to English local government? | Institute for Fiscal Studies](#). [Accessed on 9 January 2025].

³⁷ Trust for London, London’s Poverty Profile (January 2025). This presents analysis across the London boroughs. Available at: [Online] [Poverty rates by London borough | Trust for London](#). [Accessed on 12 February 2025].

³⁸ Department for Work and Pensions (27 January 2025). Cost of Living Payments. Research and analysis indicates that cost of living in the UK in 2025 is expected to continue to increase due to rising food and energy prices. Available at: [Online] [Cost of Living Payments Evaluation - GOV.UK](#). [Accessed on 12 February 2025].

of the savings proposal concerning Our Newham Money was essential to continue to assist our residents.

BSC Members considered other ways in which the Budget Proposals' outcomes may have a greater negative impact on some resident cohorts. Newham Council's residents social housing tenants typically pay rent to cover their accommodation and may also be responsible for service charges covering the maintenance and upkeep of communal areas and services. Our tenants also pay Council Tax. Whilst removing the Pest Control subsidy may present a saving, the Commission considers that the amount is modest, especially when weighed against the unintended consequence of (and inequitable burden on) social housing tenants paying twice for pest control via their rent and/service charges as well as via their council tax contributions. This is contrary to the spirit of a Fairer Newham and ensuring equity across tenures. The Commission therefore recommends that the Pest Control Subsidy be maintained. BSC Members also recommended exploration of selling the expertise and services of our Pest Control service beyond the Borough.

Similarly, the Commission considered that a savings proposal concerning the Council Tax Reduction Scheme would fall heavily on our residents in a time of increased council tax and costs of living. The Commission therefore recommends a reversal of this reduction.

In the interests of sharing and participating in the savings proposals ("whole council, one borough") and adopting a leaner approach, BSC Members considered that fewer deputy Cabinet Members would contribute to this as well as freezing Members' Allowances. Over the financial period 2024/25, the Cabinet has fluctuated between seven and nine Cabinet Members, supported variously by between eight and nine deputies. Noting the LGA Corporate Peer Challenge recommendations, the BSC also recommends that the tough decisions taken last year about staffing of the Mayor's Office need to be implemented.

10. Recommendation: that the Executive:

Ensure equity of burden and outcomes of the Budget Proposals. Examples of this include:

- a) a reversal of the savings proposal concerning Our Newham Money - B20;
- b) a reversal of the savings proposal concerning the removal of the Pest Control Subsidy - A12;
- c) a reversal of the savings proposal reducing the Council Tax Reduction Scheme – B4; and
- d) a freeze on Members' Allowances and withdrawal of all Deputy Cabinet Members. In view of Newham Council's serious financial circumstances this year, such a recommendation seems appropriate and necessary.

Concluding comment

We are conscious that our recommendations will have cost, project, policy, and service implications in a context of constrained funding from central government with increasing responsibilities at the local government level.³⁹

³⁹ c.f., for example, LB New ham, Cabinet Agenda Papers, 3 December 2024, Agenda Item 11, Treasury Management Mid-Year 2024/25 Report, Tables 1 and 2, and Graph 2 (under paragraphs 3.3, 4.1.2 and 4.4.8 respectively). Available at: [Online] <https://mgov.newham.gov.uk/documents/s176537/Mid%20year%20report%20V7SW.pdf>. [Accessed on 20 December 2024]. See also current figures from the Debt Management Office contained in the Public Works Loan Board, including extracts for 2022 and 2023, available at: [Online] [Current Data](https://www.dmo.gov.uk/media/ujcb5pqu/2022yearendvalues.csv); <https://www.dmo.gov.uk/media/ujcb5pqu/2022yearendvalues.csv>; and <https://www.dmo.gov.uk/media/me4hnr3/2023yearendvalues.csv>. [Accessed on 3 February 2025]. See also The Guardian, “Disastrous Truss budget forced UK councils to take out massive 50-year loans at soaring rates” (10 February 2024) for a discussion of the effect of the Truss/Kwarteng budget, local government funding and Labour plans for a “new partnership” with councils and long-term funding settlements. Available at: [Online] [Disastrous Truss budget forced UK councils to take out massive 50-year loans at soaring rates | Local government | The Guardian](https://www.theguardian.com/uk-news/2024/feb/10/disastrous-truss-budget-forced-uk-councils-to-take-out-massive-50-year-loans-at-soaring-rates). [Accessed on 3 February 2025].

6 Conclusions

With optimism renewed since the general election in July 2024 and the Labour administration, the Budget Scrutiny Commission is nevertheless pragmatic about the scale of the chronic issues facing central government and its funding of local government. Moves towards a multi-year approach to local government financial settlements, taking into consideration levels of local need and revenue-raising capacity, are welcome but a deeper reset in the funding of local government by central government is required. Such a reset is unlikely to occur in time for Newham Council's budget proposals this year and would not absolve all Members, collectively and individually, of continuing prudent and pragmatic financial stewardship. The Commission is equally pragmatic about the scale of the chronic issues facing Newham Council itself.

We started this year's budget scrutiny work programme with the news from the LGA in June 2024 that councils in England faced an estimated funding gap of £2.3bn in 2025/26, rising to £6.2bn by 2026/27.⁴⁰ Hampshire County Council (£132m), Bradford City Council (£126m), Birmingham City Council (£119m), Somerset Council (£104m) and Leicester City Council (£90m), the five councils with the biggest predicted shortfalls for 2025/26, collectively accounted for a half-billion-pound funding gap.⁴¹

Then in early September 2024, Hampshire County Council projected a financial forecast of effective bankruptcy within two years without more Government support, and more 'flexibilities' over charging, reporting an overall predicted financial shortfall that had jumped from £132m to at least £175m. In October 2024, Newham Council also projected a significant budget shortfall, anticipating a potential gap of £100 million for the 2025/26 financial year, escalating to £175 million by the end of 2027/28. A substantial portion of this deficit, approximately £106 million, was attributed to rising Temporary Accommodation costs.⁴² To meet the statutory requirement to set a legal, balanced budget, Newham Council will be seeking Exceptional Financial Support. We are not exceptional in this, as we are not alone in facing financial precariousness. Dozens of England's largest councils face 'financial emergency' and Section 114 notices if their multi-billion-pound deficits, driven by meeting statutory duties and demand escalation, are no longer covered by the 'statutory override', scheduled to expire in March 2026. Another statutory override, the IFRS 9 will expire on 31 March 2025.⁴³ Analysis of 317 local authority Medium Term Financial Strategies reveals a picture of widespread financial distress and a deficit of £9.3bn by 2026/27, rising to

⁴⁰ LGA, Local Government White Paper (7 June 2024). Available at: [Online] [Local Government White Paper | Local Government Association](#). [Accessed on 28 January 2025].

⁴¹ UNISON (9 September 2024). "Councils on the Brink". Available at: [Online] [Councils-on-the-brink-with-regional-appendix.pdf](#). [Accessed on 19 September 2024]. See also UNISON Magazine (7 July 2024). "Stats reveal the impact of funding cuts on local government." Available at: [Online] [Stats reveal the impact of funding cuts on local government - Magazine](#). [Accessed on 19 September 2024].

⁴² Gayne, D. (2024), "Temporary accommodation costs could see Newham Council in need of government bail-out". Housing Today, 5 August 2024. Available at: [Online] [Temporary accommodation costs could see Newham Council in need of government bail-out | News | Housing Today](#). [Accessed on 15 August 2024].

⁴³ For IFRS9, see [IFRS - IFRS 9 Financial Instruments](#). For more context of the override, see Room 151 (18 December 2024). Available at: [Online] [Government proposes end to IFRS 9 statutory override from 2025/26 - Room 151](#). [Accessed on 19 December 2024].

£54bn over this parliamentary term, absent intervention and corrective actions, including overrides and realistic, real-market funding.⁴⁴

The Budget Scrutiny Commission's work was taking place against this backdrop. As the Commission discovered from the work of the Budget Scrutiny In-Year Working Party and from its own evidence-gathering, as a council we cannot afford not to embrace challenge, listen and to make changes, however unpalatable these may be now. Nor can we afford to relax into any short-term respite or temporary headroom provided if EFS is granted. With the stakes high for LB Newham and its residents this year, with a £62.3m budget gap, with a further £157m by 2027/28, and the likely consequences of this for our residents, our services and our council, our role was to challenge the assumptions underpinning this budget and to ensure that our council policies are open to proper challenge and focus.

This is no small undertaking, as local government's role across cultural, economic, environmental, political and social dimensions means that local government finance is complex. Newham Council, like other local authorities, touches all aspects of our residents' lives from birth to death and in between, and we have a duty to enhance the interests, prosperity and well-being of our residents and also to manage public money in democratically accountable ways. Some decisions, such as the unintended consequences of efficiencies, the necessary level of financial reserves, and the ratio between income and borrowing, require both expert advice from officers and external advisors, but also active engagement with members. The Commission observed that this year in this financial context, difficult decisions needed to be taken, and hard questions needed to be asked, for which there were no easy answers.

Members bring diverse expertise and life experience to their roles, combined with a democratic mandate from their communities. It is therefore reasonable for members, but particularly so for scrutiny members scrutinising local government finance, to seek information and clarifications in order to understand the risks associated with key investment decisions and the options that have been considered. This year, the Commission was advised that "nothing was off the table", yet following our review of the Draft Budget Proposals documentation, we felt that there was still scope for savings decisions, which, whilst not desirable, are financially imperative.

A further imperative: to resist the illusory siren call that may come with permission to increase LB Newham's rate of Council Tax by 8.99% and the still pending request for Exceptional Financial Support. The imperative is for Newham Council to remain fully focused on delivering savings (which seem ambitious in an historical context of 20% slippage), and increased income proposals. As the Commission concludes its report, central government is grappling with its own dwindling headroom, and the Commission is prompted to consider it important that Newham Council not rely on any perceived or increased fiscal leeway built into the EFS and thus avoid having to make the difficult choices and tough decisions today or maintain momentum on the speed of delivering these in order to ensure future financial viability.⁴⁵

⁴⁴ Pike, A. and Shaw, J. (2024) 'Mapping the gaps: the geography of local authority financial distress in England', Bennett Institute for Public Policy, University of Cambridge. Available at: [Online] [Tow nscapes-Mapping-the-Gaps.pdf](#). [Access on 30 October 2024].

⁴⁵ c.f. recent w arnings by the Office for Budget Responsibility that leew ay in central government finances has "evaporated". Sw inford, S. et al (2025) "Rachel Reeves left w ith tough choice as fiscal headroom dw indles". The Times, 4 February 2025.

The Budget Scrutiny Commission's guiding interrogative principle is: how can we deliver for residents in these acutely challenging times? Residents are at the heart of scrutiny, and, in line with our statutory role as a scrutiny function, we aim to amplify the resident's voice and assure world-class services here in LB Newham. But how can we continue to deliver and for which residents? With the inherited funding gap fuelled by rising costs in and demands for adult social care, children's services and SEND transport, many councils like LB Newham will have to divert even more funding from services which our residents value, such as libraries and parks, to prop up these statutory services which our residents need, with the all too real prospect that, by the end of this Parliament, councils will be providers of little more than care services.⁴⁶ Or we risk borrowing money to service interest payments, and this will come at a cost for our residents.

In order to be able to review decisions and decision-making processes, to be a meaningful governance partner to the Executive, enhanced access to information is necessary. Building on last year, there are yet lessons to be harvested from this year's budget scrutiny process, requiring further progress on organisational culture and embracing parity of esteem. Despite these constraints, we know, both as Executive and Scrutiny Members, that it is necessary to make savings if we are to ensure the future viability of Newham Council and still manage demand, meet need and fulfil statutory duties with less money. The Budget Scrutiny Commission's recommendations in this report recognise that there are hard decisions to be taken, including reviews of policy concerning areas of discretionary expenditure, but these decisions are inevitable if we are to avoid increasingly insidious financial positions.

Failings in local government finance are explained through a complex mosaic where financial management, successively austere funding of local authorities by central government, local government financialisation, demands outstripping supply and budgets, lack of pragmatic grip on discretionary expenditure as crisis approaches, failure to review decisions in changed circumstances, optimism bias, ambitious intentions to serve residents and acute need all may feature.⁴⁷ Last year, there were successes for the Budget Scrutiny Commission. The Commission made recommendations which had an impact on the financial viability of Newham Council as well as having an impact on Newham lives, such as, for example, its recommendations concerning increased modelling numbers for Temporary Accommodation, usage of 10 Victoria Street⁴⁸ and Newham Sparks. There were

Available at: [Online] <https://www.thetimes.com/uk/politics/article/rachel-reeves-tough-choice-economy-taxes-q3f0cw9j9>. [Accessed on 4 February 2025].

⁴⁶ Pike, A. (2023). *Financialization and Local Statecraft*. Oxford: Oxford University Press. See page 3 for an introduction to the concerns about national governments seeking efficiencies by compelling local government to behave more commercially and Keynes's identification of problems arising when "...national capital development becomes a 'by-product of the activities of a casino'".

⁴⁷ According to the Institute for Government, local authority spending power fell by 17% between 2009/10 and 2019/20, and in 2021/22 it was still 10.2% below 2009/10 levels. Institute for Government, "Explainer: Local government funding in England – How local government is funded in England and how it has changed since 2010" (10 March 2020; updated 21 July 2023). Available at: [Online] [Local government funding in England | Institute for Government](#). [Accessed on 20 October 2024]. See also Ogden, Kate, Phillips, David, and Sion, Cian, "What's Happened and What's Next For Councils?", *The Institute for Fiscal Studies* (7 October 2021) at pp. 299 and 311.

⁴⁸ See LB Newham Budget Scrutiny Commission: Budget Scrutiny Report 2024 at page 15. The Commission revisited the previous year's recommendations, noting that scrutiny recommendations had succeeded in finding savings that are still delivering. The scrutiny call-in of the Cabinet decision about 10 Victoria St Call-in had saved 100 units of single person, self-contained accommodation, thereby avoiding need for nightly placements. It had also saved £50m of spend, preventing a four-year gap (demolition of building followed by re-build) and has delivered an avoidance of placements in current budget.

nevertheless difficult financial decisions to be taken last year. Newham Council's circumstances have not changed: in retrospect it might arguably appear that last year's trajectory was maintained, so the opportunity presented in this year's Draft Budget Proposals must be seized, not squandered.

As Members of this Commission, we have made recommendations for areas of saving. Whilst recognising valiant efforts and that current overspending may be a result of historic underfunding, we nevertheless recommend tighter grip in areas of discretionary spending that we cannot currently afford, even if this means grasping nettles. There are no easy answers or decisions. Decisions made even less than a year ago may not be the right decisions now, in light of LB Newham's current financial health. Until local authorities are empowered with resources to match our responsibilities for demand-led, high-need services - resources that extend meaningfully beyond a sticking plaster⁴⁹ - then we as a council must navigate risks and take fast grip on hard decisions today to prioritise tomorrow's financial viability in order to continue to serve our residents.

⁴⁹ Demos (12 August 2024). "Beyond the sticking plaster: Introducing Demos's new project on local government finances" Available at: [Online] <https://demos.co.uk/blogs/beyond-the-sticking-plaster-introducing-demos-new-project-on-local-government-finances/>. [Accessed on 15 August 2024]. See also Holland, J., "New ham seeks EFS to stave off section 114 – but says only funding reform will prevent 'exceptional becoming normal'". Room 151 (15 October 2024). Available at: [Online] [New ham seeks EFS to stave off section 114 – but says only funding reform will prevent 'exceptional becoming normal' - Room 151](#). [Accessed on 20 October 2024].

Appendices

1. Budget Scrutiny Commission Membership
2. Budget Scrutiny Commission Work Programme Timelines
3. Budget Scrutiny Commission Phase II Work Programme Draft Timetable
4. Budget Scrutiny Commission (2024/25): Appendices to the Recommendations
5. Budget Scrutiny Commission (2023/24): Report, Recommendations and Executive Response
6. Mayor and Cabinet Portfolios
7. Benchmarked Table of Members' Allowances
8. Increasing/Decreasing the Budget Gap

Appendix 1 – Budget Scrutiny Commission Membership

As of 6 August 2024	As of 21 December 2024
COUNCILLORS	COUNCILLORS
Anthony McAlmont (Chair)	Anthony McAlmont (Chair)
Rita Chadha	Rita Chadha
Stephanie Garfield ⁵⁰	Lewis Godfrey ⁵¹
Lewis Godfrey	Lester Hudson (Deputy Chair)
Lester Hudson (Deputy Chair)	Danny Keeling (Green)
Danny Keeling (Green)	Susan Masters
Susan Masters	Thelma Odoi
Thelma Odoi	Terence Paul
Terence Paul	Lakmini Shah
Lakmini Shah	Harvinder Singh Virdee
Harvinder Singh Virdee	

DECLARATIONS OF INTEREST

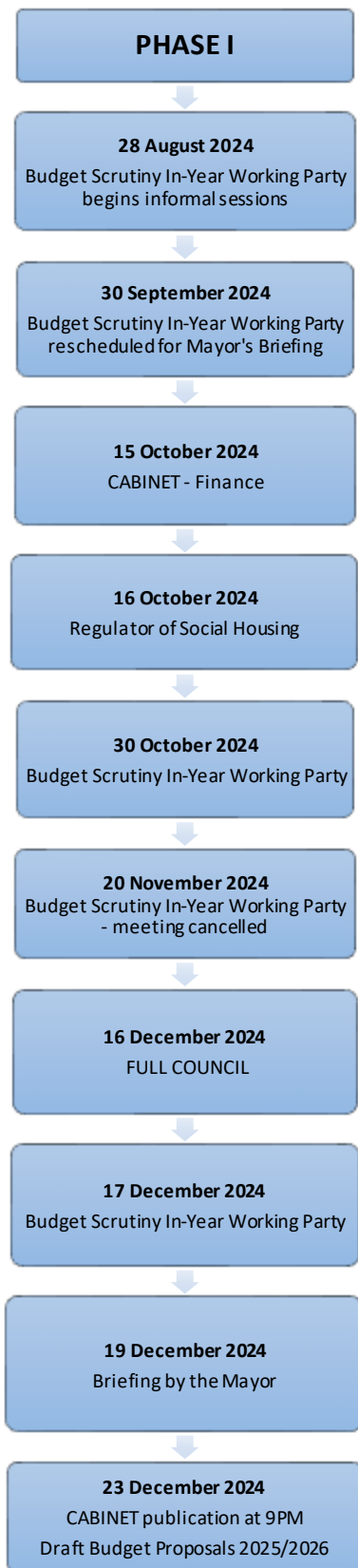
All Members' interests are held in the [Register of Interests](#). All Members' gifts and hospitality are listed in the [Register of Gifts and Hospitality](#). For transparency, Budget Scrutiny Commission Members have highlighted and declared the following interests during their conduct of scrutiny of the Draft Budget Proposals 2025/2026:

Councillor	Interest
Anthony McAlmont	Private Landlord
Lester Hudson	Family member on a care package
Danny Keeling	Advice recipient, Our Newham Money
Terence Paul	Board Member, Fight for Peace
Harvinder Singh Virdee	Private Landlord

⁵⁰ As from 21 January 2025, Cllr Stephanie Garfield resigned from the Budget Scrutiny Commission.

⁵¹ Cllr Lewis Godfrey was unable to participate due to personal circumstances.

Appendix 2 – BSC Timelines



Appendix 3 – Budget Scrutiny Commission 2024/2025: – Phase II Work Programme Timetable

23 December DAY 1	Publication of Draft Budget Proposals (DBP) EqIAs published <u>BUDGET SCRUTINY COMMISSION</u> BSC Members to receive the DBP* for 2025/2026	Publication: 9PM
24 December DAY 2	<u>BUDGET SCRUTINY COMMISSION</u> BSC Members receive the DBP	
25-26 December	BANK HOLIDAYS	
27-31 December	CLOSEDOWN	
1 January	BANK HOLIDAY	
2025		
6 January DAY 5	<u>Member Development</u> Treasury Management Strategy Statement Training Time: 6:30 – 8:00pm Venue: online	Audit Committee BSC Members Cabinet
7 January DAY 6	<u>BSC</u> Time: 7:00pm Venue: Dockside (in person) Planning Session for KLOE	BSC Members
9 January DAY 8	<u>CABINET</u> Time: 10:30am Finance Reports <u>Key Lines of Enquiry</u> Time: 15:00 Draft Key Lines of Enquiry sent to PEOPLE directorates	Cabinet *earliest date, absent information /briefings before DBP publication date
13 January DAY 10	<u>BSC</u> <u>Pre-Meeting (tbc)</u> Time: 6:00pm Venue: Dockside (tbc)	BSC Members Scrutiny Team
14 January DAY 11	<u>BSC</u> <u>First Meeting – PEOPLE</u> Time: 6:30pm Venue: EHTH (tbc) Witnesses: <ul style="list-style-type: none"> • Mayor • CMs 	BSC Members Mayor CMs Cllr Charlene McLean Cllr Melanie Onovo Cllr Sarah Ruiz Cllr Neil Wilson

	<ul style="list-style-type: none"> Corporate Directors Officers <p>Key issues: Draft Budget Proposals Key challenges, pressures, risks and investments</p> <ul style="list-style-type: none"> ASC and PH ECYP Resident Experience 	<p>Chief Executive Directorate Officers Laura Eden James Partis Jason Strelitz Finance Team Conrad Hall Andrew Ward Heads of Finance Monitoring Officer Scrutiny Team</p>
15 January DAY 12	AUDIT COMMITTEE	Audit Committee
16 January DAY 13	BSC	BSC Members Scrutiny Team
17 January DAY 14	BSC – PLACE AND RESOURCES Time: 12:00 Directorates to provide any written reports/responses requested	Directorates
20 January DAY 15	BSC Pre-Meeting Time: 7:00pm (tbc) Venue: online (tbc) PLACE and RESOURCES	BSC Members
21 January DAY 16	CABINET Time: 10:30 am	Cabinet
21 January DAY 16	BSC Second Meeting – PLACE Time: 6:30pm Venue: WG.04, Dockside Witnesses: <ul style="list-style-type: none"> Mayor CMs Corporate Directors Officers <p>Key issues: Draft Budget Proposals Key challenges, pressures, risks and investments</p> <ul style="list-style-type: none"> Housing Inclusive Economy Environment Community Safeguarding Transport 	<p>BSC Members Mayor CMs Cllr Sarah Ruiz Cllr Amar Virdee Cllr John Whitworth Cllr Blossom Young Chief Executive Directorate Officers Paul Kitson Darren Mackin David Padfield Candida Thompson Aled Richards Finance Team Conrad Hall Andrew Ward Heads of Finance Monitoring Officer Scrutiny Team</p>
22 January DAY 17	Member Development	

<p>23 January DAY 18</p>	<p>BSC Third Meeting – RESOURCES Time: 6:30pm Venue: WG.04, Dockside Witnesses: <ul style="list-style-type: none"> • Mayor • Chief Executive • CMs • Corporate Director • Officers Key issues: Draft Budget Proposals <ul style="list-style-type: none"> • Overview 2024/25 • Local Government Financial Settlement • Background to 2025/26 • MTFP to 2028/29 • Transformation • IT/Digital </p>	<p>BSC Members Mayor Chief Executive CMs Cllr Zulfiqar Ali Directorate Officers James Partis Amit Shanker Finance Team Conrad Hall Andrew Ward Heads of Finance Monitoring Officer Scrutiny Team</p>
<p>28 January DAY 21</p>	<p>HASC</p>	<p>HASC Members</p>
<p>29 January DAY 22</p>	<p>ALL RESPONSES TO INFORMATION REQUESTS TO BE PROVIDED TO BSC BY 12:00 --- BSC Time: 6:30pm Venue: Dockside (tbc) Deliberations meeting in closed session to finalise recommendations [Deliberations closed session meeting]</p>	<p>Executive Directorates --- BSC Members</p>
<p>30 January DAY 23</p>	<p>BSC Fourth Meeting Time: 7:00pm Venue: EHTH Meeting held in public - Recommendations</p>	<p>BSC Members</p>
<p>31 January-3 February WEEKEND DAYS 24-25</p>	<p>BSC Produce Report Draft and agree BSC Draft Report Comments by Cabinet Members, Chairman of BSC and relevant members of Executive Leadership team Design?</p>	<p>BSC Members Mayor Chief Executive CMs Directorate Officers Finance Team Scrutiny Team</p>
<p>4 February DAY 26</p>	<p>CABINET Time: 10.30am OSC – to be re-scheduled to 10 Feb Time: 7:00pm Venue: EHTH (tbc) Meeting Acknowledgement/Endorsement of BSC budget scrutiny recommendations</p>	<p>Cabinet Members OSC Members Mayor Cllr Ali Conrad Hall Monitoring Officer</p>

	Recommendations by OSC	
6 February DAY 28	HRegen Time: 7:00pm Venue: EHTH (tbc) Moving HRegen of 21 Jan to this date	HRegen Members
8-9 February WEEKEND	BSC Finalise Report Draft and agree final version of BSC Report Comments by Chairman of BSC, Cabinet Member and relevant members of Executive Leadership team Design	BSC Members Mayor Chief Executive CMs Directorate Officers Finance Team Scrutiny Team
10 February DAY 30	CABINET PAPER DEADLINE Papers published for Cabinet (18 February) BSC Report with recommendations to form part of those papers [nb: late publication of Cabinet papers up to Friday 14 Feb] OSC Time: 7:00pm Venue: EHTH (tbc) Meeting Acknowledgement/Endorsement of BSC budget scrutiny recommendations Recommendations by OSC [Moving OSC of 4 Feb to this date]	OSC Members
11 February DAY 31	All Member Briefing	
12 February DAY 32	AUDIT COMMITTEE	Audit Committee
18 February DAY 36	CABINET Time: 10.30am BSC Report LB Newham Budget ECYP	Mayor Cabinet ECYP Members
19 February DAY 38	FULL COUNCIL PAPER DEADLINE Papers published for Full Council (27 February) BSC Report with recommendations to form part of those papers	
21 February DAY 41	CET	CET Members
26 February DAY 42	HREGEN	HREGEN Members
27 February DAY 43	FULL COUNCIL Draft Budget to be approved	Full Council
4 March DAY 46	Provisional FULL COUNCIL	Full Council
10 March DAY 50	DEADLINE FOR BUDGET SETTING Statutory deadline	

Appendix 4 – Budget Scrutiny Commission (2024/25): Appendices to the Recommendations

Please see PEOPLE, PLACE and RESOURCES Appendices to the Recommendations.

Appendix 5 – Budget Scrutiny Commission (2023/24): Report, Recommendations and Executive Response

In 2023 – 2024, the Budget Scrutiny Commission (BSC) was the scrutiny vehicle via which LB Newham's Building a Fairer Newham Budget (2024/25) was scrutinised. At its meeting on 6 February 2024, the BSC made recommendations, which were rationalised and are listed as 15 recommendations in a table below. Of those recommendations, Recommendation 1.iii (Members' Allowances) was not accepted. All other recommendations were accepted at Full Council on 29 February 2024.

The report was submitted to Cabinet on 20 February 2024 (Agenda Item 8). A copy of the report can be accessed via the LB Newham website [here](#) and Action Log (Appendix 7) [here](#).

A copy of the Executive's response to the BSC's recommendations can be accessed [here](#) (at Agenda Item 8).

Rec. Number	It is recommended that the Mayor and Cabinet:
1	<p>Make the following changes to the savings and growth proposals in the 2024/25 budget:</p> <ul style="list-style-type: none">a. Changes to the following savings proposals:<ul style="list-style-type: none">i. Reversing saving SAV / CYPS 006 / 24-25 proposing to reduce Children’s Centres (£500k),ii. Reversing saving SAV / CYPS 007 / 24-25 proposing to reduce the Enrichment Programme budget (£440k),iii. Reversing saving SAV / MAR 001 / 24-25 in relation to discontinuing Active Centres (£74k),iv. Reversing saving SAV / MAR 009 / 24-25 proposing to cease the Community Grant Programme (£160k)b. Changes to the following growth proposals:<ul style="list-style-type: none">i. Pausing growth RES-GRO-06 feasibility study costs for Stratford (£500k),ii. Recommending to Council that it approve only an inflationary increase to Members’ Allowances for 2024/25 and delay the implementation of the findings of the Independent Remuneration Panel until the following financial year.iii. Changing the assumptions driving the growth bid RES-GRO-11 for Temporary Accommodation from 30 presentations per month to 40 presentations a month, which is the current trend.

2	<p>Identify efficiencies in the following areas, not mentioned in the 2024/25 Draft Budget Proposals:</p> <ul style="list-style-type: none"> a. Youth Empowerment Service (£4m);⁵² b. A review of the FTE posts in the Mayor’s Office and the Communications and Public Affairs team; and c. A review of the Temporary Accommodation placements 90-minute distance travel policy.
3	Cease or pause the Newham Sparks Project in its entirety.
4	Undertake a rigorous review and reconsider the Council’s contribution (financial and in-kind) to the Borough of Culture bid.
5	Give timely access to the Budget Scrutiny Commission to accurate financial information as requested and as soon as possible, not only at the point of public access to the information, and that the Executive commit to updating the Scrutiny Executive Protocol to make explicit provision of budget information in a confidential manner to the Budget Scrutiny Commission (or any successor committee) before statutory public publication deadlines. This will ensure transparency and parity of esteem between Cabinet and the Budget Scrutiny Commission.
6	Begin the budget setting/consultation process earlier in the financial year and engage with the Budget Scrutiny Commission at the onset of savings/growth proposal development in July to October preceding the February budget submission.
7	<p>Commit the Council to:</p> <ul style="list-style-type: none"> a. standardising the use of the equality screening tool, with all proposals being subject to at least basic screening; and b. developing and applying clear guidelines for demonstrating the ‘due regard’ principle in budget setting and the completion of the Equality Impact Assessments (EQIA) pro formas during the consultation stage of budget setting.

⁵² At the BSC PEOPLE evidence-gathering meeting on 29 January 2024, there were no savings proposals relating to the Youth Empowerment Service and no EQIA pro forma existed. This was requested on 5 February 2024 and received on 8 February 2024 after close of business.

8	Require the design of and implement appropriate quality assurance measures and governance arrangements to ensure accuracy and consistency in the Draft Budget Proposals prior to publication.
9	<p>Make a public statement on its approach and methodology to external budget consultation for the 2025/26 financial year and onwards.</p> <ul style="list-style-type: none"> a. That the Executive provide, within this public statement, provisional proposals and dates for resident and stakeholder engagement and an indicative timetable for budget consultation in the September preceding the financial year for the budget in question. b. That the Executive ensure residents have ample opportunity to consider the impacts and changes of the proposed Council budget and that any resident feedback is provided to the Budget Scrutiny Commission as part of the initial engagement. c. That the Executive review and improve the Council's definition of 'consultation' and the organisation's general engagement processes.
10	Commit to publishing a Medium-Term Financial Plan that covers a three-year period as part of LB Newham's annual budget submission.
11	<p>Introduce and implement governance arrangements to formally manage savings and growth delivery, independent of basic budget monitoring at a corporate level, and for this programme to report to the Independent Chair of Audit Committee on a quarterly basis.</p> <ul style="list-style-type: none"> a. That, as part of these arrangements, the Executive develop and produce a detailed project plan on savings/growth delivery in the April/May Cabinet following budget approval.
12	Review the Council's current approach to capital borrowing and ensure that borrowing is considered in the context of the challenging financial environment; and that any revenue budget impacts are clearly outlined in the budget submission.

13	Commit to a review of the Council's fees and charging practices and develop a robust strategy that demonstrates that the Council optimises its fees and charges.
14	Review the policy of providing a relief period for Council Tax on second homes and introduce a rate multiplier for empty homes.
15	Review its approach to management of Community Infrastructure Levy (CIL) monies and consider whether there may be opportunities for CIL to be collected/spent more effectively, particularly in its relevance in potential reductions to capital borrowing.

Appendix 6 – Mayor and Cabinet Portfolios

Cabinet until 30 May 2024

CABINET MEMBER	PORTFOLIO	Supported by
Mayor Rokhsana Fiaz OBE	Strategic Housing Delivery; Culture; Climate Emergency; Youth Empowerment; Youth Safety; Early Help; Children’s Health; Performance and Transformation	<p>Councillor John Whitworth - Deputy Cabinet Member for Planning and Development, Air Quality and Climate Emergency</p> <p>Councillor Caroline Adaja - Deputy Cabinet Member for Community Wealth Building, Business, Enterprise and Future World of Work</p> <p>Councillor Rohit Dasgupta - Deputy Cabinet Member for Equalities, Social Justice and Culture</p> <p>Councillor Steve Brayshaw - Commissioner for Skills and Lifelong Learning</p>
Councillor James Asser⁵³	Deputy Mayor and Cabinet Member for Environment and Sustainable Transport	<p>Councillor Miraj Patel - Deputy Cabinet Member for Environment</p> <p>Councillor John Morris - Deputy Cabinet Member for Highways and Sustainable Transport</p>

⁵³ Cllr James Asser resigned from his Cabinet position on 30 May 2024 to stand as a Labour candidate in the West Ham and Beckton constituency ahead of the General Election on 4 July 2024.

CABINET MEMBER	PORTFOLIO	Supported by
Councillor Zulfiqar Ali	Cabinet Member for Finance and Resources	
Councillor Neil Wilson	Cabinet Member for Health and Adult Social Care	Councillor Mumtaz Khan - Deputy Cabinet Member for Health and Adult Social Care
Councillor Sarah Ruiz	Cabinet Member for Children's Services and Education	
Councillor Shaban Mohammed	Cabinet Member for Housing Management and Modernisation; Housing Needs; Homelessness; and Private Rented Sector	Councillor Sabia Kamali - Deputy Cabinet Member for Housing Management and Modernisation; Housing Needs, Homelessness and Private Rented Sector
Councillor Charlene McLean	Cabinet Member for Resident Engagement and Resident Experience	Councillor Canon Ann Easter -Commissioner for Interfaith and Interreligious Dialogue
Councillor Amar Virdee	Cabinet Member for Community Safety and Crime	

Cabinet from 21 October 2024

CABINET MEMBER	PORTFOLIO	Supported by
Mayor Rokhsana Fiaz OBE	Inclusive Economy and Strategic Housing Delivery; Culture; Climate Emergency; Youth Empowerment; Youth Safety; Early Help; Children’s Health; Performance and Transformation	<p>Councillor John Whitworth - Deputy Cabinet Member for Planning and Development, Air Quality and Climate Emergency</p> <p>Councillor Caroline Adaja - Deputy Cabinet Member for Community Wealth Building, Business, Enterprise and Future World of Work</p> <p>Councillor Rohit Dasgupta - Deputy Cabinet Member for Equalities, Social Justice and Culture</p> <p>Councillor Steve Brayshaw - Commissioner for Skills and Lifelong Learning</p>
Councillor Sarah Ruiz	Statutory Deputy Mayor and Cabinet Member for Environment and Sustainable Transport, and Cabinet Member for Children’s Services and Education	<p>Councillor Miraj Patel - Deputy Cabinet Member for Environment</p> <p>Councillor John Morris - Deputy Cabinet Member for Highways and Sustainable Transport</p> <p>Councillor Madeleine Sarley Pontin – Deputy Cabinet Member for Education</p>
Councillor Zulfiqar Ali	Cabinet Member for Finance and Resources	

CABINET MEMBER	PORTFOLIO	Supported by
Councillor Neil Wilson	Cabinet Member for Health and Adult Social Care	Councillor Mumtaz Khan - Deputy Cabinet Member for Health and Adult Social Care
Councillor Charlene McLean	Cabinet Member for Resident Engagement and Resident Experience	Councillor Canon Ann Easter -Commissioner for Interfaith and Interreligious Dialogue
Councillor Amar Virdee	Cabinet Member for Housing Needs, Homelessness and Private Rented Sector, and Community Safety and Crime	
Councillor Blossom Young	Cabinet Member for Housing Landlord and Tenant Experience Improvement	

Cabinet from 16 December 2024 until 29 January 2025⁵⁴

CABINET MEMBER	PORTFOLIO	Supported by
Mayor Rokhsana Fiaz OBE	Inclusive Economy, Strategic Housing Delivery, and Culture	<p>Councillor Caroline Adaja - Deputy Cabinet Member for Community Wealth Building, Business, Enterprise and Future World of Work</p> <p>Councillor Rohit Dasgupta - Deputy Cabinet Member for Equalities, Social Justice and Culture</p> <p>Councillor Steve Brayshaw - Commissioner for Skills and Lifelong Learning</p>
Councillor Sarah Ruiz	Statutory Deputy Mayor and Cabinet Member for Environment and Sustainable Transport, and Cabinet Member for Children’s Services and Education	<p>Councillor Miraj Patel - Deputy Cabinet Member for Environment</p> <p>Councillor John Morris - Deputy Cabinet Member for Highways and Sustainable Transport</p> <p>Councillor Madeleine Sarley Pontin – Deputy Cabinet Member for Education</p>
Councillor Zulfiqar Ali	Cabinet Member for Finance and Resources	
Councillor Neil Wilson	Cabinet Member for Health and Adult Social Care	Councillor Mumtaz Khan - Deputy Cabinet Member for Health and Adult Social Care

⁵⁴ See LB Newham website for current details of the Cabinet. Available at: [Online] [Cabinet – Newham Council](#). [Accessed on 31 January 2025].

CABINET MEMBER	PORTFOLIO	Supported by
Councillor Charlene McLean	Cabinet Member for Resident Engagement and Resident Experience	Councillor Canon Ann Easter -Commissioner for Interfaith and Interreligious Dialogue
Councillor Melanie Onovo⁵⁵	Cabinet Member for Youth Power (incorporating Youth Empowerment, Youth Participation and Youth Safety)	
Councillor Amar Virdee	Cabinet Member for Housing Needs, Homelessness and Private Rented Sector, and Community Safety and Crime	
Councillor John Whitworth	Cabinet Member for Planning and Development, Air Quality and Climate Emergency	
Councillor Blossom Young	Cabinet Member for Housing Landlord and Tenant Experience Improvement	

⁵⁵ Cllr Melanie Onovo resigned from her Cabinet position on 29 January 2025.

Appendix 7 –Table of Members’ Allowances (benchmarked* for 2024/2025)

	ROLES	<u>NEWHAM</u>	<u>HACKNEY</u>	<u>LEWISHAM</u>	<u>TOWER HAMLETS</u>
Basic Allowance					
	All elected Members (Except the Mayor)	£15,960	£12,792	£12,792	£11,898
Special Responsibility Allowances					
6	Directly Elected Mayor	£93,575 (no Basic Allowance Paid)	£95,004 (No Basic Allowance paid)	£85,989 (No Basic Allowance paid)	£80,579 (No Basic Allowance paid)
5	Cabinet Member (2 to 9)	<ul style="list-style-type: none"> • £44,082 (Deputy Mayor) • £38,430 (Cabinet members) 	<ul style="list-style-type: none"> • £48,942 (Deputy Mayor) • £41,542 (Cabinet members) 	<ul style="list-style-type: none"> • £44,317 (Deputy Mayor) • £44,317 (Cabinet Members Level 1) • £17,376 (Cabinet members Level 2) 	<ul style="list-style-type: none"> • £32,631 (Deputy Mayor) • £21,754 (Cabinet members)
4	<ul style="list-style-type: none"> • Chair of Overview & Scrutiny • Deputy Cabinet Member • Commissioner • Chairs of major regulatory committees (Strategic Development & Licensing) • Chair of Health & Wellbeing Board 	£20,346	<ul style="list-style-type: none"> • £16,726 (Chair of Scrutiny) • £18,466 (Deputy Cabinet members) • £20,504 (Chair of Planning) • £20,504 (Chair of Licensing) 	<ul style="list-style-type: none"> • £13,796 (Chair of Overview & Scrutiny) • £7,614 (Deputy Cabinet Members) • £10,877 (Chair of Planning) • £7,614 (Chair of Licensing, Pensions, Council, Sustainable Development) £7,614 (Chair of Healthier Communities) 	<ul style="list-style-type: none"> • £11,965 (Chair of Scrutiny) • £11,965 (Chair of SDC) • £6,526 (Chair of Licensing)
3	<ul style="list-style-type: none"> • Committee Scrutiny Lead Member/Chair of Scrutiny Sub-Committee • Chief Whip of Majority Group 	£16,955	<ul style="list-style-type: none"> • £16,726 (Scrutiny Commission Chairs) • £6,516 (Majority Group Whip) 	<ul style="list-style-type: none"> • £7,614 (Scrutiny Select Committee chairs) • £6,704 (Maj 	£8,702 (Chairs of Scrutiny sub-committees)

				Group Whip)	
2	<ul style="list-style-type: none"> • Other committee Chairs (Local Development, Pensions Committee, Audit Committee) • Chair of Council • Leader of Principal Opposition Group 	£15,523	<ul style="list-style-type: none"> • £9,233 (Chairs of other committees Audit and Corporate) • £18,466 Chair of Pensions Committee • £20,504 (Chair of Planning) • £22,515 (Speaker) • £25,893 (First Opposition Group Leader, where only one opposition group) • £16,271 (First Opposition Group Leader where two opposition groups) 	<p>£7,614 (The Speaker and Chairs of other committees)</p> <p>£n/a Leader of Principal Opposition</p>	<ul style="list-style-type: none"> • £11,965 (Chair of Development) • £6,526 (Chairs of pensions and audit committees) • £10,877 (Speaker) • £12,291 (First Opposition Group Leader, if has 10%+ of seats) • £5,439 (First Opposition Group Leader if has 10%- of seats)
1	<ul style="list-style-type: none"> • Vice Chair of Council • Majority Group Secretary • Assistant Whip of Majority Group • Chief Whip of Principal Opposition 	£3,956	<ul style="list-style-type: none"> • £6,232 (Deputy Speaker) • £2,989 (Majority Group Secretary and Chair) • £2,989 (First Opposition Group Whip) • £10,150 (Second Opposition Group Leader) 	<ul style="list-style-type: none"> • £0 Vice Chair of Council • £0 Majority Group Secretary • £0 Assistant Whip of Majority Group • £n/a Chief Whip of Principal Opposition • £6,704 (Labour Group Chair) • £2,152 (Standards Chair) 	<ul style="list-style-type: none"> • £5,439 (Deputy Speaker) • £5,439 (Any Opposition Group Leader if has 10%+ of seats)

*Tower Hamlets froze allowances for 2024-25; figures remain the same as for 2023-24.

Appendix 8: Budget Scrutiny Commission: Increasing/Decreasing the Budget Gap

INCREASING THE BUDGET GAP	
Directorates	25/26
People	973,000
Place	1,032,000
Resources	3,100,000
TOTAL	5,105,000

DECREASING THE BUDGET GAP	
Key Individual Savings	
A13 – Bring forward the reduction of staff for Council volunteering service	60,000
RE5- Bring forward the removal of subsidy for Dockside Diner	100,000
C7 - Bring forward savings proposal NCIL and S106	2,000,000
B2- Bring forward benefits of sale	2,000,000
B5 - take all of the budget Culture	687,000
B15- Bring forward the Review of Library service	500,000
Reduction of 7 Deputy Cabinet members	140,000
Freeze of Members' Allowances	150,000
TOTAL	5,637,000

LONDON BOROUGH OF NEWHAM

CABINET

Report title	Executive Response to Budget Scrutiny Commission Budget Scrutiny Report 2025	
Date of Meeting	18th February 2025	
Lead Officer	Andrew Ward, Deputy Director of Finance	
Corporate Director	Conrad Hall, Corporate Director of Resources	
Lead Member	Cllr Zulfiqar Ali, Cabinet Member for Finance and Resources	
Key Decision?	Yes / No	Reasons: Over £1 million
Exempt Information & Grounds	Yes / No	Grounds:
Wards Affected	All	
Appendices	<ol style="list-style-type: none"> 1. Executive Responses to Budget Scrutiny Commission Strategic Recommendations 2. Executive Responses to Budget Scrutiny Commission Recommendations (Savings Proposals) 	

Introduction by Cllr Zulfiqar Ali, Cabinet Member for Finance and Resources

I would like to extend my sincere thanks to the Budget Scrutiny Commission (BSC) and Overview & Scrutiny Committee (OSC) for their diligence, hard work, and commitment in reviewing the Council's budget proposals. I am also pleased that we have been able to start budget setting process much earlier than the previous years which has given greater opportunity for the Scrutiny process to work through. I acknowledge the approach taken by scrutiny process to examine the Council's budget proposals in the thematic manner, whereby they looked into People, Place and Resources and of course, assessing the wider policy and processes challenges.

This administration remains committed to Building a Fairer Newham, and the draft budget proposals reflect a realistic and responsible approach to achieving that goal. We have been honest, open, and transparent about the challenges we face, and we continue to take decisive action to address them.

We acknowledge as does BSC that Temporary Accommodation (TA) remains the most significant financial challenge confronting this council. However, we are not alone in this and as this is a national crisis. Despite this, we have proactively managed our financial position, implementing prudent decisions to ensure the long-term sustainability of our services. The Council has put in place financial controls and have been looking at all budgets revenue and capital to take every opportunity it can

to save money. Contrary to assertion made in the report, the council has already taken steps to pause and review capital expenditure, we prioritised projects that deliver long-term savings and align with our Fairer Newham programme. As part of this approach, we are reducing our interest payments by £1.6 million within this budget cycle.

Moreover, our commitment to financial resilience is evident in our decision to continue to contribute £3 million per annum to our general fund reserves, even in the face of economic pressures, along with maintaining contingency increase, demonstrating our strong and responsible financial governance and management despite facing unprecedented challenges.

It is very sad to see this report making links with Croydon and Birmingham Councils. This is rather unfortunate because all we all know; Newham is not in the same category. Our position is similar to many across the country who are facing these challenges due to 14 years of devastating Tory rule, cuts, highest inflation in history, high interests and the cost of living crisis. Our governance structures and financial controls remain robust, ensuring that we continue to deliver vital services to residents despite external pressures.

We recognize that Exceptional Financial Support (EFS) is not a sustainable long-term solution. We stated this in our reports. Last year 19 authorities applied for EFS and we expect this number to increase significantly. We are aware of at least 7 London Boroughs who are seeking EFS. Whilst I appreciate scrutiny has the role to challenge the administration's budget. However, I think it is equally important for scrutiny to recognise the external factors at the root of these challenges and it would have been encouraging to see the scrutiny at least acknowledging the efforts of this administration which remains committed to delivering services and bring about savings through radical approaches, ie new ways of working, transformation and streamlining the organisation and governance. On EFS, we have been working with the government and feel reasonably confident that our application will be successful as this government wants to protect local services. We also expect the government to fulfil its commitments to the Fair Funding Review, its promise for a multi-year funding, and its housing strategy as these systemic challenges extend beyond Newham and require national support.

The assertion that there has been a lack of consistency or in-depth information is not accurate. The administration has fully supported scrutiny processes, providing detailed and timely financial information. Officers and Cabinet Leads have regularly engaged with Scrutiny, responding to all requests and responded to any queries regarding any budget assumptions. It is therefore unfortunate that the BSC report suggests inadequate access to information, despite our extensive efforts to facilitate full engagement in the budget process. It is true to say that our officers and the Cabinet Leads have worked hard and provided transparent and timely information despite challenging deadlines at times.

Like many other authorities, Newham wants to maximise income potential and achieve maximum savings where possible and we will continue to endeavour to do so. While achieving 100% of savings is always our goal, an 86% success rate remains comparatively strong when benchmarked against other local authorities.

The commission's concerns regarding EFS and reference to Plan B fail to acknowledge the reasons and rationale behind our application and the fundamental constraints facing all councils not just Newham. We cannot see Newham in isolation. We are part of Local government fabric and face similar challenges. Two-thirds of our budget is allocated to statutory services, leaving little room for further reductions without directly impacting universal services such as refuse collection, street cleaning, parks, and libraries. These services remain essential to residents, and their protection is a direct response to our public engagement and concerns raised during our day to day interactions with our residents and at our surgeries. Even the national government acknowledges the financial difficulties faced by local authorities, and we welcome the incoming Labour government's commitment who has already made substantial headway to support us and is commitment to resolve these challenges for long term stability of the sector.

Despite these challenges, this administration continues to deliver core services effectively. We appreciate the role of scrutiny in holding the administration to account, and that is why we have worked with scrutiny to improve engagement and taken steps to ensure we do all we can to support its function. This year, we commenced the budget process much earlier than before, we published regular financial reports since August 2024, and provided ongoing briefings to scrutiny chairs. Cabinet members and officers have attended scrutiny meetings regularly, including on short notice, ensuring that all necessary information was available for rigorous review.

It is disappointing that the BSC report does not do justice by at least acknowledging that Newham's financial challenges stem from national crises rather than local mismanagement and the administration is doing whatever it can to minimise impact but the scale of the challenges is such that it justifies EFS. In fact, our financial controls have successfully maintained budgetary discipline over the past two years. If not for the Temporary Accommodation crisis, Newham would have been in a strong financial position to balance its budget next year without requiring EFS. Our EFS application seeks permission to sell assets to close the budget gap rather than increase borrowing. This measured approach is part of our broader strategy to reduce long-term borrowing and maintain fiscal responsibility.

In terms of the BSC's recommendation - I welcome these, both of strategic nature as well as service specifics and appreciate Scrutiny contribution. These have been carefully considered by the Mayor and the Cabinet/Executive, and a response is provided as part of this report. where appropriate, a number of these have been accepted, acknowledged and noted. However, there are some recommendations where after careful review, the executive is unable to accept. In these instances, a detailed response outlining the rationale and practicalities has been provided for the sake of openness, transparency and better understanding of the proposals. While we may not always agree on every aspect, I want to assure BWC that all suggestions have been given due consideration, and our decisions are based on what we believe to be in the best long-term interest of the Council and the communities we serve and accord with Building a Fairer Newham for all.

Ultimately, this is a Labour administration committed to delivering quality services for our residents and communities, despite external pressures. Our budget proposals for 2025/26, as affirmed by Section 25 report of the S151 Officer, are reasonable,

proportionate, and deliverable, ensuring that we continue to meet the needs of Newham's residents while securing the council's financial future.

Executive Summary

- 1.1 Budget Scrutiny is an important part of the council's budget-setting process, helping to provide challenge and accountability as decisions are developed and firmed up. The Executive welcomes this role and is grateful to all members of the Budget Scrutiny Commission for their work over the last year.
- 1.2 The budget setting process has been longer and more extensive in Newham this year than last, in part in response to comments from the Budget Scrutiny Commission last year and also as part of a shift to a longer-term focused and more iterative budget development and management approach. Scrutiny now receives the monthly Budget Monitoring Reports considered by the Corporate Leadership Board and Executive. The quarterly finance reports to Cabinet this year have also been key staging points in the budget setting process as well as reporting on in-year performance – from the publication of the Medium Term Financial Strategy and indications that the council was likely to need to apply for government support in August, to an initial list of savings in October for both immediate implementation and engagement and consultation, to a Draft Budget in December firming up savings plans and reflecting the Draft Local Government Settlement, to the Budget Proposals that will be considered by Cabinet on 18th February, ahead of Cabinet's proposals being considered by Full Council on 27th February.
- 1.3 This more extensive process is in part due to the particularly challenging financial position in which the council finds itself. Facing a £157 million funding gap in our Medium Term Financial Strategy over the next 3 years, the council has had to take a serious and thorough approach. Scrutiny's contribution to challenging and testing the proposals and the wider financial position is helpful in doing this.
- 1.4 Responses to each of the Budget Scrutiny Strategic Recommendations and the Planned Savings Recommendations are provided in Appendices 1 and 2 respectively. In summary, the Executive's response is:
 - i) to agree to a number of the Budget Scrutiny Commissions process recommendations, many of which reflect Executive aims and the commitment to continuing to refine and improve our ways of working and good governance;
 - ii) to reject the suggestions to remove savings as the replacement options proposed are in general not viable or are not a preferred alternative to the Executive. Where possible, opportunities will be explored for alternative funding for some of the savings, notably Our Newham Money (B20) and the Provision of street decorations and lights (A14), for which this already happened to some degree last Christmas;

- iii) to note a number of points of caution raised by Scrutiny that will be taken into consideration in the implementation of the relevant savings.

2. Recommendations

That Cabinet:

- 2.1 Note the Budget Scrutiny Commission's Budget Scrutiny Report (2025) published as a separate paper for this meeting; and
- 2.2 Agree the Executive's Response to the Budget Scrutiny Commission's Budget Scrutiny Report (2025) and particularly the responses in Appendices 1 and 2.

3. Background

- 3.1 Scrutiny plays a valued role in the setting process by supporting transparency, accountability, and informed decision-making. Through examination and challenge of budget proposals, the scrutiny process helps identify potential areas of improvement, inefficiencies, and risks. It provides a platform for councillors and stakeholders to question, challenge, and debate the proposed allocations, ensuring that resources are used effectively and align with the council's strategic priorities. Moreover, scrutiny fosters public trust by demonstrating that budget decisions are subject to thorough review and are made in the best interest of the community. This collaborative approach not only enhances the quality of financial planning but also promotes a culture of continuous improvement and good governance.

The Budget Setting Process

- 3.2 The council's budget setting process is, rightly, a lengthy and considered process from the identification of pressures, funding gaps and growth requests; through development and consideration of savings and growth proposals; the testing and challenging of these proposals through public and stakeholder engagement and consultation and through the formal role of Overview and Scrutiny; to the shaping by the Executive of proposals for a balanced budget – which councils must set by law; which are ultimately put to Full Council for decision. While the council is only required by law to set a budget for a single year, significant moves have been taken this year to do this in the context of a longer-term financial perspective and to make it part of a more ongoing cycle of financial management and planning.
- 3.3 The budget-setting process this year has involved some notable developments since last year, including in response to recommendations made by the Budget Scrutiny Commission last year. These include:
 - Sharing with Scrutiny the monthly Budget Monitoring Reports considered first by Corporate Leadership Board and then the Mayor's Strategic Oversight Board as part of our corporate governance arrangements to

ensure proper oversight and assurance of in-year budget management. This has enabled Scrutiny to understand the council's up-to-date financial position including emerging pressures, progress on delivering savings, the capital programme and reserves position, Housing Revenue Account and Direct Schools Grant, and the actions being taken in response to issues arising, well ahead of budget-setting. In particular, it has made transparent to Scrutiny as it has unfolded the continued rapid escalation of financial pressures in housing and social care, as well as progress on in-year savings, the capital programme;

- The development of a 3-year Medium Term Financial Strategy, first published in the [Summer 2024 Finance Review Report](#) to Cabinet on 6th August 2024, and revised regularly in the light of developments internally and externally. In the face of the escalating financial pressures on the council, this report first flagged that some form of government assistance might be required to enable Newham to set a balanced budget for 2025/26;
- The publication as part of the [October Finance Papers - Quarter Two 2024/25 Monitoring and Review](#) for Cabinet on 15th October 2024, of a range of savings options for 2025/26 and beyond, some of which were agreed at that meeting for immediate implementation (Appendix A) and others for consultation and further development (Appendix B). In response to comments from the Budget Scrutiny Commission last year, draft Equalities Impact Assessments (EqIAs) were published with savings proposals where the initial EqIA screening had identified that one would be needed;
- A wider, and lengthier engagement and consultation process with the public and stakeholders, including:
 - the “*Newham. We’ve got this.*” multi-media campaign from mid-September to mid-December explaining the tough financial position facing the council, the reasons behind it and the actions being taken, with which more than 1,180 people engaged;
 - a series of online and face-to-face engagement sessions between mid October and December, for residents, communities and businesses, comprising 8 sessions which involved 251 people;
 - an online survey between 10th October 2024 and 6th January 2025 which was completed by 238 residents;
 - consultation and engagement by services with their key stakeholders through the autumn and winter; and
 - a statutory public consultation on options for amendments to the Council Tax Reduction Scheme from 27th November 2024 to 14th January 2025.

The conclusions from all of these have been considered in the finalising of budget proposals and [a summary of consultation responses](#) has been published in with the Budget Proposals for consideration by Cabinet on 18th February 2025.

- The Mayor’s invitation to the Chair of Overview & Scrutiny to participate in a series of Budget Challenge Sessions in November 2024, with other independent experts, to review existing and identify further savings options;
- Publication of [Draft Budget Proposals](#) on 23rd December, which was considered by Cabinet on 9th January – nearly a month ahead of last year when publication was on 20th January for Cabinet on 30th January 2024, in part enabled by the government’s earlier publication of the Draft Local Government Settlement. The significant majority of the savings proposals in these were originally mooted in the October report, with some changes, deletions and amendments in the light of engagement and consultation and further work. These Draft Budget Proposals were the basis for the formal Budget Scrutiny process, through January and the first half of February, resulting on the report to which we are now responding.

Newham’s context for budget setting for 2025/26

- 3.4 The council’s *Building a Fairer Newham* Corporate Plan sets out the ambitions and key priorities of this administration for 2022 - 2026. A review of the Plan has been undertaken, leading to some refreshing of commitments in the light of delivery to date, changes in the internal and external contexts in which we are operating, and the council’s wider financial position. The proposed changes for the last year of the Plan arising from this review are being considered by Cabinet alongside the Budget Proposals for 2025/26. The fundamental ambitions of Building a Fairer Newham remain and have guided decisions in the budget-setting process.
- 3.5 The local government finance system is essentially broken and in need of fundamental reform. Pending this, like most councils around the country, the pressures on Newham’s budgets and the misalignment between legislative duties and funding have been compounded by inflation and growing cost and demand pressures in our biggest service areas: children and adults’ social care and temporary accommodation (TA). In Newham, our situation is particularly acute with the highest number of families in temporary accommodation in London (over 6,500) and rapidly rising costs. Despite greater work on homelessness prevention and alleviation, which is having a material impact, and putting £30 million more into our TA budget over the last two years, we are facing a c.£36 million overspend this year and are forecasting these pressures to continue to increase for the rest of the Medium Term Financial Strategy period.
- 3.6 These factors mean that, despite an additional £34.6 million funding from government in 2025/26, Newham Council is facing a £157 million funding gap over the MTFS period (before this year’s proposed council tax rise). £86 million of that falls in 2025/26, £54 million of which is driven by temporary accommodation. While the Council is seeking to do all within its powers to respond to this situation, this scale of gap can simply not be addressed by it alone.

- 3.7 The Budget Proposals are based on:
- savings through corporate transformation and the implementation of a new operating model (£23 million);
 - savings through service transformation, efficiencies and in places some very tough choices (£57 million);
 - proposing to raise council tax by 8.99%, following government's agreement as part of our Exceptional Financial Support (EFS) bid, to raise our council tax referendum threshold to 9%, and offset by retaining our Council Tax Reduction Scheme at 80% for working age adults alongside the prescribed 90% for pensioners; and
 - as the rest of our EFS bid, requesting government's permission to use £51.2 million of capital receipts from asset sales to fund revenue costs in 2025/26, as well as £16 million as originally planned for in 2024/25 before the General Election curtailed the then government's consultation on a general power to do so.

4. Proposals

- 4.1 The Executive welcomes the report of the Budget Scrutiny Commission 2025 and thanks all Members who were involved in the Commission's work and the officers who supported it.
- 4.2 In the very limited time available, due to the late finalisation of the Budget Scrutiny Report 2025, the Executive has sought to give as thorough and thoughtful consideration as possible to the recommendations individually and collectively. The responses are set out in Appendix 1 to the Strategic Recommendations and Appendix 2 to the Savings Proposal Recommendations.
- 4.3 In the financial context in which the council finds itself, which has been acknowledged and reflected in the Budget Scrutiny Commission Report, some challenging decisions inevitably have to be made. But these also have to be informed by the needs of our residents, including the most vulnerable, and the council's commitment to supporting them. The financial consequences of the Budget Scrutiny recommendations have therefore been material in their consideration.

5. Delivering Council Policy and Corporate Priorities

- 5.1 The Budget Proposals for 2025/26 were developed in parallel to a review of the *Building a Fairer Newham* Corporate Plan. The principal ambitions of *Building a Fairer Newham* remain the driving goals of the council. The Draft Budget report includes a summary of the implications on the delivery of the council policy and corporate priorities. The Executive's Response to the Budget Scrutiny recommendations does not materially affect these.

6. Alternatives Considered

- 6.1 Each recommendation in the Budget Scrutiny Commission Report 2025 has been considered by the Mayor and Cabinet / Executive and the reasons for their decisions are set out in the tables in Appendices 1 and 2.

7. Consultation

- 7.1 The Mayor and all Cabinet and Executive Members have been consulted in the preparation of this paper.

8. Implications

Financial Implications

- 8.1 The Executive has considered the recommendations from Overview and Scrutiny and chosen, for the reasons set out, not to make any changes to the budget it previously proposed. There are therefore no direct financial implications of this report.
- 8.2 However, it is important to reiterate the financial pressure that the Council is under and the need to make every effort possible to deliver savings. This is set out in full in the formal Section 25 Statement, which forms part of the budget report. The proposals from Scrutiny, if adopted, would increase the financial pressure, by removing some savings that the Executive have agreed to and replacing them with proposals that could not be implemented in time.
- 8.3 For example, it is not realistic to plan for £2m+ of savings to be realised from selling some combination of Dockside and the Town Halls. Property transactions are unpredictable with regard to their timing, as there is much work to do. These savings were profiled into the later years for this reason. There would also be concerns on deliverability of accelerating the NCIL savings and the Libraries review savings at the pace seemingly suggested by the scrutiny commission.
- 8.4 Taking the learning from Budget Scrutiny Commission on optimism bias it would not be prudent to accelerate these savings and plan for them to be delivered in full.

Legal Implications

- 8.4 Under section 9FE of the Local Government Act 2000, a local authority or the executive has a duty to respond to a report or recommendations made by its overview and scrutiny committee. The response must be provided within two months from the date on which the authority or executive received the report or recommendations.

- 8.5 The Overview and Scrutiny Committee has established the Budget Scrutiny Commission (the Commission) to review and scrutinise the Council's financial position and to make recommendations in this regard.
- 8.6 The Council's procedure for developing the budget framework is set out in Part 4.3 of the Constitution. Having considered the report of the Budget Scrutiny Commission, if it considers it appropriate, the Executive may amend its proposals before submitting them to Full Council for consideration. In finalising the proposals, the Executive must indicate how it has taken into account any recommendations from the Commission.
- 8.7 The Executive's response is set out accordingly.

Equalities Implications

- 8.8 Equalities Impact Assessment (EqIAs) screening has been undertaken for all budget savings proposals, with full EqIAs developed where required. A Cumulative Equalities Impact Assessment is included as Appendix I in the [2025/26 Budget Setting Report: Sustaining a Fairer Newham and Addressing the Financial Challenges Ahead](#) report published on 10th February for Cabinet consideration on 18th February 2025. The proposals in this report make no material impact on the conclusions in that.

Climate Emergency Implications

- 8.9 This report will not materially directly impact the Council's response to the Climate Emergency as iterated in its Just Transition Climate Action Plan, published in December 2023, but subsequent decisions on resource allocation could do so.

9. Background Information Used in the Preparation of this Report

- 9.1 [Summer 2024 Finance Review Report](#) for Cabinet on 6th August 2024.
- 9.2 [October Finance Papers – Quarter Two 2024/25 Budget Monitoring and Review](#) report for Cabinet on 15th October 2024.
- 9.3 [December 2024 Finance Review: Draft Budget Proposals for 2025/26](#) report for Cabinet on 9th January 2025.
- 9.4 [Building a Fairer Newham Corporate Delivery Plan Review](#) for Cabinet on 18th February 2025.
- 9.5 Budget Scrutiny Commission Budget Scrutiny Report 2025, 13th February 2025.

APPENDIX 1

EXECUTIVE RESPONSE TO BUDGET SCRUTINY COMMISSION REPORT 2025 STRATEGIC RECOMMENDATIONS

BUDGET SCRUTINY COMMISSION RECOMMENDATIONS		ACCEPT / REJECT	EXECUTIVE RESPONSE
1.	i. focus on savings delivery throughout the year and continue to provide monthly Budget Monitoring Reports (management accounts) for in-year scrutiny of the accounts to continue.	ACCEPT	Happy to continue the process that has been embedded this year that the monthly Budget Monitoring Reports are shared with Overview & Scrutiny once they have been considered by Corporate Leadership Board and the Mayor's Strategic Oversight Board, as part of our corporate governance arrangements to provide oversight and accountability.
	ii. share Budget Monitoring Reports (management accounts), business plans and performance reviews of subsidiary companies owned by Newham Council on a quarterly basis with the Overview & Scrutiny Committee, as per the 2023/24 audit recommendations and the LGA Corporate Peer Challenge review	ACCEPT	Established governance arrangements are in place for agreeing business plans and monitoring the finances and performance of the council's subsidiary companies. Any information about this is available to Scrutiny on request, in the usual way. The Executive would be happy to ensure that quarterly reports are shared with Scrutiny on the larger companies once they have been considered through the corporate governance arrangements, as is done with the monthly Budget Monitoring Reports.
2.	a) identify & make further substantial savings in discretionary spending, to ensure the financial viability of Newham Council. To assist, where information and date has been provided, the Budget Scrutiny Commission has provided suggestions against individual proposals (Appendix 4): These include: <ul style="list-style-type: none"> i) bring forward Libraries Review by a year – b15; ii) further reduce the level of spend on Events, Culture and Heritage – B5; and 	REJECT	<p>The council has been through a rigorous process of identifying all potential areas for savings and considering these and the levels at which they can be delivered in the light of the budget position, our <i>Building a Fairer Newham</i> ambitions and engagement and consultation with residents and stakeholders. The deliverability of savings has also been a factor in this consideration, which has informed the timing to which they have been attributed. As savings are implemented, should there be any opportunities to either increase their level or accelerate their delivery, or secure alternative sources of funding, we will do so.</p> <p>On the three specific aspects of the recommendations:</p> <ul style="list-style-type: none"> i) The Council has a legal requirement to provide 'a comprehensive and efficient library service for all persons' ie which must meet the

	<p>iii) further reduce spend on Heritage, Archive and Local Studies or replace with grant funding – B6.</p>		<p>needs of residents in Newham. Nonetheless, we are committed to reviewing the service to identify significant savings, while still ensuring that we fulfil this statutory requirement. The review of libraries is scheduled to begin in April 2025 and will take 18-24 months to complete, which is standard for a library service when there is potential for significant savings to be made. It will include a full review of the service, a comprehensive needs assessment and the formation of a new library strategy. A public consultation is then required and is currently timetabled for early summer of 2026. If the Council does not follow this process it risks a complaint to the Department of Culture, Media and Sport (DCMS) and / or a judicial review. There is therefore no potential to bring forward these savings sooner.</p> <p>ii) A meaningful level of saving is already factored into this proposal, although as the detail of implementation is worked through we will consider the options to go further. But in doing so, we need to be wary of putting at risk the council's ability to secure external sponsorship or funding eg from the Arts Council or other sources.</p> <p>iii) A meaningful level of saving is already factored into this proposal, although as the detail of implementation is worked through we will consider the options to go further. But in doing so, we need to be wary of putting at risk the council's ability to secure external sponsorship or funding eg from the National Heritage Lottery Fund or other sources.</p>
	<p>b) ensure clear identification of discretionary and non-discretionary spending and ensure that all expenditure over £50,000 is declared at a key officer meeting, to be published.</p>	<p>REJECT</p>	<p>The Corporate Director of Resources advises that the distinction between discretionary and non-discretionary spending is a matter of judgement, rather than of law, in many cases. The law may state that a certain type of service must be provided eg 'to meet the needs of residents', but there is often considerable room for interpretation of what will constitute meeting those needs. This is an important part of the flexibility afforded to</p>

			<p>local authorities to determine how best to meet the needs of their communities, within constraints including financial.</p> <p>Expenditure controls are in place for all expenditure at Directorate level with spend over £10,000 subject to review at Corporate Leadership Board. Information about such approvals is available to Scrutiny on request and if they wish to look into them and raise any questions, the Executive would be happy to respond.</p>
3.	a) devise a mission statement for Newham Council, sharing its intent to become an enabler and facilitator (as opposed to provider) of place, as an underlying principle of budget setting and to be presented to the Overview and Scrutiny Committee by June 2025.	REJECT	<p>Our <i>Building a Fairer Newham</i> Corporate Plan is the overall mission statement for the council, including in terms of our role in relation to place. The Plan has been reviewed alongside the development of our budget, reflecting progress in delivery, the changing operating environment and the council's financial position and delivery capacity. The fundamental aims have not changed, though proposals to revise some specific commitments and KPIs are to be considered by Cabinet.</p> <p>The Executive see the council as having multiple roles in relation to place. These include enabling and facilitating, and our work with communities, developers and other partners is key in this. But this administration also believes the council has a valuable and cost-effective role to place as a provider in some circumstances, including the role of Populo. It therefore has no plans to devise a mission statement narrowing the council's role as is proposed.</p>
	b) adopt a position statement on its shared understanding of early intervention and prevention, and consider how this is measured and documented as part of the performance review framework and to be presented to the Overview and Scrutiny Committee by June 2025	AGREE	<p>Early Intervention and Prevention is a key priority within the Transforming Newham for the Future plan. The initial discovery work on the council-wide early intervention and prevention offer is complete, identifying strengths and areas for development that need to be addressed in the new model. An integrated strategy and costed delivery model are in development and should be completed by the summer .</p>
4.	Provide bi-annual reports to the Overview & Scrutiny Committee on blockages and delays in delivery of strategic priorities.	ACCEPT	<p>The quarterly <i>Building a Fairer Newham</i> Performance Reports that go to Cabinet and are then generally considered by Scrutiny provide updates on blockages and delays in delivering the council's strategic priorities.</p>

5.	Develop an improvement framework for the development of budget proposals' savings and growth pro forma documentation in 2025/26 and beyond by June 2025	ACCEPT	The Executive agrees that there continues to be room for improving the quality and consistency of the budget savings and growth pro-formas and have asked officers to put in place arrangements to do this for next year.
6.	Strengthen future budget consultation processes, including development of savings proposals, by June 2025, by: a) developing a comprehensive stakeholder engagement strategy; b) establishing formal consultation protocols with public sector partners; c) integrating existing community forums, particularly People Powered Places, into the budget consultation process; and d) creating structured engagement opportunities with the development sector	ACCEPT and will take account of specific Scrutiny suggestions in doing so	<p>The budget engagement and consultation process has been significantly improved this year with:</p> <ul style="list-style-type: none"> • the “<i>Newham. We’ve got this.</i>” multi-media campaign from mid-September to mid-December explaining the tough financial position facing the council, the reasons behind it and the actions being taken, with which more than 1,180 people engaged; • a series of online and face-to-face engagement sessions between mid-October and December, for residents, communities and businesses, comprising 8 sessions which involved 251 people; • an online survey between 10th October 2024 and 6th January 2025 which was completed by 238 residents; • consultation and engagement by services with their key stakeholders through the autumn and winter; and • a statutory public consultation on options for amendments to the Council Tax Reduction Scheme from 27th November 2024 to 14th January 2025 <p>Nonetheless, the Executive shares Scrutiny’s desire for these arrangements to continue to be strengthened and has asked officers to develop plans for how to do so, taking into consideration the suggestions made by Scrutiny.</p>
7.	a) develop a comprehensive third sector engagement strategy generally as a council, to reset our relationship with the sector; b) review the cumulative impact of proposed savings on voluntary and community organisations;	ACCEPT and will take account of specific Scrutiny suggestions in doing so	The Executive agrees that both a strategy and associated arrangements including protocols etc should be developed to strengthen our collaborative working with the Voluntary, Community and Faith Sectors who make such an important contribution in our borough. This should clarify expectations about the council’s role and capacity for supporting the sector financially in its own budget context but also go beyond this to

<p>c) establish clear protocols for managing relationships with the sector; and d) create a structured approach to partnership development and sustainability setting.</p> <p>To achieve this by June 2025.</p>		<p>connect into the wider work to strengthen strategic partnership working across the borough for the benefit of our residents and communities.</p> <p>This will be a significant piece of work and needs to be done in partnership with the VCSF, so may not be able to be completed by June 2025. We will therefore agree an approach and timeline by the spring, to clarify expectations for all.</p>
<p>8. Address concerns of optimism bias, including, for example, in assumptions used as the basis for savings proposals or revenue prediction.</p> <p>Re-examine all savings proposals for achievability of savings, with regard to the average 20% slippage rate and set more ambitious savings targets. The LBN scrutiny commissions, in turn, will incorporate optimism bias assessment as a standing item in their budget review processes. This systematic approach will help ensure more realistic planning and risk assessment in future budget cycles.</p>	<p>ACCEPT</p>	<p>Inevitably, the high level business cases or plans, including those for savings or revenue for inclusion in the budget, can be subject to further refinement which may alter figures or timescales. And some savings or other changes can take time to realise – and can be affected by changes in external circumstances. Achievability has been a factor in the consideration of savings options.</p> <p>The council has strengthened its corporate governance arrangements, following the LGA Peer Challenge in 2023, in part to help ensure a robust understanding of strengths and weaknesses, transparency and good oversight and challenge. These arrangements therefore need to provide the ability to identify, challenge and minimise reductions, delays or failure to deliver. Overview & Scrutiny’s role in providing constructive challenge and proposals also plays an important role in this.</p> <p>So while the Executive does not fully recognise the concerns of optimism bias raised by Budget Scrutiny, it shares the same ambition that savings proposals should be as robust as possible and delivery maximised, both in term of amount and timing.</p> <p>The Executive also recognises that there are some areas where delivery and its oversight have not been as effective as they would like, eg Council Tax Collection, and have asked for improvement plans to be put in place urgently to rectify this.</p>
<p>Revise modelling, using 60 presentations as the basis for the Temporary Accommodation model.</p>	<p>REJECT</p>	<p>Forecasts, by their nature, aren’t always right. But the council recognises that particularly closely because of the scale of the implications of TA on</p>

			<p>the overall budget it is important to get it as accurate as possible. While under-forecasting can lead to overspends, it is also important to recognise that over-forecasting also has impacts – including the potential need to make greater savings in other services to compensate.</p> <p>Our TA forecasting model was reviewed in detail earlier this year and considerably strengthened. It has also been subjected to challenge by independent members of our Transformation and Improvement Board. Since then it has been tracking reality much more closely. The +50 per month presentations forecast in the MTFS is based on that modelling.</p> <p>The forecast is kept under regular review in the light of the latest evidence. There is currently no evidence to suggest a compelling case for changing the MTFS forecasting at this stage.</p>
	Accelerate the development of the Asset Management Strategy, including a comprehensive list of assets. To be presented to the Overview and Scrutiny Committee by June 2025.	ACCEPT	The Asset Management Strategy is to be considered at Cabinet on 18 th February.
9.	Explore new sources of revenue, including:	ACCEPT	The Executive is keen to ensure that new sources of income are considered innovatively and explored properly. They are therefore happy to agree this recommendation and would welcome any contributions Scrutiny could make in gathering evidence of other models and considering their applicability in Newham.
	a) the potential for income generation through a tourist levy (short term) and lobby as a council for primary legislation for a tourist tax in the longer term.		
	b) business sponsorship to enable the reversal of A14 – the provision of street decorations and lights, as part of a wider repurposing of Community Wealth Building team to source funding and set up BIDS within the borough	ACCEPT	<p>Business sponsorship was secured, at short notice following the decision to make this saving in October, for two Christmas trees at Custom House and East Ham. Opportunities to secure sponsorship for other street decorations and lights will be pursued where possible.</p> <p>The Community Wealth Building team already works closely with partners and local businesses to maximise benefits for Newham residents and will look to go further where possible. The team is also available to work with</p>

			any town centre areas that wish to establish BIDs although it is important to note these are private sector led organisations.
10.	<p>Ensure equity of burden and outcomes of the Budget Proposals. Examples of this include:</p> <p>a) a reversal of the savings proposal concerning Our Newham Money – B20;</p>	REJECT	<p>While the proposal to make the General Fund saving for this service will remain in the budget, there may be opportunities to fund a reduced and more targeted service linked to the wider early intervention and prevention agenda.</p> <p>Options currently being explored internally with housing teams and public health if finalised would enable support to be maintained for complex cases they refer to the service which account for around 60% of current demand. Additionally, changes to the employment support system are emerging at national level which provide the opportunity to access funding for money advice that supports people to make the transition to work.</p> <p>The team will continue to administer the Household Support Fund on behalf of the council which is due to run until September and has supported approximately 1200 residents this year with direct payments to help manage crises.</p>
	<p>b) a reversal of the savings proposal concerning the removal of the Pest Control Subsidy – A12;</p>	REJECT	<p>We recognise the point of principle raised by Scrutiny that council housing tenants could be considered to be ‘paying’ twice for this subsidised service through their rent contributions to the HRA budget and council tax contributions to the General Fund, though in practice the amounts are minimal.</p> <p>We will retain the 50% saving to the General Fund that is at the heart of this proposal. However, in implementing it we will explore ways ensuring that any group of residents can only be considered to have paid once for this service, as part of wider thinking about the future approach that will seek to ensure that subsidy is primarily for the benefit of those residents with the least ability to pay.</p>
	<p>c) a reversal of the savings proposal reducing the Council Tax Reduction Scheme – B4; and</p>	REJECT	<p>We recognise many of our residents have been impacted by the increase in the cost of living. Having consulted residents on a range of changes to</p>

			<p>the scheme for working age adults including reducing the maximum reduction to 70% of council tax level, we have concluded capping the reduction at 80% is a fair and balanced approach and still maintains a comparatively more generous Council Tax Reduction Scheme than in our neighbouring boroughs. We will continue to work with the public and voluntary sector to support the vulnerable and those facing hardship to increase awareness of other avenues and benefits which go unclaimed due to lack of awareness.</p>
	<p>d) a freeze on Members' Allowances and withdrawal of all Deputy Cabinet Members. In view of Newham Council's serious financial circumstances this year, such a recommendation feels appropriate and necessary.</p>	<p>REJECT</p>	<p>The Constitution Review Working Group has been considering Members Allowances in Newham with a view to proposed changes to the arrangements being brought to Full Council. These will be to align the banding of allowances with the Independent Panel on Members' Remuneration. The Working Group also agreed to recommend that, in the context of the council's current financial position, allowances should be frozen for this year. It will be for Full Council to make a decision on this, following discussions within political Groups in the usual way, and they will want to note the recommendation from Scrutiny in doing so. The Executive will therefore not pre-judge these decisions, though this rejection should not be seen as a reflection of the Executive's views on the proposal itself.</p> <p>The Executive notes the proposal to withdraw all Deputy Cabinet Member posts, but notes that within our governance arrangements under the Directly Elected Mayor model, it is for the Mayor to determine the appropriate number of Cabinet and Executive positions.</p>

APPENDIX 2

EXECUTIVE RESPONSE TO BUDGET SCRUTINY COMMISSION REPORT 2025 RECOMMENDATIONS (SAVINGS PROPOSALS)

BUDGET SCRUTINY COMMISSION RECOMMENDATIONS		ACCEPT / REJECT	EXECUTIVE RESPONSE
Reverse	Cease Active Centre Activity (A6)	REJECT	Resident Engagement and Participation run in excess of 250 events per week. Residents who currently attend Active Centre activity will be redirected to other activity within libraries and community centres which is similar but provided via different funding. Close working with local organisations at a neighbourhood level will also ensure that residents can be signposted to events and activities run by local voluntary, community and faith sector organisations. Council staff will also be able to use both the libraries events page and the social prescribing JOY platform to support residents to find activities that they want to take part in.
	Reduction of Pest Control Subsidy (A12)	See Appendix 1	See response to 10 b) in Appendix 1.
	End the provision of celebration lights and street decorations (A14) – we were told that this was currently being met through contingency, we believe this is a nominal amount (£200k) that could be subsidised by sponsorship and is important to residents	See Appendix 1	See response to 9 b) in Appendix 1.
	Reverse the saving proposal B3, concerning the proposed reductions in Council Tax Support and suggest additional resources to improve Council Tax Collection Rates	See Appendix 1	See response to 10 c) in Appendix 1.
	Review the Our Newham Money Service (B20) – the proposal should be withdrawn. The service is essential feature of supporting residents at this critical time.	See Appendix 1	See response to 10 a) in Appendix 1.

	Evolution of Youth Empowerment Service (C6/BCS16) with immediate effect and for 2025/26	REJECT	<p>The Youth Empowerment Service model is a core part of the early intervention and preventative approach adopted by the Council, it has been intentionally designed to provide a holistic and inclusive offer to all young people in Newham. Keeping intact with the proposed targeted offer designed and developed over the course of the next 6 months. While maintaining sustainable and impactful youth service model retaining its inclusive offer with additional targeted provision sourced through working with the Inclusive Economy directorate.</p> <p>Savings of £1.2 million over the 2-year period covering the financial years 2025/26 and 2026/27 at £600k per annum. Initial £600k in 2025/26 comprises of removal of the current VCFS commission by bringing forward to the 2025/26 financial year the intended conclusion of the current VCFS commission which was always due to end by 2026/27. We will retain the SEND element across both 2025/26 and 2026/27 financial years. The further 600K planned savings will be taken from the YES service in 2026/27 unless additional funding sources including government grants etc can be attained.</p>
Make new savings	Reduction of seven (7) Deputy Cabinet Members	See Appendix 1	See response to 10 d) in Appendix 1.
	Freeze of Members' Allowances	See Appendix 1	See response to 10 d) in Appendix 1.
Bring forward	Reduction of staff for VCFS (A13)	REJECT	The deletion of one FTE is proposed by March 2026, and the savings will be in 2026-27. We will need to time to undertake a restructure of the team, write a business case and undertake consultation with staff affected, it will not be possible to bring this forward by one year.
	Bring forward benefits of sale (B2)	REJECT	It would be unrealistically optimistic to budget on the assumption that the benefits of the sale could be brought forward. The Council would want to maximise income through sale to get the best value and any efforts to rush through could lead to our inability to achieve the best for asset sale. However, executive will closely monitor the disposal programme and request officers to bring forward proposals as soon as is practically possible.

	Review of Library Service (B15)	See Appendix 1	
	Subsidy removal of Dockside Diner (RE5)	REJECT	It would be optimistic to budget on the assumption that footfall in Dockside would increase sufficiently quickly for the subsidy to be removed any sooner. However, if further space can be let more quickly, which is what we are trying to do, this might be achieved and the actual subsidy paid will only be the minimum required based on take up.
	Savings proposal NCIL and S106 (C7)	REJECT	The savings have been scheduled on the basis of a reasonable timeframe to undertake the necessary work and have confidence in the ability to deliver them. While any opportunities to unlock them earlier will be taken, we do not believe it would be prudent to budget on any other assumption.
	Reduce the Events, Culture and Heritage Budgets (B5) to identify further savings	See Appendix 1	See response to 2 a) ii) in Appendix 1.
	Review Heritage Funding (B6) for future years to identify further savings	See Appendix 1	See response to 2 a) iii) in Appendix 1.
Pause and Review	Increase in community centre income (A7) – this places a disproportionate burden on the VCFS and need to be understood in the wider context of the development of a new covenant between the council and the VCFS	REJECT	The proposed increase in income is from a combination of increased space for hire and from better marketing of existing spaces. This proposal does not affect room hire charges which are set through the Council's Fees and Charges review and is already agreed for 2025-6. There should be no adverse effect or burden upon the Voluntary and Community sector from this proposal. A variety of organisations and individuals hire space in community centres some of whom pay the higher private rates. The tiering system that provides lower room hire charges for Start-Up, Community and Faith use will remain.
	Reduce Community Grant Allocations (A26)	REJECT	Reducing the Community Grants programme in 2026/27 will not affect any statutory obligations, there will still be a budget of £80k to engage and support voluntary, community and faith organisations in the community. We will use 2025/26 to review our approach and work through a proposal to design a reduced grants programme that is responsive to the VCFS. We will still continue to administer external grants through Aspers and Tate & Lyle on an annual basis.

	Pausing saving proposal Review of Children's Sector Thresholds (A32) – to allow cross-referencing with potential cuts to the Children's Sector and reconfiguration of assessment teams and thresholds, pending outcomes from the government's Child Poverty Strategy and Taskforce	REJECT	As part of our approach and aligning with the upcoming reforms on how we practice social care, this saving will result from the work we do, as opposed to any direct cuts to services offered. It will help to ensure improved outcomes for babies and parents. The potential of the service is to reduce short-term and longer-term demand and pressure on the wider system including a reduction in future Council and NHS spend.
	Review of Voluntary Sector Estates (B1)	REJECT	Given the financial position, the recommendation to review this proposal would only increase the financial pressures on the Council. With regret, the recommendation is therefore rejected.
	Cease funding for the VCFS Infrastructure and Capacity Building (B21) – although this is not until 2027/28, it takes typically a year for a VCFS partner to secure funding. We recommend pausing the cut and reviewing this as part of the broader work in developing a new covenant between the council and the VCFS	REJECT	The proposal is to cease the commissioning of VCFS Infrastructure support in 2027/28. The proposal does not affect any statutory obligations. We will have 2 financial years to work closely with the VCF sector to support them with commissioned Infrastructure support and build their capacity during this time, we will also use this time to explore options for inward investment and review this work as part of the broader partnership working between the council and the VCFS.
Notes of caution	Combine adult and children commissioning function (A19) – we would suggest that there is a need to carefully explore the long term risks of losing specialist knowledge and understanding. Further work in this area is required on the long term implications.	NOTED	Noted.
	Embedding Newham Circles of Support (combining assessment and safeguarding interventions (A20) – we would recommend again as in A19 addressing the risk posed by the loss of specialist expertise and knowledge	NOTED	Noted.

	Asset Sales and Income Generation (A8 and B20 – we note the contradiction in seeking to sell assets and generate income from them simultaneously, the committee was not provided with sufficient information to address this clear paradox	NOTED	The concerns and risk are noted. However, it is unlikely that all assets will be sold at the same time. Also different assets are referred to and the risk is considered reasonable in all the circumstances.
	Review Specialist Offer of Interventions to Adolescents (A31)	NOTED	Noted.
	BSMI Service Offer Reduction (staffing) (A41) – note the potential for risk to directorates	NOTED	Noted.
	Review needs to proceed, being mindful of impact (B13)	NOTED	Noted.

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