

Title of Proposal:	Review of Adult Social Care Charging Policy and strengthening financial assessment processes		
Directorate	Adults, Housing and Health	Responsible Director/Assistant Director:	Jo Baty
Cabinet Member	Lucia das Neves	Scrutiny Committee	Adults & Health Scrutiny Panel
Affected Service:	Adults, Health & Communities	Contact / Lead Officer:	Becky Cribb

Value of the budget	
Type of Saving	Income Generation

Charging policy alignment and strengthening financial assessment processes

This proposal is in two parts: Part A aims to ensure the council's charging arrangements accurately reflect the start of care provision, in line with statutory guidance and the principle of fairness. Part B proposes to improve the efficiency, timeliness, and accuracy of financial assessments, supporting both resident experience and income collection.

Part A: Under the current policy, charges are applied from the date a financial assessment is completed, rather than from the date care commences. This means that when assessments are delayed—often due to awaiting information—income for the initial period of care is not recovered, creating a structural gap between service delivery and charge collection.

Proposed Change

Amend the charging policy so that charges are applied from the date care begins, subject to appropriate safeguards for residents who experience genuine difficulty providing required information.

This approach would:

- Align the council with common practice across other local authorities
- Ensure equity between residents whose assessments are completed at different times
- Recover the full cost of care where appropriate and the reduce the financial risk posed by delaying cost recovery
Make it clear from the outset to residents whether they need to make a contribution to their care
- Improve predictability and accuracy of income forecasts.

Part B: Optimise the End-to-End financial Assessment Process

Actions include:

Reviewing and refining the assessment journey to remove duplication and clarify handovers.

Strengthening coordination between financial assessment, charging, and debt recovery functions.

Introducing clear service standards and dashboards to track performance and quality.

Increasing workforce capacity by investing in 3 additional FTEs within the financial assessment team to increase throughput, enable proactive follow-up, and provide resilience during process change. This additional capacity will ensure assessments are completed promptly and accurately, reducing delays in billing and improving overall income flow.

Proactive Income Management - Strengthening early contact protocols to prevent arrears data sharing between ASC and corporate finance to identify and addressing risks earlier.

Key Actions

Optimise the End-to-End Process

- Review and refine the assessment journey to remove duplication and clarify handovers.
- Strengthen coordination between financial assessment, charging, and debt recovery functions.
- Introduce clear service standards and dashboards to track performance and quality.

Increase Workforce Capacity

- Invest in 3 additional FTEs within the financial assessment team to increase output, enable proactive follow-up, and provide resilience during process change.
- This additional capacity will ensure assessments are completed promptly and accurately, reducing delays in billing and improving overall income flow.

Proactive Income Management

- Strengthen early contact protocols to prevent arrears
- Improve data sharing between ASC and corporate finance to identify and address risks earlier

Financial Benefits Summary

Please complete sheet "Financial Benefits Detail" outlining indicative financial benefits information plus any initial one-off investment costs. The summary information will automatically populate the tables below.

Revenue Impacts	2026/27	2027/28	2028/29	2029/30	2030/31	Total
<i>All figures shown on an incremental basis</i>	£000s	£000s	£000s	£000	£000	£000s
New net additional savings (shown as negative)	(909)	0	0	0	0	(909)

Initial One-Off Investment Capital Costs	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£000s	£000s	£000s	£000	£000	£000s
Total	-	-	-	-	-	-

Is this a change in Council policy (Y/N)	Yes
Does it require a Member decision in addition to the	Yes

Add in FTE (post) number changes by year (both additions and deletions)	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£000s	£000s	£000s	£000	£000	FTEs
Nos (FTEs)	3					3

Interdependencies

Is there a Digital interdependency?	No	Details	
Is there a Property interdependency?	No	Details	
Is there a Procurement interdependency?	No	Details	
Are there any other interdependencies?	No	Details	
Are there any other interdependencies?	Yes	Details	The successful implementation of the Adult Social Care Charging Policy Review is heavily reliant on several non-technical interdependencies, particularly in the areas of legal compliance, stakeholder engagement, and data analysis.

Link to Capital Programme

Does this saving link to a scheme delivered within the	No	Details	
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Indicative timescale for implementation

Est. start date for consultation if relevant DD/MM/YY	10/01/2026	Est. completion date for implementation DD/MM/YY	TBC
Is there an opportunity for implementation before April 2026?	Consultation required before March if we were to implement early.		

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
Has the EqIA Screening Tool been completed for this proposal? EqIA Screening Tool			
What mitigations will be taken to minimise negative equality impacts (if relevant)?			
Is a full EqIA required?		Yes	
Full EqIAs to be undertaken at Stage 2			

Title of Proposal:	Reduction in contracts in Floating Support Contract		
Directorate	Adults, Health & Communities	Responsible	Jahedur Rahman/Maddie Watkins
Cabinet Member	Sarah Williams	Scrutiny Committee	Adults & Health Scrutiny Panel
Affected Service:	Adults, Health & Communities	Contact / Lead Officer:	Zahra Maye

Value of the budget impacted	£734,400 (257K saving proposal) New value 477k
Type of Saving	Service Reduction

Floating support services provide targeted, person-centred housing-related support to vulnerable residents. The service delivers advice and guidance, tenancy sustainment, income maximisation, support with benefits, and signposting to relevant statutory and community services. The proposal is to deliver a 35% reduction in contract value, which will result in:

- The service will be prioritising those with the most complex needs or at the highest risk of tenancy breakdown.
- Refocusing of service model: focus on crisis intervention and short-term intensive support.
- This may result in a reduction in staffing levels but this will be aimed to be achieved through natural turnover (vacancy management) and by working with providers to align delivery with revised funding.
- Contract renegotiation with providers: engaged to identify efficiencies, redesign delivery pathways, and revise performance expectations to meet revised funding levels.

Future recommissioning from 2027: The revised model and funding envelope will inform the new service specification and procurement approach for contracts commencing in 2027.

Financial Benefits Summary

Please complete sheet "Financial Benefits Detail" outlining indicative financial benefits information plus any **initial one-off** investment costs. The summary information will automatically populate the tables below.

Revenue Impacts <i>All figures shown on an incremental basis</i>	2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000	2030/31 £000	Total £000s
New net additional savings (shown as negative)	(257)	0	0	0	0	(257)

Initial One-Off Investment Capital Costs	2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000	2030/31 £000	Total £000s
Total	-	-	-	-	-	-

Is this a change in Council policy (Y/N)	Yes
Does it require a Member decision in addition to	Yes

Add in FTE (post) number changes by year (both additions and deletions)	2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000	2030/31 £000	Total FTEs
Nos (FTEs)						-

Interdependencies

Is there a Digital interdependency?	No	Details	
Is there a Property interdependency?	No	Details	
Is there a Procurement interdependency?	Yes	Details	contract variation
Are there any other interdependencies?	No	Details	
Are there any other interdependencies?	No	Details	

Link to Capital Programme

Does this saving link to a scheme delivered within the capital programme?	No	Details	
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Indicative timescale for implementation

Est. start date for consultation if relevant DD/MM/YY	01/07/2025	Est. completion date for implementation DD/MM/YY	
Is there an opportunity for implementation before April	No, contract is currently undergoing a variation to reduce it by 20%.		

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
May increase demand on statutory services	M	L	Implement a robust triage and prioritisation framework to focus limited floating support on highest-risk individuals; coordinate with statutory teams to identify priority cohorts
Tenancy breakdown and increased homelessness	H	M	Develop clear referral criteria prioritising tenancy sustainment; work closely with housing and homelessness teams to manage risk
Reduced capacity to deliver income maximisation support	H	M	link to borough-wide financial inclusion and welfare advice services
Reputational risk to the Council	H	L	Communicate transparently about the rationale and unavoidable financial context; emphasise prioritisation of those in highest need.

Has the EqlA Screening Tool been completed for this proposal?	Yes
EqlA Screening Tool	
What mitigations will be taken to minimise negative equality impacts (if relevant)?	Prioritisation system focused on need
Is a full EqlA required?	Yes
Full EqlAs to be undertaken at Stage 2	

Is this a Growth or Invest to Save?	Invest to Save		
Short Description (this will be published in the budget)	Incentive payments to increase and retain LBH PSL stock for use as Temporary Accommodation		
Directorate	Adults, Housing & Health	Responsible Corporate	Sara Sutton / Jahed Rahman
Affected Service:	Housing Demand	Contact / Lead:	Maddie Watkins

Since 2008 the council has seen a steady decline in the number of landlords providing private sector leasing (PSL) properties for use as temporary accommodation (TA). This is due to a combination of factors. The most significant of which is the continued rise in market rents. Across London, since September 2024, rents have risen by over 10%. The council is unable to compete with the rates of rent increases, making it harder to secure or retain PSL properties. We are also seeing increased competition from the private rental sector as well as other boroughs. We have lost landlords/properties to agents who offer landlords night-paid rates or other boroughs who offer higher rent or incentives.

Another contributing factor to the reduction in PSL property numbers is funding, as the level of TA Subsidy (the amount of Housing Benefit that the council can claim for residents who are placed into PSL accommodation). This has been set at 90% of 2011's local housing allowance levels. Landlords who let their properties as PSL will ordinarily have leases of approximately three years. When these leases expire, landlords request rent increases which the council cannot offer resulting in landlords requesting the return of their property as they can achieve higher returns letting elsewhere.

On average each PSL property currently procured by the council costs around £70 per night less than commercial hotel accommodation. It is important to note that this is a simple average across all property sizes and locations, and individual comparisons may give figures more or less than this figure.

This proposal is for landlords to be offered a one-off incentive at the start of the lease for a 3-year or 5-year lease respectively at a higher level than currently paid. This would cost approximately £1.5m per year on the basis that 50% agree to a 3 year lease and 50% agree to a 5 year lease. There would, however, be a net benefit through avoided costs for nightly paid and B&B accommodation.

As an invest-to-save case, this proposal effectively corresponds to a pilot for PSL renewals and new leases in 2026/27 (estimated as approximately 112 properties in total). If the projected cost avoidance is realised, then it is foreseen that this may translate into a future Budget growth bid in 2026/27 or 2027/28 to offer incentives to retain the remaining PSL properties but delivers costs avoidance in future years.

Note that a number of savings and cost avoidance measures are already included in the budget assumptions for 25/26 and beyond. The impacts of these have deliberately not been included in the modelling presented here to avoid double counting. The baseline case assumes that no new PSLs will be procured, whereas with incentives it is projected that there will be a net increase of 5% annually, equating to around 30 new properties each year.

Invest to Save Drivers	2026/27	2027/28	2028/29	2029/30	2030/31	Total
<i>LAC number increases (Example for illustrative purposes only)</i>						
Decreasing baseline number of PSL properties leased to Haringey to use as TA	336	286	243	207		
Projected increase of PSL properties leased to Haringey with use of Incentives	380	323	275	234		

Summary

Additional Budget Required	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Financial Impacts						£000s
<i>Increase in placement costs (LAC) - Example for illustrative purposes only</i>						
Payment of incentives to landlords to retain existing private sector leased properties	952					952
Savings - (assume a £9m growth in 26/27)	(593)	(542)	(512)	(490)		(2,137)
Total	359	(542)	(512)	(490)		(1,185)

Is this a change in Council policy (Y/N)		No
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Add in FTE (post) number changes by year (both additions and deletions)	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Nos (FTEs)	-	-	-	-	-	-