Appendix 2 (a)
Adults Housing and Health Directorate

Adults Housing and Health Directorate

Adults Social Care

1.1. We support older people, disabled adults, and those with mental health needs to live independently and with dignity. In 2026/27, we plan to spend £159m on care and support, funded by, contributions from individuals of around £13m, and shared funding of £17m with local health partners.

1.2. The £159m includes an additional £19m to meet rising demand and inflation. We expect to provide long-term care for around 2170 older adults and 2030 younger adults by March 2027, reflecting the borough's ageing population and growing health needs.

1.3. We are committed to strengthening and improving our services around residents' needs, ensuring high-quality care and support while building financial resilience for the future. This means delivering personalised care plans through meaningful engagement with individuals and families, promoting independence and choice, and ensuring people have access to advice and guidance, including signposting to community-based support where this best meets their needs. We will commission services in a way that is both cost-effective and sustainable, ensuring value for money while maintaining high quality. At the same time, we will continue to strengthen partnerships with health services to integrate care and improve outcomes for residents.

Directorate Proposed Budgets 2026/27 to 2030/31

1.4. The estimated additional budget requirement for the Adult and Social Services Directorate in 2026/27 is £42.5m as presented in the table below. Details of the proposals are provided in the sections below. The total estimated additional budget requirement across 2026/27 to 2030/31 is £59.1m. Due to the introduction of the fair funding and a change in the way grant funding is received by the council, a number of what is described legacy grants will disappear in 2026/27, these include the Social Care Grant and Market Sustainability and Improvement Fund, instead they will be incorporated into the Revenue Support Grant. As a result, £27.6m of grant funding will be removed from the Adult Social Care budget and held corporately but leave the expenditure unchanged except from the proposed change below.

Type	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Starting Budgets	97,782	140,305	145,158	149,963	156,883	**690,092**
Previously Approved Budget Pressures	8,446	7,210	7,200	6,920	0	**29,776**
Previously Approved Budget Savings	(2,856)	(1,689)	(1,920)	0	0	**(6,465)**
New Pressures	10,600	0	0	0	0	**10,600**
New Savings	(909)	0	0	0	0	**(909)**

New Management Actions	(358)	(668)	(475)	0	0	**(1,501)**
Government & Other Funding Changes	27,605	0	0	0	0	**27,605**
Total Proposed Changes	**42,528**	**4,853**	**4,805**	**6,920**	**0**	**59,106**
Proposed Revised Budget	**140,310**	**145,158**	**149,963**	**156,883**	**156,883**	**749,216**
**** Based on Draft Budgets***						

1.5. The current assumption is that all the previously agreed savings included in the March 2025 Council report across 2026/27 to 2030/31 will be delivered in full.

2026/27 Budget Pressures

1.6. £40.4m of budget pressures have been identified across 2026/27 to 2030/31, £19m identified in 2026/27 and summarised in the table below.

Categories	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
Previously Approved	ASC - increased support needs due to increase acuity or complexity of support needs	930	7,210	7,200	6,920		**22,260**
Previously Approved	Cost of Corporate debt team to recover Client Contribution arrears	(250)					**(250)**
Previously Approved	Substitution of resettlement funding (partnerships and communities	416					**416**
Previously Approved	ASC Care Purchasing Budgets - Growth from Demographic Pressures, Inflation and COVID Legacy	2,821					**2,821**
Previously Approved	ASC/CSC Growth assumptions	4,529					**4,529**
New Proposal	Placement demand pressures + inflation assumed at 4%	7,000					**7,000**
New Proposal	Adult Social Care Staffing cost pressure	3,600					**3,600**
Overall Total		**19,046**	**7,210**	**7,200**	**6,920**		**40,376**

1.7. Demand for Adult Social Care services has been modelled for both younger adults and older adults across all support types based on current year expenditure, reflecting historical trends and future population and demographic changes. The additional pressure for 2026/27 reflects agreed assumptions on the best estimate for future numbers who require a care package, reflecting increasing frailty, multiple long-term conditions and complexity. The modelling also considers a broad inflation factor to reflect the need to maintain and develop the local care market ensuring that care staff employed by care organisations are paid care are paid appropriately. As a result, a further £7m is required over and above the £8.28m previously approved to meet forecast demand and costs of care placements in 2026/27.

1.8. Adjustments are made to reflect the time limited, two-year funding, to support the improvement of debt arising from contributions towards care to remove £250,000 and reverse the one-off drawdown of £416,000 from resettlement.

1.9. Adult Social Care (ASC) in Haringey is managing a £3.6 million staffing cost pressure, driven by rising demand and increasingly complex care needs, particularly among older and younger adults. Mitigation efforts include strategic vacancy management, recruitment delays in non-frontline roles, and optimising funding streams, while future plans focus on redesigning the operating model, enhancing digital triage, and ensuring the right workforce mix. Without securing this funding, adult social care risks breaching its statutory duties under the Care Act 2014, which could lead to growing backlogs in assessments and reviews, impacting vulnerable residents.

2026/27 Budget Savings

1.10. £7.4m of budget savings will be delivered across 2026/27 to 2030/31with £3.8m identified in 2026/27 and summarised in the table below.

Categories	**Description**	**2026/27 (£'000)**	**2027/28 (£'000)**	**2028/29 (£'000)**	**2029/30 (£'000)**	**2030/31 (£'000)**	**Total (£'000)**
Previously Approved	Connected Care Outsourcing	(879)	(35)				**(914)**
Previously Approved	Day Opportunities – Commissioning Review - To undertake a commissioning review of the	(100)	(300)	(450)			**(850)**
Previously Approved	Developing a Community Support model	(550)	(250)	(250)			**(1,050)**
Previously Approved	Reversal of Resettlement funding	300					**300**
Previously Approved	Review of Reablement model	(250)					**(250)**
Previously Approved	Review of the Supported Living contract	(600)					**(600)**

Previously Approved	Housing Related Support and Support Accommodation Commissioning efficiencies and the rationalisation of pathways for housing related supported and supported accommodation. As we move through the commissioning lifecycle there is an opportunity to consolidate contracts and service provision leading to contract savings. This proposal assumes savings of 10-15% applied as		(380)				**(380)**
Previously Approved	Transitions	(777)	(724)	(1,220)			**(2,721)**
New Proposal	Review of Adult Social Care Charging Policy and strengthening financial assessment	(909)	-				**(909)**
Overall Total		**(3,765)**	**(1,689)**	**(1,920)**			**(7,374)**

Government and Other Funding Changes

1.11. £27.6m of government and other funding changes are identified in 2026/27 and summarised in the table below.

Description	**2026/27 (£'000)**	**2027/28 (£'000)**	**2028/29 (£'000)**	**2029/30 (£'000)**	**2030/31 (£'000)**	**Total (£'000)**
Removal of previous Grant income now rolled into Revenue Support Grant through the Fairer Funding Assessment	27,605					27,605
Overall Total	**27,605**					**27,605**

Adults Housing Demand (including Temporary Accommodation)

1.12. Housing Demand provides temporary and emergency accommodation for households who are homeless or at risk of homelessness. In 2026/27 we expect the numbers in temporary accommodation to remain the same but anticipate an increase in costs of around 19% compared to last year.

1.13. The biggest pressure on the budget is the rising cost of temporary accommodation and market conditions, and limited supply mean prices are increasing faster than inflation. To meet these challenges, an additional £9.9m is required next year.

1.14. Our approach focuses on both meeting immediate need and reducing long-term reliance on temporary housing. Key actions including continuing to deliver our housebuilding programme, purchasing additional properties for use as move on from temporary accommodation, ensuring we are achieving best value on nightly paid accommodation and improving our turnaround times for voids. We will also ensure that we only use bed and breakfast accommodation for families in exceptional circumstances, this follows significant progress in 2025 where we reduced the use of bed and breakfast accommodation for families by 83% reduction.

1.15. While these initiatives will help contain costs, market volatility remains a risk, and we will continue to develop innovative solutions to support residents sustainably including exploring funding affordable housing through long-term institutional finance.

Proposed Budgets 2026/27 to 2030/31

1.16. The estimated additional budget requirement for Housing Demand in 2026/27 is £17.0m as presented in the table below. Details of the proposals are provided in the sections below. The total estimated additional budget requirement across 2026/27 to 2030/31 is £19.0m.

Type	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Starting Budgets	**25,894**	**42,861**	**42,884**	**44,372**	**44,882**	**200,894**
Previously Approved Budget Pressures	3,000	2,000	2,000	1,000	0	**8,000**
Previously Approved Budget Savings	(2,600)	(1,300)	0	0	0	**(3,900)**
New Pressures	10,854	0	0	0	0	**10,854**
New Savings	(850)	(542)	(512)	(490)	0	**(2,394)**

Government & Other Funding Changes	6,563	(135)	0	0	0	**6,428**
Total Proposed Changes	**16,967**	**23**	**1,488**	**510**	**0**	**18,989**
Proposed Revised Budget	**42,861**	**42,884**	**44,372**	**44,882**	**44,882**	**219,882**
**** Based on Draft Budgets***						

1.17. The current assumption is that all of the previously agreed savings included in the March 2025 Council report across 2026/27 to 2030/31 will be delivered in full.

2026/27 Budget Pressures

1.18. £18.9m of proposed budget pressures have been identified across 2026/27 to 2030/31, £13.9m identified in 2026/27 and summarised in the table below.

Categories	**Description**	**2026/27 (£'000)**	**2027/28 (£'000)**	**2028/29 (£'000)**	**2029/30 (£'000)**	**2030/31 (£'000)**	**Total (£'000)**
Previously Approved	Temporary Accommodation Costs Pressure continuation	3,000	2,000	2,000	1,000		8,000
New Proposal	Housing Demand (demand and price pressure)	9,902					9,902
New Proposal – Invest to Save	Invest to Save - Incentive payments to increase and retain PSL stock for use as Temporary Accommodation	952					952
Overall Total		**13,854**	**2,000**	**2,000**	**1,000**		**18,854**

1.19. The Council is facing rising Temporary Accommodation (TA) costs of £8.5m, driven by an 18–19% annual increase in Nightly Paid Accommodation (NPA) spend, reduced availability of Private Sector Leased (PSL) and council-owned properties, and market pressures that have led to landlords to withdraw properties. Additional budget pressures include a £262,000 overspend on legal recharges due to reliance on external services, and an increased Bad Debt Provision aligned with ambitious rent collection targets following recent rent increases.

1.20. Invest to Save- The Council has experienced a steady decline in Private Sector Leasing (PSL) properties for Temporary Accommodation due to rising market rents and increased competition from other boroughs. To address this, a proposed landlord incentive scheme aims to retain and grow PSL stock, reducing reliance on costly nightly paid and B&B accommodation. While this would result in a short-term increase in expenditure in 2026/27, it is projected to deliver significant cost avoidance in future years, forming part of a broader PSL Retention Strategy. £1.0m of investment is required to provide proposed reductions of £2.1m across 2026/27 to 2030/31 as summarised in the table below

Government and Other Funding Changes

1.21. £6.6m of government and other funding changes are identified in 2026/27 and summarised in the table below.

Description	**2026/27 (£'000)**	**2027/28 (£'000)**	**2028/29 (£'000)**	**2029/30 (£'000)**	**2030/31 (£'000)**	**Total (£'000)**
Removal of previous grant income now rolled into Revenue Support Grant through the Fairer Funding Assessment	6,698					**6,698**
Change in funding for Voluntary Sector Grant – Contribution from Reserve	(135)	(135)				**(270)**
Overall Total	**6,563**	**(135)**	**0**	**0**	**0**	**6,428**

2026/27 Budget Savings

1.22. £6.3m of budget savings will be delivered across 2026/27 to 2030/31, £3.5m identified in 2026/27 and summarised in the table below.

Categories	**Description**	**2026/27 (£'000)**	**2027/28 (£'000)**	**2028/29 (£'000)**	**2029/30 (£'000)**	**2030/31 (£'000)**	**Total (£'000)**
Previously Approved	More Cost-Effective Sources of Temporary Accommodation - The delivery of this saving is through the combination of a number of initiatives to reduce the overall cost of homes secured for temporary accommodation and to increase the	(2,600)	(1,300)				**(3,900)**

	amount of Local Housing Allowance recouped by the Council. Key initiatives to reduce our reliance on expensive nightly-paid accommodation include entering into longer term leases for properties; delivering a housing acquisition programme of 250 homes per annum and modernising the Council's rent setting policy for TA to ensure the Council is maximising the amount that it is legally entitled to recouped within housing benefit rules.						
Previously Approved	Housing Related Support and Support Accommodation Commissioning efficiencies and the rationalisation of pathways for housing related supported and supported accommodation. As we move through the commissioning lifecycle there is an opportunity to consolidate contracts and service provision leading to contract savings. This proposal assumes savings of 10-15% applied as contracts are re-procured		(380)				**(380)**
New Proposal	"Reduction in contract in Floating Support Contract	(257)					**(257)**
New Invest to Save Proposal	Savings on the incentive payments to increase and retain PSL stock for use as Temporary Accommodation	(593)	(542)	(512)	(490)	0	**(2,137)**
Overall Total		**(3,450)**	**(1,842)**	**(512)**	**(490)**	**0**	**(6,294)**

2026/27 - 2030/31 Draft Capital MTFS (GF) CAPITAL MTFS BUDGET

1.23. Following consultation, new or deleted schemes compared to the Capital Programme that was last agreed in March 2025 are noted in the table below.

Directorate	Capital Scheme No	Description	2026/27 Budget (£'000)	2027/28 Budget (£'000)	2028/29 Budget (£'000)	2029/30 Budget (£'000)	2030/31 Budget (£'000)	2026/27 - 30/31 Total (£'000)
ADDITIONS / NEW SCHEMES								
Adults, Housing & Health	226	Initiatives under Housing Demand Programme - acquisitions		5,000	5,000	5,000	5,000	**20,000**
			0	**5,000**	**5,000**	**5,000**	**5,000**	**20,000**
DELETION / REDUCTION								
Adults, Housing & Health	225	Locality Hub	(501)					**(501)**
Adults, Housing & Health	226	Initiatives under Housing Demand Programme – this allocation was £10m but was not drawn down in 2025/26 and has been reprofiled across the MTFS period .	(5,150)					**(5,150)**
			(5,651)	**0**	**0**	**0**	**0**	**(5,651)**
NET MOVEMENT			**(5,651)**	**5,000**	**5,000**	**5,000**	**5,000**	**14,349**

1.24. The proposed Capital programme and funding sources across the five years from 2026/27 to 2030/31 is set out in full in the table below (2025/26 budgets shown for information).

SCHEME REF	SCHEME NAME	2025/26 Qtr.2 Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)	2028/29 Budget (£'000)	2029/30 Budget (£'000)	2030/31 Budget (£'000)	2025/26 - 30/31 Total (£'000)
201	Aids, Adaptations and Assistive Technology in homes to support people living at home for longer - funded by Disabled Facilities Grant	3,616	2,200	2,200	2,200	2,200		**12,416**
211	Community Alarm Service for residents supported to live at home	177	177	177	0	0		**531**
213	Refurbishment of Canning Cresent to provide Crisis accommodation and the Clarendon Recovery College	682	0	0	0	0		**682**
225	Locality Hub	338	0	0	0	0		**338**
226	General Fund contribution to the acquisition of homes to reduce numbers in emergency temporary accommodation	4,850	0	5,000	5,000	5,000	5,000	**24,850**
Adults, Housing & Health		**9,663**	**2,377**	**7,377**	**7,200**	**7,200**	**5,000**	**38,817**

Source of Funding	2025/26 Qtr.2 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	2025/26 - 30/31 Total
Core Capital Programme Borrowing	6,047	177	5,177	5,000	5,000	5,000	**26,401**
Capital Grants from Central Government Departments	3,616	2,200	2,200	2,200	2,200	-	**12,416**
Total	**9,663**	**2,377**	**7,377**	**7,200**	**7,200**	**5,000**	**38,817**