



## **Community & Children's Services Committee INFORMATION PACK**

**Date:** WEDNESDAY, 28 JANUARY 2026  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL

### **Part 1 - Public Reports**

10. **\*SPECIAL EDUCATIONAL NEEDS AND DISABILITY (SEND) CITY OF LONDON  
LOCAL AREA INSPECTION OUTCOME - DECEMBER 2025**  
**For Information**  
(Pages 3 - 16)
11. **\*COMMUNITY AND CHILDREN'S SERVICES (NON-HOUSING) REVENUE  
OUTTURN FORECAST AS AT QUARTER 3, 2025/26**  
**For Information**  
(Pages 17 - 22)
12. **\*HOUSING REVENUE ACCOUNT POSITION 2025/26**  
**For Information**  
(Pages 23 - 28)
13. **\*CITY OF LONDON STREET HOMELESSNESS OUTREACH AND SUPPORT  
SERVICE – STAGE 1 PROCUREMENT STRATEGY REPORT**  
**For Information**  
(Pages 29 - 38)

### **Part 2 - Non-Public Reports**

21. **\*MANAGEMENT UPDATE FOR THE CITY OF LONDON COMBINED RELIEF OF  
POVERTY CHARITY**  
**For Information**  
(Pages 39 - 42)

**Ian Thomas CBE**  
**Town Clerk and Chief Executive**



## City of London Corporation Committee Report

<b>Committee:</b> Community and Children's Services	<b>Dated:</b> 28/01/2026
<b>Subject:</b> Special Educational Needs and Disability (SEND) City of London Local Area Inspection outcome – December 2025	<b>Public report:</b> For Information
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• delivers Corporate Plan 2024-29 outcomes</li> <li>• provides statutory duties</li> <li>• provides business enabling functions</li> </ul>	Providing Excellent Services Engaged Communities
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	The Dedicated Schools Grant – High Needs Block
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	Yes
<b>Report of:</b>	Judith Finlay, Executive Director of Community and Children's Services
<b>Report author:</b>	Kirstie Hilton, Head of Education and Early Years Service

### Summary

His Majesty's Chief Inspector of Education, Children's Services and Skills (HMCI) and the Care Quality Commission (CQC) gave notification on 15 September 2025 to the City of London Local Area of an inspection under section 20(1)(a) of the Children Act 2004 from 29 September to 3 October 2025. Fieldwork began on 25 September 2025, and inspectors undertook onsite work from 29 September to 3 October 2025.

The City of London Corporation and the Northeast London Integrated Care Board (ICB) are jointly responsible for the planning and commissioning of services for children and young people with Special Educational Needs and Disability (SEND) in the City of London.

The inspection provided an independent external evaluation of how well the City of London local area carries out its statutory duties in relation to children and young people with SEND and/or in receipt of Alternative Provision to support their development.

Ofsted and the CQC published their final inspection findings on 1 December 2025. This report summarises key findings and appends Ofsted's and CQC's findings in full.

## **Recommendations**

Members are asked to:

- Note the report.

## **Main Report**

### **Background**

1. The duties on local areas regarding provision for children and young people with SEND are contained in the Children and Families Act 2014. The Minister of State for Children and Families has tasked Ofsted and the CQC with inspecting local areas on their effectiveness in fulfilling these duties. The Ofsted/CQC Inspection Framework sets out the legal basis and the principles of inspection.

### **Context**

2. HMCI and the CQC gave notification on 15 September 2025 to the City of London Local Area of an inspection under section 20(1)(a) of the Children Act 2004 from 29 September to 3 October 2025. Fieldwork began on 25 September 2025, and inspectors undertook onsite work from 29 September to 3 October 2025.
3. The inspection team comprised five inspectors, led by one of His Majesty's Inspectors from Ofsted, and included an additional two Ofsted inspectors and two inspectors from the CQC. There was an additional inspector shadowing the team, along with two inspectors overseeing quality assurance.
4. The inspection took place over three weeks, from the point of notification on 15<sup>th</sup> September to the feedback meeting on 3<sup>rd</sup> October with inspectors onsite during the last week. They undertook a range of sessions over the period they were in the City and spoke with children and young people who have special educational needs and/or disabilities, parents and carers, local authority, and Health colleagues. They visited a range of providers, including The Aldgate School and Smithfield Nursery to see how they were implementing arrangements for SEND.
5. Inspectors looked at a range of information about the performance of the local area, including the local area's self-evaluation. They reviewed performance data and evidence about the local offer and joint commissioning alongside several other relevant documents, including those relating to the governance of the SEND work in the City.
6. The inspection provided an independent, external evaluation of how well the City of London local area carries out its statutory duties in relation to children and young people with SEND to support their development and Alternative Provision arrangements. The evaluation identified strengths and areas for development.
7. Ofsted published the inspection findings on their website on 1 December 2025. The report sets out the context of the inspection, what it is like to be a child or young person with SEND in the local area, any strengths and areas recommended for improvement (see Appendix 1).

## **Inspection Outcome**

8. There are three possible outcomes following any Area SEND Inspection:

- Outcome 1: The local area partnership's SEND arrangements typically lead to positive experiences and outcomes for children and young people with SEND. The local area partnership is taking action where improvements are needed.
- Outcome 2: The local area partnership's arrangements lead to inconsistent experiences and outcomes for children and young people with SEND. The local area partnership must work jointly to make improvements.
- Outcome 3: There are widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with SEND, which the local area partnership must address urgently.

9. The City of London received the most favourable outcome – outcome 1:

“The local area partnership's SEND arrangements typically lead to positive experiences and outcomes for children and young people with SEND. The local area partnership is taking action where improvements are needed. The next full area SEND inspection will be within approximately 5 years.”

10. At the time this report was prepared, a total of 73 local areas had undergone Area SEND inspections (including the City of London). Out of these, 22% received the most favourable outcome, with the majority (49%) of local areas receiving the second outcome (outcome 2), and 29% receiving the least favourable outcome (outcome 3).

## **Summary of Main Findings**

11. Children and young people with SEND, including their families, are central to the work of the City of London's local area partnership. Leaders champion reflective practice, have a shared commitment to delivering excellent services, and the partnership fully understands the children and young people we support. The local area partners place high importance on co-production, working with children and young people and members of the Parent Carer Forum.

12. Children and young people's needs are routinely identified in a timely manner, and young people with SEND are supported to explore the opportunities available to them as they transition into adulthood.

## **Strengths**

13. There is strong leadership and governance across the area partnership, with a deeply embedded culture of collaboration among professionals in education, health, and social care. This enables sustained improvement and transformation across the SEND service, leading to high-quality provision for children with SEND. Education, Health, and Care Plans (EHCPs) are routinely completed without delay and reviewed for quality and effectiveness. This results in plans that reflect the needs of the children and young people's strengths, needs and

required provision. Therefore, children and young people typically achieve the outcomes specified in their plans.

14. Therapy services operate open referral systems, allowing parents to directly access support when they have concerns about their children. Children and young people who meet the referral threshold are offered specialist services tailored to their specific needs. Many children and young people benefit from well-regarded short break services. Highly effective early help practitioners demonstrate curiosity and creativity in understanding and responding to individual needs. Assessment processes are flexible and needs-led, with multi-disciplinary clinics prioritising children with functional needs – especially those already in EHCP assessment or recently seen by relevant specialists – for neurodevelopmental evaluation.

### **Areas for Development**

15. The report cited that “partnership should improve communication with parents”. This involves:

- a. making sure families understand and can navigate the local offer so they can access the full range of support services and resources available in their communities
- b. parents being well informed about decision-making processes and the rationale for decisions made
- c. in relation to health services, interpreters are routinely available, enabling children and families to have open and transparent conversations with professionals.

### **Next Steps**

16. The local area partnership will publish an action plan based on the recommendations set out in the inspection report.
17. We will continue to deliver on our overarching SEND and Alternative Provision Strategy under the oversight of the SEND Programme Board, ensuring alignment and accountability at every stage. We will ensure that every action within it is systematically reviewed and updated. This review will incorporate the key areas for improvement identified during the inspection, embedding them into our plans to strengthen outcomes and drive continuous improvement across all priority areas.
18. The SEND self-evaluation framework will be updated to reflect our strengths and areas for improvement following the inspection, to ensure that we have a clear vision and show impact of our service delivery. Our SEF is closely aligned with our strategy, which sets out our shared vision and priorities over the next four years.

### **Corporate & Strategic Implications**

19. **Strategic implications** – Corporate outcome: **Providing Excellent Services** – Supporting people to live healthy, independent lives, and achieve their ambitions

is dependent on excellent services. Vital to that continued pursuit is enabling access to effective adult and children's social care, outstanding education, lifelong learning, and quality housing, and combatting homelessness. **Diverse Engaged Communities:** Across our residents, workers, businesses, and visitors, everyone should feel that they belong. Connecting people of all ages and backgrounds will help build diverse, engaged communities that are involved in co-creating great services and outcomes.

20. **Financial implications** – the SEND functions are resourced through the Dedicated Schools Grant – High Needs Block.
21. **Resource implications** – the SEND functions are resourced through the Dedicated Schools Grant – High Needs Block.
22. **Legal implications** – the duties on local areas regarding provision for children and young people with SEND are covered in the Children and Families Act 2014. This legislation sits in the context of the Equality Act 2010. The Ofsted/CQC Inspection Framework 2025 sets out the legal basis and the principles of inspection.
23. **Risk implications** – if children's SEND issues are not identified early, assessed, and supported, this will likely have a negative impact on young people's educational attainment, progress and wider lifetime chances, and the wellbeing of their parents and carers.
24. **Equalities implications** – Children in UK schools are protected by the Equality Act 2010, which ensures that they are not discriminated against based on characteristics such as disability, race, gender, religion, or sexual orientation. Schools must: treat all pupils fairly and equally; make reasonable adjustments for disabled children; provide inclusive education for those with special needs; ensure equal access to learning and activities; and promote diversity and positive relationships between different groups. They also have a legal duty to remove barriers, advance equality, and foster inclusion in all aspects of school life.
25. **Climate implications** – n/a
26. **Security implications** – n/a

## Conclusion

27. We are proud that our efforts in delivering SEND services to families have been acknowledged. This recognition reflects the dedication of our teams and the positive impact of our work. However, we know there is more to do. We remain committed to continuous improvement, striving to enhance the quality, accessibility, and effectiveness of our services so that every child and young person with SEND – and their families – receives the support they need to thrive. We also appreciate the support of parents, children and young people, partners, and NHS colleagues in enabling us to demonstrate our effectiveness during the three weeks of the inspection.
28. The summary of findings and the development areas will be implemented and monitored by the SEND Programme Board. SEND report updates are a standing

item on the Safeguarding and SEND Sub-Committee. The Action Plan will be reported on to the Sub-Committee at regular intervals over the next year.

## **Appendices**

- Appendix 1 – Area SEND inspection of City of London Local Area Partnership

### **Kirstie Hilton**

Head of Education and Early Years Service

T: 020 7332 3274

E: [kirstie.hilton@cityoflondon.gov.uk](mailto:kirstie.hilton@cityoflondon.gov.uk)



# Area SEND inspection of City of London Local Area Partnership

Inspection dates: 29 September 2025 to 3 October 2025

Dates of previous inspection: 12 to 16 March 2018

## Inspection outcome

The local area partnership's special educational needs and/or disabilities (SEND) arrangements typically lead to positive experiences and outcomes for children and young people with SEND. The local area partnership is taking action where improvements are needed.

The next full area SEND inspection will be within approximately five years.

Ofsted and the Care Quality Commission ask that the local area partnership updates and publishes its strategic plan based on the recommendations set out in this report.

## Information about the local area partnership

The City of London Corporation and the North East London Integrated Care Board (ICB) are jointly responsible for the planning and commissioning of services for children and young people with SEND in the City of London.

The commissioning of health services changed across England in 2022. On 1 July 2022, North East London ICB became responsible for the commissioning of health services in the City of London.

The City of London Corporation commissions alternative provision (AP) from several providers for a range of purposes. The offer includes AP for children or young people who are unable to attend a school due to their social, emotional or medical needs.

## **What is it like to be a child or young person with SEND in this area?**

Children and young people with SEND, including their families, are central to the work of the City of London's local area partnership. A deeply embedded culture of collaboration among professionals in education, health and social care drives collective efforts to help children and young people reach their full potential. Leaders champion reflective practice, fostering a shared commitment to achieving excellence across all services.

The local area partners place high importance on listening to and valuing the voices of children and young people, as well as their parents and carers. Members of the Parent Carer Forum said that their views are valued and that they have contributed meaningfully to co-production (a way of working where children, families and those that provide the services work together to create a decision or a service that works for them all). For example, they have been instrumental in the development of the SEND and AP strategy and the development of neurodevelopmental pathways.

There is careful consideration of the unique social and emotional needs of each child, drawing on the expertise of those who know them best, listening to their voices, understanding their lived experiences and formulating how best to support individuals and their families. Across the partnership, leaders and practitioners have a deep understanding of the children and young people they support, enabling them to respond to individual needs with flexibility, confidence and care. This insight is strengthened through shared expertise and collaborative training.

Children's and young people's needs are routinely identified in a timely manner, for example through early years settings delivering the two-year integrated health review as part of the Healthy Child Programme. This involves joint holistic assessments carried out by health visitors and early years practitioners. Children and young people who may need more specialist services are closely monitored. Multi-agency early help processes, which include child and adolescent mental health services input and targeted family support, contribute to reducing the escalation of need. These coordinated efforts are instrumental in ensuring early identification and swift access to appropriate support and interventions.

Many children and young people benefit from well-regarded short break services. Highly effective early help practitioners demonstrate curiosity and creativity in understanding and responding to individual needs. Through both school provision and short breaks, children are encouraged to explore a variety of activities and interests and are supported to connect and socialise with their peers. When disabled children require statutory social work services, they and their families typically receive strong support that helps to meet their assessed needs.

The partnership commissions personalised AP packages for children and young people with SEND who are unable to attend a school setting. These are developed through meaningful consultation with the young person and their family, ensuring a clear understanding of individual needs, interests and aspirations. This approach supports young people to regain confidence and get back on track and re-engage with their education.

Young people with SEND are supported to explore the opportunities available to them as they transition into adulthood. This includes receiving impartial advice and guidance on next steps, as well as on community health and well-being. As a result, typically, young people with SEND remain in education and training or successfully gain employment.

## **What is the area partnership doing that is effective?**

- Leaders across the partnership have a shared and embedded ambition to deliver high-quality provision across education, health and social care for children and young people with SEND. This is realised through strong oversight, governance and review. Leaders make informed, thoughtful and considered decisions as a collective. Jointly commissioned services are well established. This enables sustained improvement and transformation across SEND services.
- The SEND Information, Advice and Support Service offers valuable support to children and young people with SEND, as well as their families. Practitioners have carefully shaped the service to ensure that it is both easy to access and offers extensive support.
- Schools and early years settings benefit from access to a broad network of professionals who assist in identifying and addressing individual needs. School leaders are able to engage support services promptly for children and young people with SEND. Well-established partnerships across education, health and care ensure that needs are met and coordinated swiftly and effectively.
- Education, health and care (EHC) plans are routinely completed without delay. They are typically produced with careful thought given to the integration of children's and young people's health and care needs. EHC plans are reviewed for quality and effectiveness in a timely way. This ensures that EHC plans accurately reflect the children's and young people's strengths, needs and required provision. As a result, children and young people typically achieve outcomes specified in their plans.
- There are clear protocols and expectations in place for the fair access panel (FAP). These are designed to ensure that settings are employing the graduated approach. Early identification and implementation of support for children mean that they are included in settings without the need for intervention from the FAP.
- Many children and young people with SEND are educated in schools outside of the local area. The partnership supports transitions to new schools well. They utilise the educational psychology service to monitor how children and young people settle within their first term. They provide personalised advice and support to settings for those children and young people who may take longer to settle. This helps to successfully maintain continuity of education and ensures that settings can confidently meet needs.
- Therapy services operate open referral systems. This allows parents to directly access support when they have concerns about their children. Children and young people who meet the referral threshold are offered specialist services tailored to their specific needs. If a referral does not meet the threshold for specialist support, families are still

provided with a universal offer and invited to attend screening clinics, where they can receive advice and guidance from qualified practitioners.

- Occupational therapy services maintain contact and provide support to children who, for example, live with one parent within the city, but often stay with another parent who lives outside the local area. This recognises 'modern families', supporting not only the child's needs but also the needs of both parents who also require support to care for their children.
- The autism and attention deficit and hyperactivity disorder (ADHD) recovery and transformation plan for the partnership is advancing well, with separate, flexible pathways according to age and need. Although some waiting times for diagnosis remain long, children and families are offered a range of effective support services while they wait. This includes social and emotional support from the voluntary sector.
- Flexibility is built into assessment processes through a needs-led approach. Multidisciplinary clinics identify children who are already undergoing an EHC needs assessment or have recently had clinical psychologist, speech and language or occupational therapy involvement. This helps to identify children who have functional needs and may need to be prioritised for neurodevelopmental assessment.
- The sole GP surgery within the City of London Corporation has been proactive and worked alongside experts within the partnership to provide all staff with training to better understand autism, ADHD and learning disabilities. This has enabled staff to make adaptations and adjustments so that children and young people can take part in annual health assessments.
- Leaders and practitioners know their children exceptionally well. They routinely monitor children's and young people's health and well-being needs. They intervene swiftly when needed. As a result, inspectors found no evidence of any unplanned admissions to hospitals for children who should have been included on a dynamic support register. This further demonstrates the strength of the partnership's early help offer.
- The Multi-Agency Transitions Forum and High Needs Transitions Panel coordinate transition planning for young people in the local area partnership. Transition planning begins early, with an adult services transition worker assigned to each individual. They work closely with young people and their families to ensure that they receive guidance and assistance at key points throughout education and into adult life.
- Disabled children's social workers attend transition panels. Practitioners receive training on how to engage and communicate with children and young people with SEND. For example, social workers have been trained in British Sign Language. This means that these social workers are able to communicate more effectively with deaf or hearing-impaired children and young people.
- Leaders have established procedures that ensure that children are placed in residential school settings that have been robustly quality assured. The virtual school plays an active role in monitoring these placements, as do other senior leaders. This ensures that the partnership has confidence that children's and young people's education, health and care needs are being met effectively. Children benefit from consistent support through regular visits from their allocated social worker and

oversight from their independent reviewing officer. This all contributes to ensuring that children in residential school settings progress well.

## What does the area partnership need to do better?

- There are new and embedding systems in place for the quality assurance of AP and provisions for those children and young people who are educated other than at school. These systems do provide some understanding as to the quality of provision. However, on occasions these checks lack rigour and robust scrutiny. Leaders are reviewing these, and this is a key priority within the new SEND and AP strategy. However, it is too early to evidence the impact of this work.
- There is more to be done across the partnership to better communicate with families. For example, sometimes parents and carers are unclear about why decisions have been made about their child's support or provision. On other occasions, decisions which are made at short notice are not fed back to families swiftly. This can leave parents feeling less involved and at times confused.
- In some health provisions, families who require translation support do not always have access to professional interpreting services. As a result, there is often reliance on family members or individuals known to the family, including young people, to interpret. This can create barriers to open and impartial communication. As a result, some families can feel uncomfortable sharing confidential information through someone they know.
- The local offer has recently been reviewed and updated; however, it is not robustly known by those who would benefit from it. For example, some families said that they are unsure about available health services and access to pathways. This can create confusion for both parents and professionals when navigating the system.

## Areas for improvement

Areas for improvement
<p>Leaders across the partnership should improve communication with parents to ensure that:</p> <ul style="list-style-type: none"> <li>■ parents are well informed about decision-making processes and the rationale for decisions made;</li> <li>■ they have the knowledge of and can navigate the local offer in order to access the range of support services and resources in their communities; and</li> <li>■ in health services, there is routine access to interpreters so children and families can engage in open and transparent conversations with professionals.</li> </ul>

## Local area partnership details

Local authority	Integrated care board
City of London Corporation	North East London Integrated Care Board
Judith Finlay, Executive Director of Community and Children's Services	Zina Etheridge, Chief Executive Officer
<a href="http://www.cityoflondon.gov.uk">www.cityoflondon.gov.uk</a>	<a href="http://www.northeastlondon.icb.nhs.uk">www.northeastlondon.icb.nhs.uk</a>
Guildhall, PO Box 270, London EC2V 7HH	NHS North East London 4th Floor – Unex Tower 5 Station Street London E15 1DA

## Information about this inspection

This inspection was carried out at the request of the Secretary of State for Education under section 20(1)(a) of the Children Act 2004.

The inspection was led by one of His Majesty's Inspectors (HMI) from Ofsted, with a team of inspectors, including: one HMI and an Ofsted Inspector from education and social care; a lead Children's Services Inspector from the Care Quality Commission (CQC); and another Children's Services Inspector from the CQC.

## Inspection team

### Ofsted

Kieran Bird, Ofsted HMI, Lead inspector  
Rosemary Henn-Macrae, Ofsted Inspector  
Christine Kennet, Ofsted HMI

### Care Quality Commission

Daniel Carrick, CQC Lead inspector  
Tess Valpy, CQC inspector

The Office for Standards in Education, Children's Services and Skills (Ofsted) regulates and inspects to achieve excellence in the care of children and young people, and in education and skills for learners of all ages. It regulates and inspects childcare and children's social care, and inspects the Children and Family Court Advisory and Support Service (Cafcass), schools, colleges, initial teacher training, further education and skills, adult and community learning, and education and training in prisons and other secure establishments. It assesses council children's services, and inspects services for looked-after children, safeguarding and child protection.

If you would like a copy of this document in a different format, such as large print or Braille, please telephone 0300 123 1231, or email [enquiries@ofsted.gov.uk](mailto:enquiries@ofsted.gov.uk).

You may reuse this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit [www.nationalarchives.gov.uk/doc/open-government-licence/](http://www.nationalarchives.gov.uk/doc/open-government-licence/), write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

This publication is available at <http://reports.ofsted.gov.uk/>.

Interested in our work? You can subscribe to our monthly newsletter for more information and updates: <http://eepurl.com/iTrDn>.

Piccadilly Gate  
Store Street  
Manchester  
M1 2WD

T: 0300 123 1231  
Textphone: 0161 618 8524  
E: [enquiries@ofsted.gov.uk](mailto:enquiries@ofsted.gov.uk)  
W: [www.gov.uk/ofsted](http://www.gov.uk/ofsted)

© Crown copyright 2025

This page is intentionally left blank



## City of London Corporation Committee Report

<b>Committee:</b> Community and Children's Services	<b>Dated:</b> 28/01/2026
<b>Subject:</b> Community and Children's Services (Non-Housing) Revenue Outturn Forecast as at Quarter 3, 2025/26	<b>Public report:</b> For Information
<b>This proposal:</b> <ul style="list-style-type: none"> <li>provides statutory duties</li> </ul>	This report includes information on the City of London Corporation's statutory Community and Children services function
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b>	Judith Finlay, Executive Director of Community and Children's Services, and Caroline Al-Beyerty, Chamberlain and Chief Financial Officer
<b>Report author:</b>	Mark Jarvis, Head of Finance, and Beatrix Jako, Finance Business Partner – Chamberlain's Department

### Summary

This report sets out the Quarter 3 estimated outturn for the Community and Children's Services Committee budget (excluding the ring-fenced Housing Revenue Account (HRA)) for the 2025/26 financial year.

The total local risk projected overspend for the full year is currently £447,000 (Q2: £481,000), mainly due to pressures within Other Housing and Children's Social Care services. All other service areas are reporting only minor variances.

The total central risk budget is forecast to overspend by £132,000 (Q2: £83,000 underspend), largely attributable to pressures within Homelessness services. Other central risk areas remain broadly in line with budget. Work is underway across the Department to reduce these pressures.

## Recommendation

Members are asked to:

- Note the Q3 projected outturn report for 2025/26.

## Main Report

### Quarter 2 Projected Outturn

Table A summarises the Department of Community and Children's Services (DCCS) budget. Table B gives the detailed forecast by service area.

<b>Table A – Summary of DCCS budget and projected outturn (excluding the ring-fenced HRA budget) 2025/26</b>			
	<b>2025/26 budget  £000</b>	<b>Forecast outturn  £000</b>	<b>Variation underspend / (overspend)  £000</b>
Net local risk expenditure	12,322	12,769	447
Net central risk expenditure	4,189	4,321	132
<b>DCCS local and central risk net expenditure</b>	<b>16,511</b>	<b>17,090</b>	<b>579</b>

<b>Table B – Forecast by service area</b>	<b>2025/26 budget £000</b>	<b>Forecast outturn £000</b>	<b>Variation underspend / (overspend) £000</b>	<b>Paragraph</b>
<b><u>Local Risk</u></b>				
<b>Supervision and Management</b>	<b>1,706</b>	<b>1,706</b>	<b>-</b>	
<b>Housing Services</b>				
Other Housing Service	(27)	93	120	1
Supporting People	556	556	-	
Service Strategy	5	5	-	
<b>Total Housing</b>	<b>534</b>	<b>654</b>	<b>120</b>	
<b>People Services</b>				
Older People	1,887	1,887	-	
Adult Social Care	3,044	3,125	81	2
Occupational Therapy	427	491	64	3
Housing Benefit	(104)	(104)	-	
Children's Social Care	2,042	2,180	138	4
<b>Total People Services</b>	<b>7,296</b>	<b>7,579</b>	<b>283</b>	
<b>Education and Skills</b>				
Early Years and Childcare	660	650	(10)	
Other Schools Related Activity	429	433	4	
Adult Community Learning	157	157	-	
<b>Total Education and Skills</b>	<b>1,246</b>	<b>1,240</b>	<b>(6)</b>	
<b>Partnerships</b>				
Commissioning incl. recreation	954	974	20	
Public Health	(28)	(28)	-	
Youth Service	187	217	30	
Community Safety Team	427	427	-	
<b>Total Partnerships</b>	<b>1,540</b>	<b>1,590</b>	<b>50</b>	
<b>Total Local Risk City Fund</b>	<b>12,322</b>	<b>12,769</b>	<b>447</b>	

	2025/26 budget £000	Forecast outturn £000	Variation underspend / (overspend) £000	Paragraph
<b><u>Central Risk</u></b>				
Supervision and Management	80	80	-	
Commissioning incl. recreation	(140)	(140)	-	
Homelessness and Rough Sleeping	2,594	2,772	178	5
Early Years and Childcare	778	778	-	
Other School Related Activity	(819)	(819)	-	
Asylum Seekers	1,659	1,613	(46)	6
Delegated Budget	(30)	(30)	-	
Other Housing Services	-	-	-	
Housing Benefit	67	67	-	7
<b>Total Central Risk</b>	<b>4,189</b>	<b>4,321</b>	<b>132</b>	
<b>Total Local Risk &amp; Central Risk City Fund</b>	<b>16,511</b>	<b>17,090</b>	<b>579</b>	

1. The £120,000 adverse variance within the Other Housing Services local risk budget primarily reflects higher than planned Civica consultancy costs arising from additional support requirements.
2. The overspend in the Adult Social Care local risk budget has reduced from £248,000 at Quarter 2 to £81,000 at Quarter 3. The small variance continues to be driven by increased costs associated with client care packages and the use of temporary staff to support service delivery. Ongoing mitigation, including the application of available grant funding, has contributed to the improved financial position.
3. The £64,000 unfavourable variance in the Occupational Therapy local risk budget is primarily due to a legal fee of £50,000 incurred to facilitate the exit from a contract with a company that has entered liquidation, contributing to the overall overspend in this service area.
4. The Child Social Care service is reporting an overspend of £138,000. This is primarily due to increased residential placement costs, including the use of high-cost temporary placements for individual children. Additional pressures have also arisen from increased legal fees and significant contract price increases for the Emergency Duty Team and Youth Offending services, with some contracts having almost doubled in cost.
5. The Homelessness central risk budget is reporting an overspend of £178,000. This is largely attributable to a one-off dilapidation cost of £120,000 relating to

the Youth Hostel at Carter Lane. The remaining variance relates to contract uplifts.

6. The Asylum Seekers central risk budget is currently forecast to underspend by £46,000. This is due to steps taken to reduce financial pressures by swiftly accessing the National Transfer Scheme for all new Unaccompanied Asylum-Seeking Children (UASC), thereby minimising the number of UASC entering permanent care under the City of London. As a result, fewer young people are expected to transition into Care Leaver status.
7. The Housing Benefit Administration central risk budget was projecting an estimated overspend of £633,000 at the end of Quarter 1. This was largely attributable to a shortfall between housing benefits awarded for temporary accommodations and payments made by the Department for Work and Pensions. This shortfall is being met from the DCCS reserves, which were set aside to fund ongoing and future departmental commitments.
8. The Homes for Ukraine Scheme continues during the year. The costs involved with this programme are fully met from government grants and have no impact on the Directors' overall net forecast outturn.
9. In general, it should be noted that both the social care and asylum budgets are very volatile and a small change in client numbers has a major effect on the eventual full year outturn.

## **Appendices**

- None

### **Mark Jarvis**

Head of Finance – Chamberlain's Department

E: Mark.Jarvis@cityoflondon.gov.uk

### **Beatrix Jako**

Finance Business Partner – Chamberlain's Department

E: Beatrix.Jako@cityoflondon.gov.uk

This page is intentionally left blank

<b>Committee(s):</b> Finance Committee – for Decision Community & Children's Services Committee – for Information Policy & Resources Committee – for Decision Court of Common Council	<b>Dated:</b> 09/12/2025 28/01/2026  11/12/2025 Urgency
<b>Subject:</b> Housing Revenue Account Position 2025/26	<b>Public</b>
<b>This proposal delivers Corporate Plan 2024-29 outcomes</b> <b>1 - Diverse Engaged Communities:</b> <b>3 - Leading Sustainable Environment:,</b> <b>5 - Providing Excellent Services</b>	
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Caroline Al-Beyerty, Chamberlain & Judith Finlay, Executive Director of Community and Children's Services	<b>For Information</b>
<b>Report author:</b> Mark Jarvis, Chamberlains & Peta Caine, Department of Community and Children's Service	

## Summary

The City's ring-fenced Housing Revenue Account (HRA) continues to be under significant pressure as identified for a number of years on the Finance (and now Corporate) Risk Register.

Low levels of revenue reserves mean that any in year budget overspend is likely to lead to a breach of statutory responsibilities to retain a positive balance on overall HRA funds.

Management accounts for Period 06 showed a potential £1.3m in year overspend. This adverse position has been reduced to a £0.05m deficit in the latest forecast with this small deficit being funded from brought forward reserves. Identifying which repairs can be capitalised has helped ease pressure on the revenue account. While this has created a positive situation, further efforts are being made to verify the estimated capitalisation of costs across several projects through detailed analysis. To ensure this method withstands auditor scrutiny, it will also need to be reviewed and validated by our auditors. Additionally, evaluation of temporary staff is underway. Management action and focus in this area continues to ensure that no year-end overspend position occurs.

## **Recommendation(s)**

Members are asked to:

- Note that, as with other local authorities, there are serious issues with the sustainability of the ring-fenced housing revenue account (HRA). The longer term issues around this are dealt with in a separate report. The actions taken and being taken in the short term to eliminate any in year overspend are set out in this report.

## **Main Report**

### **Background**

#### **HRA definition and powers:**

1. The Housing Revenue Account (HRA) is a ring-fenced budget for managing its social housing stock, which includes paying for repairs and maintenance as well as building new homes for social rent. The HRA is mandated by the 1989 Local Government and Housing Act. The account is intended to be financially self-supporting.

The City of London Corporation (COLC) has, alongside every other local authority, statutory duties around its housing stock.

#### **Current HRA Units:**

2. There are c3,000 units in the HRA of which 1,921 are rented homes and the remainder leaseholders. When compared with London boroughs this is c20% of what others hold (average between 15,000 and 16,000 units). The homes are distributed across multiple estates in various boroughs namely Southwark, Tower Hamlets, Islington, Lewisham, Lambeth, Hackney, as well as the City of London itself.
3. The main difference is that the City of London primarily has flats and maisonettes, unlike both inner London and areas outside London, which typically feature houses on streets.

#### **Current Position**

4. The table below sets out the current P7 forecast for the HRA compared to the Budget and the P6 forecast. The latest position shows an in-year deficit of £50k compared to the P6 deficit of £1,301k, a reduction of £1,251k. Much of this improvement relates to identified capitalisations that will need to be agreed with auditors. An increase in the balance brought forward of £274k has also been agreed after the correction of the previously estimated interest charge. This leads to an expected overall net carry forward position on reserves of £324k.



Table 1 - HOUSING REVENUE ACCOUNT	Original Budget 2025-26 £000	Period 06 forecast 2025/26 £000	Latest forecast 2025/26 £000	Movement from P6 to latest 2025-26 £000	
<b>Commentary on variances to movement in 2025-26</b>					
<b>LOCAL RISK</b>					
<b>Expenditure</b>					
Repairs, Maintenance & Improvements	(4,496)	(4,925)	(3,938)	987	Based on the revised estimates Bev has confirmed the reduction for period 7 forecast will be £101k due to voids. Further capitalisation of relevant expenditure including remediation element of electrical works
Supplementary Revenue Budgets	(224)	0	0	0	SRP Expenditure is based on the financing table - Checked the current forecast position on SRP is £198k & Actual Spend is £113k
Technical Services and City Surveyor's Costs	(1,794)	(2,215)	(2,215)	0	Technical Services revised budget based on Actual Cost recharged. Also based on project time allocation.
Employee Cost	(5,183)	(5,719)	(5,300)	419	Adjusted for Nil Contribution £215k and expected DCCS Recharge £200k
Premises & Other Support Cost	(657)	(766)	(766)	0	
Specialised Support Services	(3,642)	(3,642)	(3,787)	(145)	The additional cost in period 7 £145k is for cleaning, equipment, legal costs, etc
<b>TOTAL Expenditure</b>	<b>(15,996)</b>	<b>(17,267)</b>	<b>(16,006)</b>	<b>1,261</b>	
<b>Income</b>					
Rent					
Dwellings	14,257	13,745	13,537	(208)	Estimates for Black Raven Court had been profiled for the full 52-week period of the 2025-26 financial year. However, due to ongoing delays in the building handover process, it remains unoccupied and, and will likely not be occupied until January 2026. The delay in the income has been reduced this to 12 weeks in LAB25/26 for Sydenham Hill. Note York Way Income has been removed and factored now into the original budget for 26/27
Car Parking	430	430	430	0	Based on estimates & Met Police Income
Baggage Stores	128	128	127	(1)	Based on estimates
Commercial	1,614	1,563	1,563	0	Rent Free period and reduction in the Rent payments
Charges for Services & Facilities				0	
Community Facilities	123	142	142	0	Based on estimates
Service Charges	2,029	2,138	2,337	199	Revised estimates based on chgs needing to be added for Middlesex St, Golden Lane & Sydenham Hill.
Other	10	10	10	0	
<b>TOTAL Income</b>	<b>18,591</b>	<b>18,156</b>	<b>18,146</b>	<b>(10)</b>	
<b>NET INCOME FROM SERVICES</b>	<b>2,595</b>	<b>889</b>	<b>2,140</b>	<b>1,251</b>	
Loan Charges – Interest	(218)	0	0	0	
Interest Receivable	0			0	
<b>NET OPERATING INCOME</b>	<b>2,377</b>	<b>889</b>	<b>2,140</b>	<b>1,251</b>	
Loan Charges – Principal	(145)	0	0	0	
Transfer to Major Repairs Reserve	(2,190)	(2,190)	(2,190)	0	Based on the Depreciation Charge, excluding the Equipment Notional Interest
<b>(Surplus) / deficit FOR THE YEAR</b>	<b>42</b>	<b>(1,301)</b>	<b>(50)</b>	<b>1,251</b>	
Surplus brought forward	212	50	324	274	Prior year adjustment to interest charge
<b>SURPLUS CARRIED FORWARD</b>	<b>254</b>	<b>(1,251)</b>	<b>274</b>	<b>1,525</b>	

5. Across the country most local authorities are finding their commitments to quality social housing funded by the Housing Revenue Account under severe pressure due to a number of external factors, which has been detailed in the *Options for sustainable Housing Revenue Account* report presented to this Committee:

- Rental income capped by central government at below inflation for a number of years;
- Construction sector instability causing delays and high build cost inflation;
- New health and safety requirements.

6. COLC however has additional pressures caused by:

- A small, dispersed Estate whose geographic spread complicates centralised service delivery and increases operational costs. This dispersed and relatively small stock size poses unique challenges, including higher per-unit costs and difficulties achieving economies of scale compared to other local authorities.
- A central London premium for construction alongside supplier issues – where we have experienced the contractor going into administration, which

has delayed new homes delivery and caused lost rental income and higher costs.

- Backlog of Works - decades of underinvestment and until recently a lack of a holistic planned maintenance programme have caused persistent overspends on repairs and maintenance.

7. The Recovery Plan, as outlined in the annual housing plan, is an integral part of the Housing Strategy 2029. The current focus is on developing the housing plan for 2026 – 2028. The regulator is aware of the following actions being undertaken to address the current pressures:

- a. A review of the prior year's interest charge was conducted, updating estimated balances with actual figures. This has resulted in a prior period adjustment of £274k, thereby strengthening the reserves position from £50k to £324k.
- b. Reviewing repairs and maintenance expenditure to identify costs that can be capitalised – approximately £1.1m has been identified for capitalisation and is subject to verification with auditors.
- c. Evaluating both temporary and permanent staffing to ensure value for money and compliance with statutory legislation – ensuring standards are met to prevent further decline in our position.
- d. Halting all discretionary spend, however such expenditures are minimal since most costs relate to staffing and repairs/maintenance.
- e. Review recharges – currently forecasting £1.8m, with budget allocated in accordance with policy guidelines, rather than reflecting actual expenditure. This approach was approved by Finance Committee to prevent additional pressures on services areas, particularly in cases where cost increases from enabling functions would otherwise be allocated across these areas. If actual expenditure is lower than budgeted amount, it is advisable to recharge the actual expenses rather than the budgeted figure.
- f. A previous review of depreciation reduced the charge by just over £1.0m, however for completeness a further review will be undertaken.
- g. Officers will continue to focus on the long-term future of our housing estates and efficiency of our housing estates.

Recovery to sustainability

8. Covered under the Medium to Long Term plan – Options for sustainable Housing Revenue Account

## Corporate & Strategic Implications

### Strategic implications;

- **Diverse Engaged Communities:** These works will help residents feel safer, more secure and warmer in their homes and help build a better overall community for our residents.
- **Leading Sustainable Environment** – The works will assist the goal of residents using less fuel. The works to ensure the windows are fully operable and the new lighting also help with energy efficiency and contributes to the broad aims of the Climate Action Strategy.

- **Providing Excellent Services** -These proposed works demonstrate the COLC dedication to ensuring our residents live independently within well maintained housing.

#### **Financial implications:**

- As set out in the body of the report.

#### **Legal implications.**

- None.

#### **Risk implications**

- As set out in the body of the report.

#### **Equalities implications**

- As all works will affect all residents of the Housing stock to the same degree, there are no equality implications, although officers will monitor works to ensure that this situation is maintained.

#### **Climate implications**

- Elements of the works (improved building fabric, new low energy lighting, improved ventilation) all contribute to the wider goals of the City's Climate Action Strategy.

#### **Conclusion**

9. HRA and Chamberlain's team have made significant efforts to reduce the £1.3m deficit, and management is committed to taking all necessary steps to balance the HRA by the end of the financial year, while ensuring standards are being met.

#### **Peta Caine**

Director Of Housing, Department of Community and Children's Services

T: 020 7332 3939

E: [peta.caine@cityoflondon.gov.uk](mailto:peta.caine@cityoflondon.gov.uk)

#### **Mark Jarvis**

Chamberlains

T: 020 7332 1221

E: [mark.jarvis@cityoflondon.gov.uk](mailto:mark.jarvis@cityoflondon.gov.uk)

## City of London Corporation Committee Report

<b>Committee(s):</b>  Projects and Procurement Sub-Committee – For decision  Finance Committee – For decision  Community & Children's Services Committee – For information  Homelessness and Rough Sleeping Sub-Committee – For information	<b>Dated:</b>  28 <sup>th</sup> January 2026  17 <sup>th</sup> February 2026  28 <sup>th</sup> January 2026  12 <sup>th</sup> February 2026
<b>Subject:</b> City of London Street Homelessness Outreach and Support Service – Stage 1 Procurement Strategy Report	<b>Public report:</b>  For Decision
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>delivers Corporate Plan 2024-29 outcomes</b></li> <li>• <b>provides statutory duties</b></li> </ul>	Providing Excellent Services Actions 5 and 6  Provides Statutory Duties under the Homelessness Reduction Act 2017 and Housing Act 1996 Part VII
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	
<b>What is the source of Funding?</b>	City Fund  Central Government Grant for Rough Sleeping Prevention and Relief
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	Yes
<b>Report of:</b>	Judith Finlay – Executive Director, Department of Community and Children's Services  Genine Whitehorn – Commercial Director - Director of Commercial

	Change & Portfolio Delivery
<b>Report author:</b>	<p>John Barker – Commissioning Manager, Homelessness &amp; Rough Sleeping</p> <p>Mohammad Mostafa – Procurement and Contracts Manager</p>

## Summary

This report seeks member approval for the recommended procurement strategy and evaluation criteria to be used in the selection of a preferred supplier for a Street Homelessness Outreach and Support service contract, supporting the work of the Department of Community and Children's Services. This is required under Section 16.3 of the Corporation's Procurement Code Part One as the estimated contract value exceeds £2m.

In accordance with the Procurement Code Section 16.2 the contract value has been determined as up to £8.3 million dependent on anticipated funding opportunities over the life of the contract, which is proposed for a core term of 3 years and an optional extension of two further years.

The recommendation is to undertake a procurement under the Competitive Flexible Procedure as outlined by the Procurement Act 2023 to procure the contract with the evaluation criteria ratio on a 55 / 15 / 30% Quality / Responsible Procurement / Price ratio, reviewed and approved by the DCCS Category board on September 18<sup>th</sup> 2025.

## Recommendation(s)

Approve the procurement strategy under the Competitive Flexible Procedure (Procurement Act 2023) and the evaluation criteria on a 55 / 15 / 30% Quality / Responsible Procurement / Price ratio.

# **Main Report**

## **Background**

1. The City of London Corporation has historically contracted a Street Outreach service to identify and support rough sleepers within the Square Mile, with the current service and two related services all due to end on 31st October 2026.
2. Since 2018, Central Government has made specific funding available to address street homelessness across the United Kingdom and the current Outreach Service, alongside a number of related services, has benefitted from the addition of these resources to boost its reach and effectiveness.

## **Current Position**

3. The Corporation has co-designed a new multi-functional Street Homelessness Outreach & Support Service taking onboard the learning from previous initiatives and challenges alongside input from people with lived experience of street homelessness and service access; that will comprise three of the currently separately contracted services under one contract with a single provider.
4. This service will meet the potential challenges of the next five years with flexibility, agility and the ability to take on new initiatives over its lifespan. This is reflected in the potential value and scope of the tender. This modular approach will also allow the Corporation to react to changing need, demand and priorities over the lifetime of the contract

## **Flexible Service**

5. The contract will be based on a primary service, consisting of Street Outreach, Peripatetic Support for clients placed in temporary accommodation settings and Long Term Casework for individuals with more entrenched or complex and multiple needs.
6. The contract will also outline a number of potential additions to the service over the lifetime of the contract enabling the service to react to change on a local, sub regional or national level.
7. Optional extras may include but are not limited to:
  - 7.1 Specific premises
  - 7.2 Weather / Seasonal related responses such as providing enhanced support during cold or hot weather in addition to the normal service function during severe weather
  - 7.3 Providing support to specific demographics of clients such as those identifying as women and those with complex immigration issues
  - 7.4 Health improvement interventions
  - 7.5 Providing a bespoke response to the emergence or existence of “hot spots” or rough sleeping encampments in the City of London
  - 7.6 Providing an enhanced day service for street homeless individuals

- 7.7 Responding to potential legislative changes or strategic developments nationally in reducing rough sleeping
- 7.8 Providing an enhanced reconnection service
- 7.9 Research and investigation into wider national initiatives and market best practice
- 7.10 Specific Pilot projects to aid learning and development of practice
- 7.11 Prevention initiatives, especially those targeted at preventing a return to the streets
- 8. Each optional or potential service addition will be subject to a series of activation triggers including the availability of funding, ensuring the Corporation is able to react quickly to potential future funding opportunities, learning from the 5 years since the Covid Pandemic where funding opportunities have arisen for specific interventions.
- 9. The flexibility built into this this procurement is made transparent and explicit within the tender documentation.

## Funding

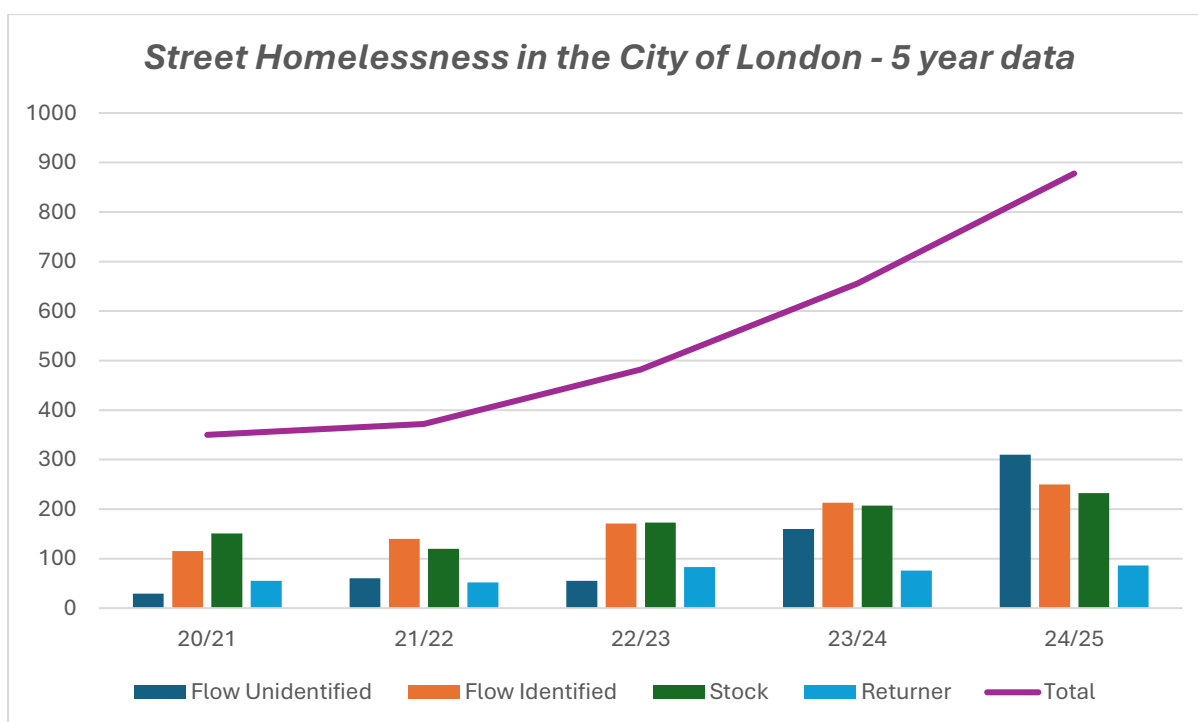
- 10. The table in Appendix 1 sets out the funding and budget structure for this procurement.
- 11. The total contract value is structured around the potential to flex the service delivery alongside the potential funding opportunities potentially available over the life of the contract.
- 12. The primary service will not exceed a cost that can be met within the Homelessness Prevention and Rough Sleeper Service budget including grant funding.
- 13. In accordance with the Procurement Code Rule 14 the contract value has been determined at a potential £8.3 million (total amount payable)

## Key Data

- 14. High level data over the last 5 years demonstrates that street homelessness in the City of London has continued to rise: (source: "Rough sleeping in London (CHAIN reports)" - <https://data.london.gov.uk/dataset/chain-reports/>)

	20/21	21/22	22/23	23/24	24/25
Flow Unidentified	29	60	55	160	310
Flow Identified	115	140	171	213	250
Stock	151	120	173	207	232
Returner	55	52	83	76	86
Total	350	372	482	656	878
Increase		6.25%	29.5%	36.1%	33.8%





Category	Description
<b>Flow</b>	People who had never been seen rough sleeping prior to 2024/25 (i.e. new rough sleepers). Those within this category are further subdivided as follows: <ul style="list-style-type: none"> <li>Unidentified - those new rough sleepers recorded without a name, and with only one contact.</li> <li>Identified - those new rough sleepers recorded with a name, and/or with more than one contact.</li> </ul>
<b>Stock</b>	People who were also seen rough sleeping in 2023/24 (i.e. those seen across a minimum of two consecutive years).
<b>Returner</b>	People who were first seen rough sleeping prior to 2023/24 but were not seen during 2023/24 (i.e. those who have had a gap in their rough sleeping histories).

15. This continued rise in numbers supports the change of approach to a flexible service that can be enhanced and adjusted to meet changing need and demand.

## Procurement Strategy Options

16. The following Route to Market Options have been considered:

### 16.1 Option 1 – Competitive Flexible Procedure under Procurement Act 2023

Advantages	Disadvantages	Risks
Space to work with the market on developing the service	More complex process needing input to refine it	Additional time and resource needed to input into the service risks the planned timeline for the procurement being missed

Allows for the appropriate level of competition		
Relevant to contract value		
Greater flexibility for the Corporation		
Scope for provider interviews and presentations vital to the process		

## 16.2 Option 2 – Open procurement process under Procurement Act 2023

Advantages	Disadvantages	Risks
Relevant to contract value	Potential for high response rate and associated time pressure	Procurement may not lead to the appointment of the best supplier due to the rigidity of this process and the flexible structure of the service specification and ITT
Allows full market access	No shortlisting stage can be undertaken	
Appropriate level of competition	Blunt instrument for a service which needs market involvement	

## Proposals

17. The Recommended Procurement Strategy is Option 1, which is to undertake a procurement under the Competitive Flexible Procedure outlined by the Procurement Act 2023

## Procurement Timetable

18. Key dates in the procurement are:

18.1 Tender opens – February 2026

18.2 Tender closes – March 2026 (6 weeks)

18.3 Identification of Successful Provider – June 2026

18.4 Contract Notification – August 2026

18.5 Mobilisation of service – September 2026 – October 2026

18.6 Service Commencement – 1st November 2026

## Corporate & Strategic Implications

### Strategic implications

19. This procurement allows the Corporation to continue to meet its statutory obligations under the Homelessness Reduction Act 2017 and also under the Housing Act 1996 Part VII
20. Additionally the procurement will contribute to the Corporate Plan to Provide Excellent Services and contribute to the Homelessness Strategy Priorities 1,2, 3 & 4.

### Financial implications

21. The proposed procurement has an estimated maximum contract value of up to £8.3m over a potential five-year period, inclusive of optional service elements. The core outreach service will be funded from existing Homelessness Prevention and Rough Sleeping budgets and confirmed Central Government grant funding. Any additional or optional elements of the service will be subject to the availability of external funding and agreed activation triggers and will not be committed unless funding is secured. The procurement therefore does not create an unfunded pressure and can be delivered within the existing financial framework and budgetary approvals.

### Resource implications

22. In activating any additional elements of this service over its lifetime, there will be a resource implication for the Commissioning Team, Comptrollers and officers from the Homelessness Prevention and Rough Sleeping service, however this will be less than resources needed to commission such schemes separately.

### Legal Implications

23. The Comptroller and City Solicitor has been consulted in the preparation of this Report, and comments as follows :-
  - 23.1 The recommended Procurement Strategy is supported.
  - 23.2 The legal framework for the procurement will not only be governed by the Procurement Act 2023 (PA2023) but also by the following key secondary legislation :-
    - The Procurement Regulations 2024.
    - The Procurement Act 2023 ( Consequential and Other Amendments) Regulations 2025.
  - 23.3 The stages of the procurement must be designed to be proportionate to the requirements of the service having regard to the nature, complexity, and cost of the contract in accordance with the Guidance from the Cabinet Office.
  - 23.4 Given the anticipated contract value will be in excess of £5m , it is a mandatory requirement under the PA 2023 for a contracting authority to set at least three Key Performance Indicators (KPIs) which would have to be set out in the Contract Details Notice.
  - 23.5 Whilst a mandatory 8 day standstill period will not apply to a light touch contract, it is advisable given the value to apply a voluntary standstill period to mitigate the risk of a successful challenge.

- 23.6 Break clauses will need to be considered for the contract terms in the event there are funding implications. Furthermore, given the proposed wider scope for the procurement of the contract, the potential risks will have to be carefully considered in consultation with the Chamberlain's Risk Management & Insurance Team to determine whether the insurance indemnity limits agreed for the current Outreach contract should be reviewed.
- 23.7 If the intention is for the successful bidder to occupy or partly occupy accommodation in Guildhall as in the case of the current Outreach contract, then consultation will have to take place with the City Surveyor as to the terms for a Licence. Should this be the intention, then the contract award will also be conditional on the successful bidder entering into the Licence. All bidders will need to be aware from the outset.
- 23.8 In order to mitigate any data protection risk, a Data Protection Impact Assessment must be undertaken in accordance with Article 35 of the UK GDPR. Any UK GDPR implications, and information sharing implications will have to be considered. CHAIN namely the Combined Homelessness & Information Network multi agency database will apply to an Outreach service. The City Corporation has previously entered into a Data Processing Agreement for CHAIN.
- 23.9 Exit implications such as TUPE etc for any current contracts will have to be considered.

#### Risk implications

24. The inherent risks in commissioning and procuring this service range between market interest / availability, provider failure, reputational risk by association and the risk of challenge from the market on the flexible nature of the proposal. These common risks are mitigated through the City of London Corporation's contract management arrangements, Commercial Services and Legal input.
25. Risks associated with the potential to bring in optional elements of the service will be mitigated by adherence to the procurement change control process and utilising the DCCS Category Board for approval.

#### Equalities implications

26. An Equalities Impact Assessment has been carried out in tandem with the service design for this scheme

#### Climate implications

27. The City of London Corporation has a Climate Action Strategy which sets out how we will achieve net zero carbon, build climate resilience and champion sustainable growth, both in the UK and globally. The commitment of the Supplier in supporting the City's Climate Action targets is fundamental. The Supplier will consider the lowest possible whole life carbon option and deliver year-on-year improvements relating to sustainability when providing goods, works and services on this contract. Improvements could be through obtaining data, minimising energy use, adopting circular economy principles, utilising sustainable procurement practices, trialling innovation or any other relevant means as discussed with the City Corporation. For every contract year, at least one recommendation should be made as to how to either improve data quality or

reduce carbon emissions.

28. Annual footprint reporting will be required for this contract. The Supplier must share all annual reports that reference sustainability, the environment and/ or carbon emissions with the City's Climate Action team (climateaction.pgs@cityoflondon.gov.uk) and work with the City Corporation to devise and deliver a strategy that measures, monitors and reduces your carbon footprint year on year in a clear and transparent way. The City Corporation calculates the footprint of the goods and services it buys annually and may request the Supplier to provide data relating to its organisational carbon footprint (including Purchased Goods & Services) or the footprint of goods and services provided through this contract.

Security implications

29. None

## **Conclusion**

30. Following due consideration, the proposed procurement strategy and process outlined in Paragraph 12.1 above provides a compliant, efficient and competitive route to market appropriate to the scale and nature of this contract.

## **Appendices**

Appendix 1 – Contract Value and Funding Calculation

John Barker  
Commissioning Manager, Homelessness & Rough Sleeping  
DCCS Commissioning  
T: 020 3834 7204  
E: john.barker@cityoflondon.gov.uk

## Appendix 1 – Contract Value and Funding Calculation

### Outreach Contract Potential Finances

Spreadsheet designed to calculate potential contract value of 5 year Outreach contract providing flexibility to adapt the service to need and opportunity

	Element	Source	Yr1	Yr2	Yr3	Yr4	Yr5	Totals	
1	City Funding for Outreach Provision	CoL	£480,000	£494,400	£509,232	£524,509	£540,244	£2,548,385	Primary Outreach
2	Grant Funding awarded to the City of London 17th December 2025	MHCLG	£500,000	£500,000	£500,000	£500,000	£500,000	£2,500,000	
3	Sub Regional Funding Supplement	MHCLG	£300,000	£300,000	£300,000	£300,000	£300,000	£1,500,000	Optional
4	Potential for Ad Hoc Award	Any	£350,000	£350,000	£350,000	£350,000	£350,000	£1,750,000	
	Totals	Combined	£1,630,000	£1,644,400	£1,659,232	£1,674,509	£1,690,244	£8,298,385	

The potential additional funding opportunities in Rows 3 & 4 are based on opportunities that have arisen during the life of the current service; and are not guaranteed.

Document is Restricted

This page is intentionally left blank