



Department for Levelling Up,  
Housing & Communities

**Simon Hoare MP**  
Minister for Local Government

**Department for Levelling Up, Housing  
and Communities**

Fry Building  
2 Marsham Street  
London  
SW1P 4DF

Andrew Rosindell MP  
By email

29<sup>th</sup> February 2024

*Dear Andrew*

### **IN-PRINCIPLE CAPITALISATION SUPPORT FOR THE LONDON BOROUGH OF HAVERING**

I wanted to let you know that I have today published, via a Written Ministerial Statement (WMS), an in-principle decision to grant your local Council's request for capitalisation support. A link to the WMS can be found in the email enclosing this letter.

It may be helpful if I explain briefly what this support is. Capitalisation directions, provided in specific and exceptional circumstances, permit a local authority to meet revenue costs through capital resources, enabling them to manage budget pressures over time (for example through the sale of council-held assets). At this stage, and in line with precedent, the Government has provided in-principle capitalisation support only, to ensure that budgets can be set and vital services for their communities delivered.

Your Council requested, and Government has agreed to provide, an in-principle capitalisation direction which is broken down by financial year as follows:

- £21.2 million in 2023-24;
- £32.5 million in 2024-25.

In line with the usual framework for agreeing capitalisation directions, appropriate conditions will apply. Any final agreement to support will be conditional upon the Council undergoing an independent external assurance review and producing an improvement and transformation plan.

My Department will continue to work with you and your Council as it progresses towards financial sustainability. If you want to discuss the circumstances of this request for support, I would urge you to discuss with the leadership of your local council. I will of course provide you with significant updates. If you have further questions or would like to meet to discuss, please let my office know.

*Yours ever,  
Simon*

**SIMON HOARE MP**  
Minister for Local Government

*Good to see you back!*