



City of Westminster

Committee Agenda

Title: **Housing, Finance and Corporate Services Policy and Scrutiny Committee**

Meeting Date: **Wednesday 9th March, 2016**

Time: **7.00 pm**

Venue: **Rooms 5, 6 & 7 - 17th Floor, Westminster City Hall, 64 Victoria Street, London, SW1E 6 QP**

Members:

Councillors:

Brian Connell (Chairman)	Richard Holloway
Julia Alexander	Gotz Mohindra
Antonia Cox	Adam Hug
Peter Freeman	Vincenzo Rampulla

Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda

Admission to the public gallery is by ticket, issued from the ground floor reception at City Hall from 6.30pm. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.



An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact the Committee Officer, Reuben Segal; Senior Committee and Governance Officer.

**Tel: 020 7641 3160; email: rsegal@westminster.gov.uk
Corporate Website: www.westminster.gov.uk**

Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Head of Legal & Democratic Services in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

The Head of Legal and Democratic Services to report any changes to the membership.

2. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any personal or prejudicial interests in matters on this agenda.

3. MINUTES

To sign the minutes of the previous meeting as a correct record of proceedings.

(Pages 1 - 10)

4. WORK PROGRAMME

(Pages 11 - 16)

5. UPDATE FROM CABINET MEMBERS

An update from the Cabinet Members on key areas within their portfolios are attached.

The Cabinet Member for Finance & Corporate Services will be in attendance to answer questions from the Committee.

(Pages 17 - 26)

6. WESTMINSTER ADULT EDUCATION SERVICE - STRATEGIC REVIEW FINDINGS AND PROPOSED WAY FORWARD

(Pages 27 - 46)

Report of the Executive Director for Growth, Planning and Housing

7. SUPPLY AND ALLOCATION OF SOCIAL HOUSING 2016/17

(Pages 47 - 66)

Report of the Executive Director for Growth, Planning and Housing



CITY OF WESTMINSTER

MINUTES

Housing, Finance and Corporate Services Policy and Scrutiny Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Housing, Finance and Corporate Services Policy and Scrutiny Committee** held on **Wednesday 6th January, 2016**, Rooms 5, 6 & 7 - 17th Floor, City Hall.

Members Present: Councillors Brian Connell (Chairman), Peter Freeman, Gotz Mohindra, Adam Hug, Vincenzo Rampulla and Jacqui Wilkinson and Julia Alexander

Also Present: Steve Mair, City Treasurer, Nick Dawe, Interim Bi-borough Director of Corporate Services, Guy Slocombe, Director of Property, Investments and Estates, Barbara Brownlee, Director of Housing and Regeneration, Greg Ward, Director of Economy and Infrastructure, Carol Maduka, Finance Manager, Martyn Jones, Head of Asset Strategy and Regeneration, CityWest Homes, Jake Mathias, Private Sector & Energy Commissioning Manager, Sarah Monaghan, Principal Policy Officer, Jonathan Cowie, Chief Executive, CityWest Homes, Anne Pollock, Scrutiny Officer and Reuben Segal, Senior Committee and Governance Officer

Apologies for Absence: Councillor Tim Mitchell, Cabinet Member for Finance and Corporate Services

1 MEMBERSHIP

1.1 It was noted that Councillor Julia Alexander had replaced Councillor Richard Holloway.

2 DECLARATIONS OF INTEREST

2.1 The known standing declarations as tabled at the meeting were as follows:

Member	Organisation	Nature of Interest
Brian Connell	KPMG	Employee. KPMG were until recently the Council's

		auditors. They are completing a number of residual pieces of work which will conclude at the end of January.
Vincenzo Rampulla	CityWest Homes	Board Member

3 MINUTES

- 3.1 **RESOLVED:** That the minutes of the meeting held on 18th November 2015 be signed by the Chairman as a correct record of proceedings.

4 WORK PROGRAMME

4.1 **RESOLVED:**

1. That the agenda items for the next meeting on 9 March 2016 be agreed
2. That the responses to actions and recommendations as set out in the tracker be noted.

5 UPDATE FROM CABINET MEMBERS

- 5.1 The Committee received written updates from the Cabinet Member for Finance and Corporate Services and the Cabinet Member for Housing, Regeneration, Business & Economic Development on the key aspects of their portfolios.
- 5.2 In the absence of the Cabinet Member for Finance & Corporate Services officers responded to questions from committee members.

Finance

- 5.3 Steve Mair, City Treasurer, summarised the key updates on the finance element of the portfolio as set out in the report.
- 5.4 The City Treasurer was asked about the current revenue underspend relating to the Council's budget for 2015/16 and what this was likely to be at year end. He reported that there was currently a circa £2 million underspend and that there was likely to be a slightly increased underspend at the year end. He was unable to provide an exact figure as we are only part way through the year

- 5.5 The City Treasurer was referred to the fact that the Council had used some of its reserves in the current financial year to fund discretionary housing payments and he was asked whether the Council was likely to draw on its reserves to support Council services in the coming financial year. He stated that while it was extremely unlikely that the Council would do so he could not provide a definitive answer as the budget proposals for 2016/17 were still being finalised. He explained that the use of the reserves in the current financial year to fund discretionary housing payments was made on an exceptional basis. The Council had ameliorated the need to draw on the reserves to fund such payments in future years by revising the policy on determining claims for discretionary housing payments
- 5.6 Having noted that the average return of the investment portfolio for the first half of 2015/16 was circa 0.62% Mr Mair was asked about options to improve the Council's investment return. The City Treasurer recognised that the Council has a considerable sum of working capital and capital receipts and these could be invested more productively. He advised that alternative investment opportunities will be explored as part of the Council's medium term planning and budget process to help deliver additional revenue to meet required savings over the next few years. This could include using available capital to minimise the deficit in the Council's pension fund. He undertook to bring a paper on this subject to the committee in the coming months.
- 5.7 The City Treasurer was referred to the powers available to the Council to raise Council tax by an additional 2% to help meet the shortfall in social care funding. He was asked whether the money raised could be used for general council spending. He advised that government guidance has indicated that any money raised would be ring-fenced for use on Adult Social Care and that this would have to be in addition to the agreed budget.

Corporate Services

- 5.8 Nick Dawe, Interim Bi-Borough Director of Corporate Services, provided an operational update on the Managed Services Programme. He explained that key activities on resolving outstanding issues had been programmed for the period from Christmas into early January and to the end of this month. Whilst there had been some progress in delivering the activities this had not been as good as expected. BT was deploying additional resources to deliver the programme and to help officers with the year-end finance audit activity. From a user and customer perspective, as many of the improvements to processes would need to be consolidated and introduced en masse a more responsive service would not be evident for another 2 to 3 weeks.
- 5.9 Mr Dawe was asked about the most challenging target that needed to be delivered in January. He explained that service improvements are focused on 5 major pieces of work - reconciling the organisational structure into the Agresso system and indexing, performing accurate payroll runs and reconciliations and resolving unallocated income. He indicated that there was a high degree of inter- connectivity between the pieces of work.

- 5.10 Mr Dawe stated that his major concern was BT's ability to recruit and retain additional resources on an on-going basis to deliver the programme. In response to questions on recruitment he reported that BT had recruited 80% of the required additional resources for the Shared Service Centre (SSC). A further two recruitment cycles were planned in January with the aim of filling all requirements by the end of the month. However he reported there continues to be a lack of experienced and appropriately skilled senior managers and specialists within BT to support the BT Shared Service Centre.
- 5.11 Committee Members asked whether the previously reported problem of issuing invoices to social care clients for residential care and home care services had been resolved. Mr Dawe advised that this had been addressed. Social Care Clients had been invoiced in accordance with the agreed timescales set out in the action plan. The executive director of the service had confirmed that the plan had been successfully delivered. He advised that additional costs had been accrued by the Council in resolving the problem and providing the necessary support to clients.
- 5.12 The Committee asked about the contract's performance over the last couple of months and in particular whether the performance targets set for delivery in November had been met. Mr Dawe advised that whilst BT had technically failed in delivering the agreed/defined outputs there was evidence of momentum and progress. It had performed well in a number of key areas including clearing the bulk of historical incidents attending to 8,000 issues in a 6 week period. He agreed to provide the committee with a written update on progress in delivering the programme including outstanding recruitment matters.

Corporate Property

- 5.13 Guy Slocombe, Director of Property, Investment and Estates, provided an update on corporate property as set out in the Cabinet Member's update. At the committee's request he provided a breakdown of the £150 million of assets that had been sold this year or which were under offer to be sold. This figure included revenue obtained through overage and selling rights to lights. He advised that the property investment portfolio had delivered its highest ever income receipt of £24 million per annum. The portfolio had a void rate of 1.6% which equated to 12 units, most of which were subject to refurbishment prior to being offered for re-letting. Unpaid debt was currently £380,000. He further advised that a request had been submitted to 3 consultants for proposals to rationalise the property portfolio.
- 5.14 Mr Slocombe was asked whether the corporate property service ever undertook a post-mortem of how assets that the Council had sold had been redeveloped and the opportunities that the Council could have embarked upon. He stated that this was not ever truly possible. He advised that the service provides the Council with a degree of protection in such respects by incorporating overage payments as a clause in contracts when selling property assets.

5.15 Barbara Brownlee, Director of Housing and Regeneration responded to questions in the absence of Cabinet Member for Housing, Regeneration, Business and Economic Development. She advised that the reference to the number of affordable housing units delivered since 1 April 2015 did not include the provision of housing delivered outside of the borough. She stated that this information would be included in future updates to the committee.

5.16 **RESOLVED:** That the update from Cabinet Members be noted.

5.17 **ACTION:**

1. Provide the committee with an operational update on the Managed Services Programme including details of BT's recruitment of required resources. **(Action for: Nick Dawe, Interim Bi-Borough Executive Director of Corporate Services)**
2. Submit a paper to a future committee meeting on alternative options for maximising the council's rate of return on its investments. **(Action for: Steve Mair, City Treasurer)**
3. Discuss with the Cabinet Member For Housing, Regeneration, Business & Economic Development the possibility of submitting a report to the next meeting on WAES, Skills & Area Reviews. **(Action for: Greg Ward, Director of Economy and Infrastructure)**

6 TREASURY MANAGEMENT STRATEGY MIDYEAR REVIEW

6.1 The Committee received the Council's Half Year Treasury report for 2015-16 in accordance with the Council's Treasury Management practices.

6.2 The City Treasurer provided a PowerPoint presentation that covered both the mid-year review as well as the draft Treasury Management Strategy 2016-17 which also featured on the committee's agenda.

RESOLVED:

1. That the Treasury position at 30 September 2015 be noted.
2. That the recommendation of the inclusion of Bonds within the category of UK Deposits and Certificates of Deposit be supported.

7 TREASURY MANAGEMENT STRATEGY FOR 2016/17 TO 2018/19

7.1 The Council is required under the Local Government Act 2003 (as amended) and other regulations to approve an Annual Treasury Management Strategy to cover: Borrowing Strategy, Investment Strategy and set Prudential Indicators together with borrowing limits for the next three years. In addition, the Council must approve an annual Minimum Revenue Provision Statement.

- 7.2 The City Treasurer, provided a Powerpoint presentation on the key issues set out in the report.
- 7.3 The Committee considered the draft strategy and asked questions and explored options in relation to the proposed investment and borrowing strategies.
- 7.4 The Committee noted that the average rate of return on investments for the first half of 2015/16 was 0.62%. Members asked whether the current approach to risk control limited the Council's investment return. The City Treasurer advised that the Council's current approach was to be very prudent where it might be more advantageous to adopt an approach of being appropriately risk aware. He advised that officers had been actively considering a variety of initiatives, predominantly focusing on active risk management of the portfolios.
- 7.5 The City Treasurer was asked whether such an approach could include developing the Council's property assets in partnership with commercial operators or lending funds to other local authorities at a better rate of return than it was currently achieving. He stated that the Council had yet to explore the alternative investment options but that initiatives such as the former should be explored. He was aware that other local authorities did participate in inter-local authority lending given the relative security that such organisations offer.
- 7.6 The City Treasurer was referred to the fact that other public sector organisations such as Transport for London (TfL) have more diverse investment strategies and it was suggested that the Council would benefit from examining some of these approaches. Mr Mair informed the committee that he was due to meet with TfL in the near future and that he would take the opportunity to speak to them about their strategy.
- 7.7 Mr Mair was asked how the government's proposed changes relating to the devolution of business rates to local authorities would affect the strategy. He explained that the proposals would be taken into account in developing the strategy. He advised that the government aimed to end core funding to local authorities by 2020. Councils would be expected to be fully self-funding. One of the ways that this was to be achieved would be by allowing councils nationally to retain all locally raised business rates. The Council currently collected nearly £2 billion of business rates annually which accounted for 8% of all business rates collected in England. He stated that in reality the changes would be phased in from 2020 and that there would still be redistribution of the rates collected. Therefore, the proposals were unlikely to significantly assist the Council in its savings requirements over the next 4 years. He advised that the Council was working with the Department for Communities and Local Government to inform the process and would apply to be granted pilot status should this prove possible. If granted this could provide a one-off benefit for the authority
- 7.8 **RESOLVED:**

1. That the report be noted.
2. That it be noted that the Council will be asked to approve:
 - (i) The proposed Treasury Management Strategy including Borrowing and Annual Investment Strategy;
 - (ii) The Minimum Revenue Provision Policy;
 - (iii) The Prudential Indicators; and
 - (iv) The Investments schedule (Appendix 1).

8 HOUSING POLICY DEVELOPMENTS: 1% SOCIAL RENT REDUCTION AND PAY TO STAY

- 8.1 The Committee received a report that outlined the Government's current proposals on the 1% social rent reduction and the introduction of a mandatory Pay to Stay scheme, considered the potential impacts of these proposals for Westminster and set out the Council's response so far.
- 8.2 Barbara Brownlee, Director of Housing & Regeneration, introduced the report and explained that the paper had been submitted to the committee meeting following the cancellation of the first Housing Task Group meeting. The Task Group had been established to scrutinise the implications for the Council of the Housing and Planning and Welfare Reform and Work Bills. She informed the committee that the next two meetings of the Task Group would consider supply (Right to Buy, Starter Homes and High Value Voids) and welfare reforms respectively.
- 8.3 Carol Maduka, Finance Manager, introduced a PowerPoint presentation on the financial consequences of the 1% social rent reduction. Martyn Jones, Head of Asset Strategy & Regeneration, CityWest Homes, outlined the impacts to the housing capital programme and the related risks and implications.
- 8.4 The Committee considered the information and submitted questions to officers.

Financial Consequences

- 8.5 Officers were asked in relation to service charges whether enough was being done to recoup and maximise costs. Miss Maduka informed the committee that the Council's policy was to recover costs only and not to apply additional charges to generate revenue. She explained that a detailed analysis of expenditure on the Council's housing stock was undertaken each year and that CityWest Homes set service charges for the following year to cover these. Miss Brownlee informed the committee that the process for setting service charges was complex and she suggested that it would be useful for the Council and CityWest Homes to review the process to ensure that all costs were being properly recouped.

- 8.6 Concern was expressed about the rent assumption in the Housing Revenue Account (HRA) Business Plan. Officers were asked whether the Council had undertaken modelling based on a number of possible inflationary outcomes for comparison. Miss Maduka advised that the 30 year business plan was developed in line with the Bank of England's objective of a Consumer Price Index (CPI) of 2% plus 1% based on the Government's previous Guarantee issued in 2014.
- 8.7 The Committee asked for details about the internal loan protocol between CityWest Homes and the Council including future projections. Miss Brownlee agreed to provide the committee with a note on this matter.

Implications for the Housing Capital Programme

- 8.8 Miss Brownlee advised that the previously advertised programme would go ahead as planned. Any re-profiling or reduction to the Capital Programme would take effect from the fourth year of the 30 year programme.
- 8.9 The Committee questioned whether the Council could make its regeneration and renewal projects less ambitious in order to reduce some of the possible implications arising from the 1% social rent reduction. Miss Brownlee advised that while this was possible, it was not desirable as the renewal programme will generate capital receipts for the HRA and General Fund through the delivery of new developments.
- 8.10 Miss Brownlee was asked whether forward projections of income included estimates of future numbers of social housing units. She clarified that this was the case and that the business plan included assumptions on the number of social units that would be sold each year under the Right to Buy provisions. Similarly, the business plan included assumptions on the number of high value void properties that will be sold. This will result in fewer kitchens and bathrooms that will require refurbishment in future years.
- 8.11 The Committee asked whether the financial impact was likely to result in a reduction in the ability to manage ad-hoc repairs. Martyn Jones, informed Members that there was no intention to change the budget for repairs. He also informed the Committee that there was no intention to change the operating model for cyclical renewal/replacements, merely an intention to extend life cycles by approximately five years. CityWest Homes would undertake an analysis of the stock and its life span and ensure that the fabric of buildings and fittings would be replaced before they failed. He confirmed that the consideration of using cheaper replacement components would be considered in addition to when renewal takes place.
- 8.12 Sarah Monaghan, Principal Policy Officer, provided a Powerpoint presentation on the mandatory Pay to Stay scheme. This would require social landlords to charge tenants with incomes over a set figure equal to or a proportion of the market rent.

- 8.13 Miss Monaghan was asked how the definition of a market rent was to be determined. She explained that the Government had published very limited information about how the scheme will operate in practice. The City Council agreed its own discretionary policy in 2013. In its consultation submission to Government on the mandatory scheme, the Council had used the GLA Rents Map to define market rents in Westminster in comparison to social rent levels.
- 8.14 In response to further questions, Miss Monaghan advised that the Council had not tabled any amendments to the Housing and Planning Bill. It was lobbying for a taper system that increases rents as incomes grow to prevent excessive rent increases in high value areas, which would result in tenants becoming eligible for Housing Benefit. The Council has referenced its own scheme as an example of how a Pay to Stay scheme may work in a central London context.
- 8.15 It was noted that tenants will be required to provide information about their household income to a social landlord and that Her Majesty's Revenue and Customs (HMRC) may disclose this information. The Committee asked what plans the Council had to provide assistance to elderly and other vulnerable residents in calculating and providing details of their annual income. Miss Brownlee clarified that it was unclear whether the legislation would apply to all social housing tenants or would be limited to those of working age. She advised that the Council had not lobbied for the exemption of any particular group. Jonathan Cowie, Chief Executive, CityWest Homes advised that the legislation could affect up to 3,500 Westminster tenants who don't claim Housing Benefits. 950 these were over 65 years old. CityWest Homes would aim to support tenants through the process. However, he highlighted as a concern, the challenging timetable for its implementation which was currently April 2017.
- 8.16 Members expressed concern about the challenging timetable for the policy's implementation and the administrative challenge this was likely to pose for CityWest Homes staff.
- 8.17 The Committee also raised the issue of fraud in relation to the disclosure of tenant income and asked about the Council's liability for failing to detect such fraud. Officers stated that there was currently no information about this particular aspect of the policy.
- 8.18 **RESOLVED:**
1. That the current legislative proposals and the Council's response to them to date be noted.
 2. That the Committee and Housing Task Group be kept updated on future lobbying and changes to the Bills as they progress through Parliament.
- 8.19 **ACTION:**

1. Provide the Committee with a written note on internal loans between CityWest Homes and the Council including any future projections **(Action for Barbara Brownlee, Director of Housing and Regeneration)**.
2. Provide the Committee with details of the Council's Discretionary Pay to Stay policy **(Action for: Sarah Monaghan, Principal Policy Officer)**.

The Meeting ended at 9.08 pm

CHAIRMAN: _____

DATE _____



ROUND ONE - 10 JUNE 2015		
Main Theme – Housing, Regeneration, Business and Economic Development		
Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A Housing, Regeneration, Business and Economic Development	A Q&A session with the Cabinet Member for Housing, Regeneration, Business and Economic Development	<ul style="list-style-type: none"> • Cllr Astaire
Housing Strategy	An opportunity to scrutinise the new Housing Strategy and consider the responses to the consultation exercise. This will also include information on the supply and allocation of social housing.	<ul style="list-style-type: none"> • Andrew Barry-Pursell • Cecily Herdman
Review of Housing Management Options	The council recently carried out a review of its housing management options. This is an opportunity for the Committee to discuss the findings of the Altair review and see proposals for the implementation of the recommendations.	<ul style="list-style-type: none"> • Jake Mathias • Sheila Sackey

ROUND TWO - 16 September 2015		
Main Theme – Finance and Customer Services		
Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A Finance & Corporate Services	A Q&A session with the Cabinet Member for Finance and Customer Services	<ul style="list-style-type: none"> • Cllr Mitchell
Indicative Impact for Westminster and London of Government Manifesto Pledges in relation to Welfare Changes and Housing Reform	To inform the Committee of the national developing picture and the indicative implications for Westminster	<ul style="list-style-type: none"> • Ben Denton
Housing Strategy Consultation Responses and Analysis on Housing Targets	To review the responses to the housing strategy consultation	<ul style="list-style-type: none"> • Cecily Herdman • Andrew Barry-Pursell

Work Programme



Housing, Finance and Corporate Services Committee

ROUND THREE - 18 November 2015

Main Theme – Housing, Regeneration, Business and Economic Development

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A Finance & Corporate Services	A Q&A session with the Cabinet Member for Finance and Customer Services	<ul style="list-style-type: none"> • Cllr Mitchell
Property Investment Strategy	To consider how the property investment strategy is contributing to the Council's financial and social returns.	<ul style="list-style-type: none"> • Guy Slocombe
Registered Provider Performance and City West Homes resident satisfaction	To scrutinise housing association performance and the methodology employed by CWH in carrying out customer satisfaction surveys.	<ul style="list-style-type: none"> • Fergus Coleman

ROUND FOUR - 6 January 2016

Main Theme – Finance and Customer Services

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A Housing, Regeneration, Business and Economic Development	A Q&A session with the Cabinet Member for Housing, Regeneration, Business and Economic Development	<ul style="list-style-type: none"> • Cllr Astaire
Draft Treasury Management Strategy 2016/17	To assess the draft treasury management strategy prior to submission to Council for approval.	<ul style="list-style-type: none"> • Steve Mair
Treasury Performance Half Year Statutory Review	To review treasury performance.	<ul style="list-style-type: none"> • Steve Mair
Housing Policy Developments: 1% Social Rent Reduction and Pay-to-Stay	To consider the government's current proposals on the 1% social rent reduction and the introduction of a mandatory Pay-to-Stay scheme, considering the potential impact of these proposals for Westminster and set out the Council's response so far.	<ul style="list-style-type: none"> • Barbara Brownlee/Andrew Barry-Purssell/Dick Johnson

Work Programme



Housing, Finance and Corporate Services Committee

ROUND FIVE - 9 March 2016		
Main Theme – Housing, Regeneration, Business and Economic Development		
Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A Finance & Corporate Services	A Q&A session with the Cabinet Member for Finance and Customer Services	<ul style="list-style-type: none"> • Cllr Mitchell
Westminster Adult Education Service – Strategic Review	Analysing the review, including within the wider context of the employment service.	<ul style="list-style-type: none"> • Greg Ward/Tom Harding
Supply and Allocation of Social Housing	To scrutinise the supply and allocation of social housing (the issue of local connection in terms of how housing is allocated to homeless households according to the Housing Act and the length of connections will also be covered).	<ul style="list-style-type: none"> • Greg Roberts

ROUND SIX - 13 April 2016		
Main Theme – Finance and Customer Services		
Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A for Housing, Regeneration, Business & Economic Development	A Q&A session with the Cabinet Member for Housing, Regeneration, Business and Economic Development	<ul style="list-style-type: none"> • Cllr Astaire
TFM	To analyse the Total Facilities Management contract with Amey.	<ul style="list-style-type: none"> • Debbie Morris
Treasury outturn for 2014/15	Statutory review of the treasury outturn for 2014/15. Report to include an update on progress in signing up to a Municipal Bonds Agency in the Treasury Outturn report for 2014/15 (as per Committee decision of 9 March 2015)	<ul style="list-style-type: none"> • Steve Mair

Work Programme

Housing, Finance and Corporate Services Committee

City
for
All

Other Committee Events & Task Groups

Briefings	Reason	Date
Budget T/G	Standing task Group to consider the budget of Council	Jan/ Feb 2016
Housing T/G	Taskgroup examining changes to Housing and Welfare Reform	On-going

ROUND TWO (16 SEPTEMBER 15)

Agenda Item	Action and responsible officer	Update
Item 5 – Update from Cabinet Members	Provide Councillor Rampulla with background information on the Key Employment Programme Projects. (Action for: Ben Denton, Executive Director for Growth, Planning & Housing)	This was circulated on 27 th January 2016.
Item 7 – Westminster Housing Strategy Consultation Responses & Analysis on Housing Targets	<p>Make explicit in the Direction of Travel Statement that the Council will still accept comments on the Draft Housing Strategy.</p> <p>That officers write to those sectors that were underrepresented in the responses when consulting on a revised draft of the Housing Strategy. (Actions for: Andrew Barry-Purssell/Cecily Herdman)</p>	<p>The direction of travel document will invite comments on what it says, not what's in the draft housing strategy.</p> <p>The Direction of Travel Statement, which invites ongoing comments, was sent to businesses representatives such as,</p> <ul style="list-style-type: none"> • London First • Westminster Business Councils • London Chamber of Commerce • London Federation of British Industry

ROUND THREE (17 NOVEMBER 15)

Agenda Item	Action and responsible officer	Update
Item 3 – Minutes	Re-circulate information requested at the last meeting on the proactive resettlement approaches of other London local authorities (Action for: Anne Pollock, Scrutiny Officer)	Action to follow.
Item 5 – Update from Cabinet Members	Provide the committee with details of the alternative accommodation offered to temporary accommodation residents vacated from Tollgate Gardens once all relocations are	An update has been sent to committee with a full report expected when all the re-locations are complete around March 2016.

Action Tracker



Housing, Finance and Corporate Services Committee

	complete. (Action for: Barbara Brownlee, Director of Housing & Regeneration)	
Item 7 – Registered Provider Performance and CWH Resident Satisfaction	Provide the Committee with an update on approaches being put in place to influence an improvement in RP performance in Westminster. (Barbara Brownlee, Director of Housing and Regeneration)	First meeting held since new DoH&R in post. Good attendance from RP's. Meetings with Genesis & Sanctuary held to discuss their portfolios directly. No examples of complaints sent through to DoH&R yet.

ROUND FOUR (06 JANUARY 16)

Agenda Item	Action and responsible officer	Update
Item 5 – Update from Cabinet Members	Provide the committee with an operational update on the MSP including details of BT's recruitment of required resources. (Action for: Nick Dawe, Interim Bi-Borough Executive Director of Corporate Services)	Update circulated to the Committee on 24 th February 2016.
	Submit a paper to a future committee meeting on alternative options for maximising the council's rate of return on its investments. (Action for: Steve Mair, City Treasurer)	Workplan 2016/17 is currently being decided.
Item 8 – Housing Policy Developments: 1% Social Rent Reduction and Pay to Stay	Provide the Committee with a written note on internal loans between CWH and the Council including any future projections (Action for Barbara Brownlee, Director of Housing and Regeneration).	Information circulated to committee and Taskgroup members on 4 th February 2016.
	Provide the Committee and Housing Taskgroup with details of the Council's Discretionary Pay to Stay policy (Action for: Sarah Monaghan, Principal Policy Officer).	Information circulated to committee and taskgroup members on 25 th January 2016.



Housing, Finance & Corporate Services Policy and Scrutiny Committee Briefing

Date: 9th March 2015

Briefing of: Cabinet Member for Finance & Corporate Services

Briefing Author and Contact Details: Jeremy Day x5772
iday@westminster.gov.uk

1. Finance

Monthly Monitoring

The latest estimate from the monthly monitoring report is that the revenue budget will by the year end be underspent and that this underspend will be put into the Council's general reserves. Elements of the capital programme have been re-profiled into 2016/17 reflecting the current position on planned schemes

Medium Term Planning and Budget Process

The final local government finance settlement for 2016/17 was received in February. The Council's financial planning had anticipated the scale of the impact and thus the budget estimates for 2016/17 were unaffected.

Following scrutiny of the budget proposals, Council approved the budget on the 2nd March encompassing reports covering revenue, capital and treasury management.

In respect of the revenue budget, Central Government has for the first time set out a four-year offer for future finance settlements. The Council will prepare a forward looking Efficiency Plan over the coming in order to be granted this four year Settlement opportunity. Westminster continues to be negatively impacted by business rate appeals and it is expected that 2016/17 will be the fourth year running where its effect will be to reduce the Council's Baseline Funding by £6m below Government's assumed funding allocations. Full Council agreed increasing Council Tax by the 2% for Adults Social Care along with a 1.99% general increase.

The ambitious strategic aims of the Council are supported by an equally ambitious fully funded capital programme of £1.720bn over five years (2016/17 to 2020/21).

This excludes the HRA capital programme at a value of £360m, giving a total 5 year capital programme of £2.080bn. The proposed capital programme reflects the on-going schemes from previous programmes, a number of new schemes aimed at meeting City for All and addressing the priority areas within the Council's Medium Term Plan and investment to ensure the future financial sustainability of the Council. The main schemes in the capital programme include: City Hall Refurbishment, Huguenot House, Leisure Estate Review, Dudley House, Cavendish Square Car Park and Circus Road.

The capital strategy sets out the processes by which the programme will be managed. These processes are being continually reviewed and improved and will continue to be further developed during 2016/17 as part of the planned programme of financial management enhancements. This includes a business case process which will support the successful delivery of projects, in terms of time, cost and quality, as well as achieving the objectives of City for All.

Supporting both of these reports, the Treasury Management Strategy was also approved. The Strategy sets out the Council's strategy for investing its cash balances, and borrowing within appropriate risk parameters. The Council's investment priorities are to ensure the security of capital, the liquidity of its investments and an optimum return on its investments commensurate with proper levels of security and liquidity, while financing the Council's capital programme and ensuring that cash flow is properly planned.

Having approved the 2016/17 budget work will soon start on the 2017/18 budget and also on monitoring performance in 2016/17.

Final Accounts 2015/16

The final year end preparation has now begun in earnest incorporating the Council's quality assurance processes. In preparing the accounts, a range of extensive testing has been taking place and Grant Thornton, WCC's external auditors, are in the process of completing their interim audit and have been performing a number of assurance tests. Feedback has so far been positive. There remains a great deal of work to be undertaken in the coming weeks.

2. Revenue and Benefits

The Council's Discretionary Housing Payment allocation went to Full Council on 2 March. It explained that the Council agreed to carry forward an unspent contribution from reserves balance originally agreed as £1.1m for 2015-2016 to 2016-2017 to support a forecast increased number of Discretionary Housing Benefit claims.

Following the Chancellor's announcement of Business Rates "localisation" we have indicated to the Treasury that we keen to participate in any pilots prior to the introduction of the new arrangements in 2020.

3. ICT

The Office 365 rollout is proceeding at pace and the intranet had its soft launch on 25 February. Subject to testing, live launch will occur in mid-March. Work is on-going

around the other aspects of Office 365, including email and other collaboration tools – these will be rolled out over the coming months.

Phase 1 of the ICT staff consultation took place last year which led to the establishment of the Triborough ICT services. The next step is Phase 2 which will begin consultation this spring. Phase 2 will bring staff from the shared services into one coherent team.

We are assessing options around the renewal and implementation of a new network and telephone solution for WCC.

We interviewed for an IT Project Manager last month for the City Hall refurbishment. As part of the preparation for the decant and as part of our Triborough ICT plan, the migration of legacy datacentre services from CapGemini to BT Lot 3 contract (“SIP”) by end June is ongoing.

4. Corporate Property

The property consultants BNP Paribas Real Estate have been appointed to assist the Council with its root and branch review of the Corporate Property portfolio. This will involve analysis of the occupancy and use of each property that the Council occupies to deliver its services, with a target of substantially reducing the Council’s property footprint to reduce running costs and to allocate surplus property for re-use or development. The study and strategy will be a two phase process. The first phase report is due at the end of April and the occupational strategy is due at the end of July.

Special Projects are now briefing me and Planning colleagues on major development projects including redevelopment of Seymour Place Leisure Centre, Huguenot House and Queen Mother Leisure Centre. The outcome of feasibility studies and next steps will be sent to Councillors in due course.

More detailed market analysis and discussion at the Property Investment Board has been taking place to formulate a strategy for stock selection pertinent to the Investment Programme.

5. Human Resources

The Westminster Way Staff Awards

The Westminster Way Awards ceremony will take place on 13th April at Porchester Hall. This will be a black tie event with dinner and entertainment for approximately 300 people. The ceremony will recognise and celebrate all of the good work that takes place at Westminster City Council. Six sponsors are meeting the majority of the cost.

Westminster’s Apprenticeship scheme and Supported Employment

The Council’s aspiration is to increase the number of apprenticeship opportunities to 100 by the end of March 2016. By the end of March, we anticipate that we will have

reached 103 apprenticeship opportunities which will have been created since April 2015 from both within WCC services and in our supply chain / and partners. This comprises of 46 WCC starts, 12 apprenticeships created with contractors and 45 created with partners.

With better matching of manager's expectations as well as using appropriate apprenticeship levels, retention has increased and only 4 apprentices have left the programme early since April 2015.

The council's aspiration is to also support 30 residents with supported employment needs into work opportunities including apprenticeships, internships, direct employment and work experience, by March 2016. As of the end of January 2016, the programme has supported 26 individuals with 30 work opportunities. The council has placed 13 individuals, in 16 work opportunities within the key business units and operational partners. The council-funded Specialist Workplace Coordinator operating within the Cross River Partnership team has supported an additional 13 residents into 14 employment opportunities (external work placements and paid jobs).

Leadership Academy – Phase 3

The plans for the next phase of the Leadership Academy are currently underway for band 3 colleagues and below. Subject to approval by EMT we plan to deliver a 2 day development programme which will enable those colleagues to be clear on the expectations of working at Westminster Council as well as a further way to embed our Productive, Ambitious, Collaborative and Enterprise (PACE) values. The programme will also enable the council to begin to develop our own in house capability over the coming months.

Housing, Finance and Customer Service Policy and Scrutiny Committee Briefing

Date: 9th March 2016

Briefing of: Head of Cabinet Secretariat

Portfolio: Cabinet Member for Housing, Regeneration,
Business and Economic Development

Please contact: Jeremy Day x 5772
jday@westminster.gov.uk

Please find below an update on key areas of activity from the Housing, Regeneration, Business and Economic Development portfolio since the committee last met.

Housing

1. Delivering Housing Renewal: Church Street

Lisson Arches

Enabling works are progressing with rebuilding steps and retaining walls. The programme of diversions is continuing and there is a small risk that the UKPN diversions may be late and delay the main contract works. These are now scheduled to commence in October 2016 but this allows for the more work to be done in the enabling package, meaning that the revised completion date of November 2018 is unaffected.

Luton Street

Detailed design discussions continued, with the working group and developers are seeking to submit a planning application by April 2016 with a view to start on site in September 2016.

Venables Street

Tenders returns were due mid-February and all works are programmed for completion first week May 2016. Conways are being instructed to carry out preparatory works prior to the main contract starting to ensure that the works finish on time.

Tresham Crescent

Practical completion was taken 16th Dec 2015 and the facility will open February/March 2016 following OFSTED inspection/approval. FSG held its December meeting on site.

Orchardson Street

Homes will be available for residents to view and comment on throughout the month of March. It is anticipated that the homes will be let in May 2016.

Penn and Lilestone

The Lilestone Street project is being redesigned to accommodate council offices in addition to the health and community wellbeing components. Discussions are taking place with the NHS as to their requirements for the building.

District Energy Scheme

Changes to the design of the retaining walls east of Lisson Arches mean that it is no longer possible to locate all the plant for the energy centre and generating plant under the road way. Alternative options are being evaluated on to inform an appropriate strategy.

2. Church Street: Regeneration:

At the Futures Steering Group 18th January the Council set out strategy for the continued transformation of Church Street, under the title "Church Street for All".

Plans are advancing with creation of the regeneration team base in Church Street. A planning application for change of use has been submitted and plans for the renovation works are substantially agreed.

Since the last meeting we have continued to move forward with regeneration:

- Employment coaches will be in post during March 2016
- Business engagement coordinator should be in post during April 2016
- Neighbourhood upkeep procurement – bids were evaluated on 15th February
- Green Spine designer, tenders are now received and are under evaluation
- Appointing a master planner for the programme started in February 2016.
- A "Change Process" for revisiting projects where the circumstances have altered since the vote has been agreed and will be implemented.

Housing Zone:

Following detailed discussions with the GLA and including their agreement to a significantly reduced degree of scrutiny and control the Overarching Borough Agreement has been accepted. The specific agreements for Lisson Arches and other projects can now be reviewed and agreed.

3. Affordable Housing

Since 1 April 2015, 176 new build affordable homes have been completed in Westminster and made available for occupancy. These new homes delivered include 75 social housing units and 101 intermediate homes. A further 26 spot purchases have been secured for affordable housing use.

There are a number of new planning consents or planning applications pending where on site affordable housing will be provided /is anticipated to be provided. Those schemes that have recently secured planning consents that will deliver on site affordable housing include:

- 32 Buckingham Palace Road SW1 (Grosvenor Estates) -23 affordable homes,
- 32 34 Great Peter Street SW1 (Qatari Diar) -6 affordable homes,
- 206 -216 Marylebone Road NW1 (Marylebone Properties Ltd) -16 affordable homes

4. Housing & Planning Bill update

The Housing and Planning Bill is currently undergoing scrutiny at committee stage in the House of Lords, where a number of amendments have been put down and are to be debated. We have provided briefings for selected peers. Although much of the detail about how the various policies will operate will be set out in regulations, which have yet to be published, we are continuing to work to influence and shape the Bill as it passes through Parliament and monitoring the debate so we can better understand the likely impacts on Westminster. Once more details are available, further work will be done to identify impacts and prepare for implementation.

5. CityWest Homes

Recruitment for the new Resident Engagement structure started in February with a number of guaranteed places for Resident Associations. The chairman recruitment has also started with an appointment expected by the end of April. Martin Edgerton has been appointed as the new Service Director and joins at the end of March.

Performance remains strong to year end and a new complaints process to simplify resolution has been agreed with the Customer Services Committee. The annual survey will start earlier this year to ensure a clear view by the end of the year, to ensure clear objectives and target set in April for 2016/17. The service standards (defining what the core service offer should be for all services) are at draft stage and workshops to design with residents have been arranged for February and March.

CWH's major focus is the continued support of the Council's regeneration and development programme, with 13 active projects worth £378m – CWH have recently developed a simplified suite of 'whole programme' progress, cost and risk reporting which has been well received by the our development team. The capital programme, investing in existing HRA property, is forecast to deliver £35m of investment in the current year, this is expected to peak in 2016/17 at close to £50m. 22 projects are on site and resident satisfaction is currently at 73%.

6. Rough Sleepers' accommodation services

We have now awarded the contract for Edward Alsop Court to Look Ahead Housing & Care. The new service will deliver an innovative offer to Westminster's homeless men over 50 years old who experience complex needs bringing together elements of care from colleagues in Adult Social Care alongside targeted interventions to increase health participation and harm reduction from substances. It also is a significant step towards the integration of rough sleeper's accommodation services and new Housing Options pathways for vulnerable adults.

Officers have finalised a clear framework for measuring outputs and outcomes from the commissioned accommodation services; highlights in Quarter three 2015/16 include:

- 97 people were housed with an increase in people being accommodated straight from prison gates and hospital discharges, thereby reducing costly interventions on the streets.
- Accommodation services have done a lot of work reducing ambulance call outs which has resulted in a 30% reduction in call outs to hostels.
- 97% of residents are registered and engaged with a GP within 4 weeks of moving in
- 32 people moved into their own tenancies across London.
- 60% of residents are actively engaging with substance misuse treatment services; with 53% of those who access residential rehab completing their treatment successfully and being resettled into their own homes.

Economic Development and Growth

7. Markets

The council has commenced the tender process for a market operator for Berwick Street Market. The traders with permanent licences will remain in-situ. The remainder of the pitches will be contracted to a market operator to curate and manage. The aim is to improve the look and feel of the market and provide a more flexible offer better suited to the needs of local resident, workers and visitors.

8. Business Improvement Districts (BIDs)

Notice of ballot given for Marble Arch BID occurred on 14th January. If the ballot is successful, a BID for the Marble Arch area will be established from 1st April 2016. The area covered will include the northern stretch of Park Lane, Marble Arch, Connaught Village, Seymour Place, and Edgware Road , including, the Marylebone Flyover. Ballot Papers were counted and published on Friday 26 February after 2.00pm.

The Economy Team has had some early discussions with BIDs to help identify potential areas for collaboration and to further improve the effectiveness with which we work together.

The Cabinet and BIDs Q&A session that I chaired on 2nd February received positive feedback from BIDs and they continue to welcome this mechanism of engagement with Cabinet Members and senior officers. The BIDs Roundtable occurred on the 1st March 2015.

The text for the BIDs page of the Council's website has been reviewed and updated to reflect recent developments and ensure details remain accurate and consistent information is provide for each BID. Findings of London Enterprise Panel's research into the potential of London's Business Improvement Districts will be launched on 10th March.

9. Employment & Skills

The total number of residents supported into paid employment opportunities with the support of council commissioned projects or services up to the end of Quarter three 2015/16 is 524. Year-end projections indicate that the programme will end the year on track with approximately 750 - 800 people going into paid employment.

Skills Update – Area Review of Skills

The Mayor and London boroughs are preparing to play a leading role in a series of area reviews of post-16 education and training across London that will begin in March 2016. Part of a national programme of reviews designed to deliver a rationalised and more responsive Further Education sector. London's areas reviews are an opportunity to secure a more resilient and sustainable base of providers to deliver the skills outcomes that London needs.

The reviews will begin in March starting with the West London sub-region followed by Central London (17th March which includes Westminster) and the south and east sub-regions starting in May.

The Government's priority through the review is Further Education and College provision and within the context of reduced public funding, quality, oversupply and where colleges are in intervention. Other post-16 provision is within scope, including Adult Community Learning providers and the Council has taken the decision not to opt WAES into the Area Review process given concerns that the Council's properties which WAES occupies would be within scope. The Council and WAES will influence the Area Review through other means including through Central London Forward.

A separate internal Strategic Review of WAES is underway and will be considered in the next month.

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Housing, Finance and Corporate Services Policy and Scrutiny Committee

Date:	9 th March 2016
Classification:	General Release
Title:	Westminster Adult Education Service – Strategic Review findings & proposed way forward
Report of:	Ed Watson, Executive Director of Growth, Planning & Housing
Cabinet Member Portfolio	Councillor Daniel Astaire, Cabinet Member for Housing, Regeneration, Business & Economic Development
Wards Involved:	All
Policy Context:	City for All and Westminster’s Employment Programme promote opportunity for all including through supporting residents into training and employment and activities which encourage healthy, active lifestyles to reduce dependency and isolation.
Report Author and Contact Details:	Tom Harding x2244 tharding@westminster.gov.uk

1. Executive Summary

This report provides Committee with an overview of the Westminster Adult Education Service. The report includes the findings of an internal review of the service led by the Economy Team in Growth Planning & Housing.

Following input from Committee, the review findings will be progressed with the Cabinet Member for Growth, Housing, Regeneration, Business and Housing, the Chief Executive and WAES’ Board of Governors.

Committee is also asked to note the National Area Review of post 16 education and skills is currently underway and a decision has been taken by the GLA and London Councils to undertake a separate, cross- London review of local authority adult and community learning. The findings of the latter will be considered in conjunction with the area review of FE in London and will inform the GLA devolution plans for the Adult Education budget post 2017.

2. Key Matters for the Committee's Consideration

The Committee is asked for a view on:

- The Westminster Adult Education Services' local contribution and offer to residents and employers.
- The recommendation, following an internal review, of strengthening responsibility for an Adult Education Service. This is to support Council priorities and the City for All ambition of reducing long term unemployment. *Please see Paragraph 3.4 below.*
- Local issues to feed into the National Area Review, which commences in Central London region this month.

3. Background

3.1. Overview of City for All and the Council's Economic Development Programme

City for All is the Council's three-year vision that outlines the ambition for Westminster to become a *City of Aspiration, Choice and Heritage*. *City of Aspiration* seeks to "enable all Westminster communities to share in the economic prosperity of our city"; *City of Choice* aspires to create "opportunities for residents, businesses and visitors to make responsible choices for themselves, their families and their neighbourhood"; *City of Heritage* seeks to "protect and enhance Westminster's unique heritage so that every neighbourhood remains a great place to live, work and visit both now and in the future".

Within the wider theme of City of Aspiration, the Council has outlined its commitments to:

- Back local businesses and help create jobs.
- Create a new enterprise space for small and growing businesses in Church Street
- Work with, and challenge our partners, to reduce by a third, within three years, the 10,000 residents who are long-term unemployed

These ambitions are further developed in the Westminster City Council's employment programme for 2015-19. The programme outlines how the Council will focus our interventions on those **long-term unemployed residents who are most at risk from the impact of welfare reforms and who have seen minimal benefit from mainstream employment programmes** such as the Work Programme. The Council's aim is to develop sustainable models to support our most vulnerable residents in tackling complex, deep-seated barriers to employment.

3.2 Overview of WAES' alignment with the Council's City for All Programme

The Strategic Review found that WAES works in partnership with many of the Council's departments in supporting the City for All programme. Specifically, there were close connections with the Council's ambition to reduce long term unemployment and to create opportunities for residents to be integrated within the London labour market. Further information on barriers to work for long term unemployed residents is set out at Annex 1.

In summary, our Review found that WAES currently contributes to City for All; specifically, to the employment targets as well as public health, renewal and engagement objectives through a range of activities. These include:

- **Engagement with targeted beneficiaries** - WAES runs ESOL, English, Family Learning, vocational classes for parents, Maths and IT classes in junior schools Children's centres and libraries across Westminster. In total, 1475 supported users receiving Employment benefits in 2014/15 undertook employment readiness courses at WAES.

In the past year, over 5,000 Westminster learners have benefited from courses put on by Westminster Adult Education Service. The Service has supported 216 benefit claimants in the borough through their training programmes into employment. By way of comparison, this is more than the combined figure achieved by City of Westminster College and Westminster Kingsway College, reflecting their extensive community delivery.

- **Leverage of external funding to support Council priorities** - WAES' leverages circa £10m a year from the Skills Funding Agency and other sources. This is at a low opportunity cost for the City Council. If a similar deal was offered in relation to Department for Work and Pensions services, it would arguably be viewed as a considerable success.
- **Delivery of bespoke training designed with employment support services** WAES has provided family learning classes to teach parents how to help their children with their learning and other training to help residents with the steps needed to build confidence and work based skills.
- **Public Health and support for low income families** - WAES is a key partner in the delivery of a parental employability project, which has been developed in partnership with the WCC Early Years Team through funding from Public Health. The project will provide training and employment support for parents seeking jobs in childcare, health and social care, business administration and retail and hospitality. The first three cohorts of learners will begin their programmes in March.

Further information and review findings are set out below which indicate the value of the service and touch points with other Council agendas where there is the potential to do more. These include:

- Entrepreneurship programmes (through vocational training in incubation spaces)
- Public Health by providing the means for many residents with health conditions to re-engage into mainstream life

3.3 Introduction to WAES

WAES is the third largest local authority adult education service in the country at more than double the size of any other London Service. It has a diverse course offer, providing education and training programmes for over 10,000 learners annually. The vast majority of courses are externally accredited and the service has a Good Ofsted rating.

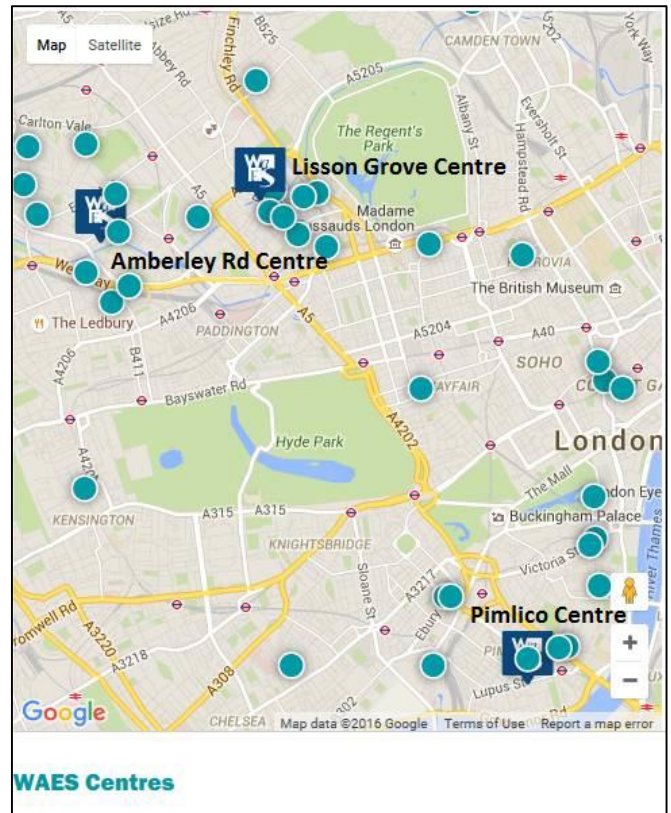
Due to its size, WAES effectively operates in the same way as a College. Unlike smaller adult education providers which are part of local authority structures, WAES has to have its own infrastructure. This includes a management information system and specialist IT requirements.

The scale of the service, requirements from the funder – the Skills Funding Agency – and Ofsted also necessitate a governance board to undertake specific duties and responsibilities as outlined below (paragraph 3.2.4).

The majority of funding comes from the Skills Funding Agency and is based on a complex methodology which limits the flexibility of how WAES and other skills providers can operate.

The Service operates from 3 dedicated centres at Lisson Grove, Pimlico and Amberley and in addition, delivers programmes from approximately 70 community venues (Figure 1).

Figure 1. WAES delivery locations in Westminster



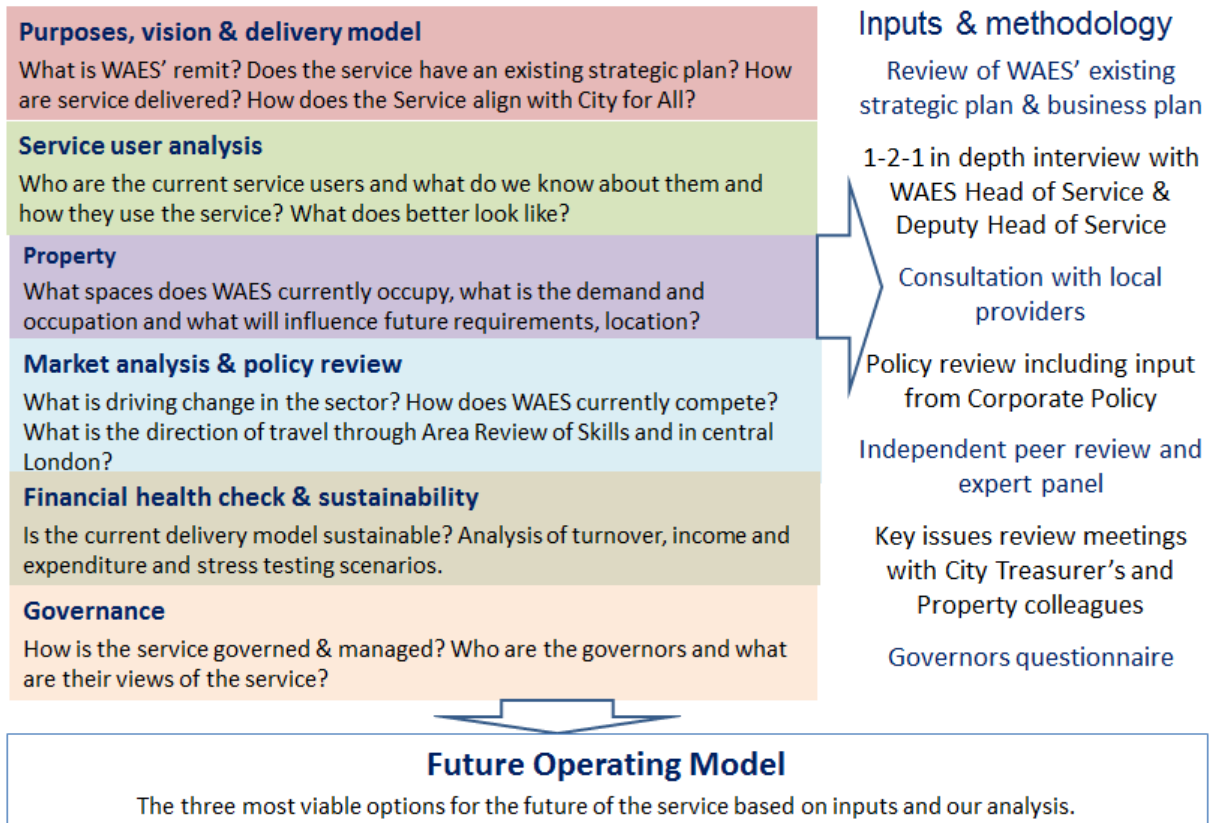
3.4 Key findings from an internal Council led review of the Service

An internal review of Westminster Adult Education Service was requested by the Chief Executive and the Cabinet Member for Growth, Housing, Regeneration, Business and Economic Development in December 2015.

The purpose is to inform future positioning of the service ahead of a national area review of post 16 education and training which will begin in London this month (see paragraph 3.4 below).

The approach taken to the internal review of WAES, questions and inputs received are summarised below and at Annex 4.

Approach & inputs



3.4.1 WAES' existing vision and strategy

WAES' vision for the next 3 to 5 years, as set out in their strategic plan is to become "the best provider of adult learning and skills training in central London". Its Board of Governors outlined the following ambitions that will enable the service to reach this goal:

- Increase the number of apprenticeships and traineeships.
- Extend the reach of the service's work with employers through the delivery of work placed learning.
- Embed the links with WCC and utilise the contacts and influence of the Council to mutual advantage.
- Strengthen links with the Greater London Authority

Strategic Review findings and proposed way forward

1. The current strategic and business plans would benefit from Council input to support WAES' ambition of embedding links with the Council. This should include an agreed process with WAES for jointly signing off a Strategy and Business Plan by WAES Governors' and by the Council.
2. That a cross departmental officer group, led by the Economy Team in Growth, Planning & Housing works with the WAES Head of Service to develop a revised Strategy and a detailed business plan for sign off by the Council and WAES Governors.¹
3. As referenced in the section below on a financial health check, the business plan should clearly set out how the vision for the service will be achieved including the use of resources and the formulation of targets around business development.

3.4.2 Service users

The service has a well-established and positive reputation for working with the most disadvantaged and hardest to reach learners, providing the stepping stones from unemployment into further learning, community engagement and ultimately work. This includes supporting on average over 120 learners with learning disabilities per annum and the delivery of over 220 separate ESOL courses in Westminster.

Other key information about WAES' service users includes:

- The majority of learners (59%) are under 40 and the service supports in the region of 5,000 Westminster learners per year (Figure 3).
- The number of WAES' learners accessing employability and basic skills courses has increased over the last two years. In 2014/15 over 5,700 learners accessed Skills for Life Courses, a 6% increase on the previous year (Figure 4). Most of this growth has been a result of delivering GCSEs for adults to meet work or further and higher education requirements.
- The majority of learners are non-Westminster residents, almost 61% of current learners that access the service reside outside of the borough (Figure 5)

Figure 3. Age profile of learners

16 – 19 years	1.6%
20 – 30 years	30%
31 – 40 years	29%
41 – 50 years	22%
51 – 60 years	12%
66 – 92 years	5.4%

¹ To note that the Strategy and business plan will need to reflect the specific requirements and conditions of their principal funder – the Skills Funding Agency.

Figure 4. Breakdown of service user by course type²

1 August 2013 - to date						
	1/8/13 - 31/7/14		1/8/14 - 31/7/15		1/8/15 - to date	
Department	No of Learners	%	No of Learners	%	No of learners	%
Vocational courses	6532	46.71%	5309	40.46%	1914	32.70%
Skills for life courses	5358	38.32%	5773	44.00%	2900	49.55%
Creative courses	2093	14.97%	2038	15.53%	1039	17.75%
Grand Total	13983	100%	13120	100%	5853	100%

Figure 5. Learner profile by Westminster / Non-Westminster residents

Breakdown of Westminster/Non Westminster residents 1/8/2013 – date						
	1/8/2013 - 31/7/2014		1/8/2014 - 31/7/2015		1/8/2015 - to date	
Area	Learner Count	%	Learner Count	%	Learner Count	%
Westminster	5096	41.24%	4761	39.37%	2290	39.13%
Not in Westminster	7262	58.76%	7332	60.63%	3563	60.87%
Grand Total	12358	100%	12093	100%	5853	100%

Service Users - Strategic review findings & proposed way forward

- An analysis of learner destinations was out of scope of our internal review of the service. For each of WAES' three departments: vocational courses, skills for life and creative courses, this would clarify student journeys into work, the interface with other services, employers and self-employment opportunities.
- One of the lines of inquiry for the Government's National Area Review of post-16 education and skills concerns whether provision meets business, local, social, and economic needs. There is strong on-going demand for basic and functional skills in Westminster and Central London. In response, WAES has a clearly defined offer and delivery model. Performance information indicates this is attractive to adult learners; in the past year, over 50% of referrals to the service have been through word of mouth marketing. Therefore, for WAES there will be considerable interest in the outcome of the Government Area Review of post-16 education and skills.

² Vocational courses include business, accounting childcare, health and social care, job centre programmes etc. Skills for Life courses include English and maths, ESOL, learning for learners with disabilities and family learning courses. Creative courses include the full range of creative - ceramics, glass, graphic design, and visual art and make-up courses.

3.4.3 Property & premises

The service's three dedicated centres are multi-use venues owned and maintained by Westminster City Council. There are no rental costs for the premises as a result of a Cabinet Member decision, agreed following the Services' decant from Amberley Road and Ebury Bridge. WAES does pay facilities management costs for Lisson Grove which currently stands at £547,938 per annum.

The Corporate Property Team within Westminster Council is conducting a review of the Council's assets. Corporate Property has confirmed that the review may require WAES to move from Lisson Grove in 2020.

Strategic Review findings & proposed way forward

6. Arrangements between Corporate Property and WAES for all premises should be further formalised through a service level agreement. The agreement might be drafted to also include commitments relating to WAES' contribution to City for All and service integration.
7. The possible move may yield medium term savings. Two opportunities for such efficiencies were identified through the review, both connected to the Council's Economic Development programme. Both will require further consideration:
 - i. *Integration of employment and skills services* – officers are currently designing an integrated employment service. Adult education will be an integral component in the proposed new model. Options being explored include drawing together a wide range of organisations into a service to Westminster residents which could include co-located teams. In other developments, Jobcentre plus, at a national level, has been tasked with reducing its estate (it has three offices in Westminster). Discussions progressed with Jobcentre plus on potential co-location are connected to wider public service reform during 2016. Working closely with Corporate Property, it is therefore proposed that an integrated employment and skills service model be further developed taking into account property and service changes in WAES and Jobcentre plus, respectively.
 - ii. *Connecting WAES' learners with business incubation space* - officers explored in outline the notion of WAES using some of their current space as a dedicated enterprise area for self-employed people. This is of interest to WAES and is subject to identifying different ways of using existing space or potentially consolidating space. The space, which would be developed using the expertise of a professional provider, could be used by WAES students, or local residents who are currently running micro businesses. Moreover, it would provide a stronger connection between WAES' vocational courses and the Council's aspiration of nurturing entrepreneurship across the City.

3.4.4 Financial Health Check

In recent years, WAES has seen material changes to its income and costs. Built up reserves have been used to finance building refurbishment and there was a large operating deficit in 2013/14 resulting from funding policy changes and historic recharges.

Grant allocations cover over 90% of WAES costs and the service is vulnerable to fluctuations in adult skills funding and policy. For example, in July 2015, the Skills Funding Agency reduced WAES' grant by £550,000, followed a staff restructure already underway to save funding cuts of over £1.3m.

Although the Comprehensive Spending Review has stabilised the adult education budget, at least for the rest of the financial year, there is no guarantee of funding levels thereafter. There is, however, an ambition to grow the number of apprenticeships, one of the strategic growth areas identified in WAES' existing three year Strategy.

WAES therefore aims to diversify its income streams and adopt flexible operating practices to sustain itself over the medium term. However, the Service currently has limited business development capacity. Through the Review, there was recognition that the way in which WAES sells skills services to employers could be streamlined or supported by the Council's proposed business engagement campaign.

Skills Funding Agency funding for academic year 2014/15: **£10,423,311**

Skills Funding Agency funding for academic year 2015/16: **£8,589,669**

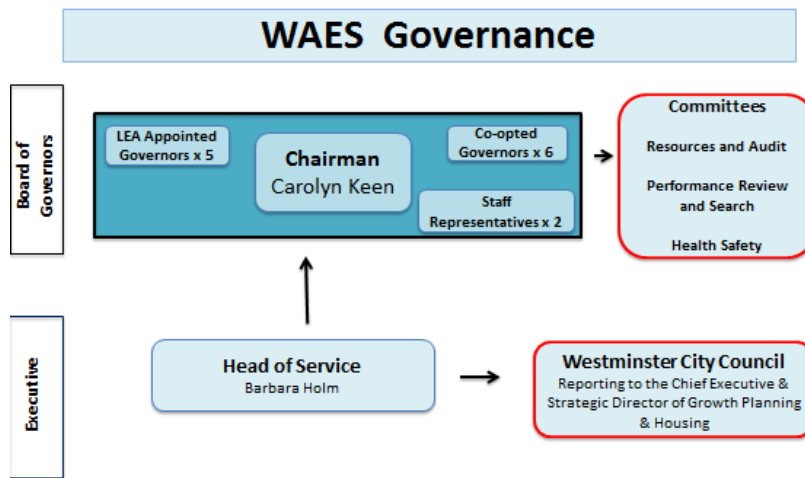
Strategic Review findings & proposed way forward

8. The national growth in apprenticeships is both an opportunity and a risk. The opportunity is for WAES to increase market share and grow income for the service. This is assumed in the budget profile below. The risks behind this assumption are considerable: without a strengthened business development function, it is difficult to see how the service will compete with the new 'super' Colleges.
9. There are also risks to future income. The Adult Education Budget has been protected during the lifetime of the current parliament. The Prime Minister has recently committed another £20m for English language courses. WAES has a track record of delivering such courses and will be well placed to benefit from this change in policy. However, grant settlements for the service are agreed on an annual basis, presenting considerable risk to WAES including to in-year delivery.
10. To deliver the income projections which WAES is profiling (see Annex 2) the service needs to identify how new business opportunities will be generated and invest resource to support delivery. The business engagement campaign being proposed by the Economy Team within the Council should also be used to support WAES' business development targets.

11. The wider policy context for Adult Skills is characterised by considerable volatility and change, impacting on the service’s ability to plan in the medium and short term. On a more positive note, expected cuts to Adult Skills budgets in the Comprehensive Spending Review did not materialise, and there are opportunities presented by the new apprenticeship levy which will raise £3bn a year and fund three million apprenticeships.

3.4.5 Governance

Operating within the Council structure, WAES has a long established independent governance structure which is summarised below. The structure reflects the Skills Funding Agency and Ofsted requirements.



The current Local Authority representatives on the Board are: Councillor Louise Hyams; Councillor Barbara Arzymanow; Carolyn Keen (current Chairman) – former Councillor and Lord Mayor and Reggie Kibel.

Membership of the Board is as follows: 5 LEA appointed Governors, 2 Staff representatives, 6 co-opted Governors and the Head of Service/Principal. There is currently one LEA representative vacancy and one vacancy for co-opted members.

Strategic Review findings & proposed way forward

Separate governance arrangements for the Service are necessary for WAES to fulfil funding requirements from the Skills Funding Agency and Ofsted. Further consideration will be given to WAES’ governance, including Council representation. This will follow revisions to the existing strategy and development of a business plan.

3.5 Future operating model and relationship with Westminster City Council

The Council's own analysis and contribution from an independent peer review group suggest the Council could either develop closer ties with or conversely could move away from, responsibility for an adult education function. Three approaches are outlined as follows:

1. Within the current Council structure, WAES develops a **shared service model** with other Adult Education Services at a Central London or Tri-borough level.
2. Within the current structure, WAES **strengthens links with the Council's growth function** and specifically with the Economy Team in Growth Planning & Housing and is included in proposals to develop an integrated Employment and Skills service.
3. The Council and WAES explore **a new structure and organisation** to support the future delivery and which could include:
 - Collaboration or merger with a Further Education College
 - Setting up the Service as a new social enterprise

In recognition of the challenge of reducing long term unemployment, as articulated in City for All, it is proposed that a Skills and Employment Service is developed. WAES is an important part of these plans. Therefore, the preferred option is for WAES to remain within the local authority structure where links would be strengthened with the Economy Team.

This has been discussed with the Cabinet Member for Housing, Regeneration, Business & Economic Development³ and he has requested additional information in respect of this recommendation. This information is as follows:

- A breakdown of Westminster beneficiaries and specifically in relation to Skills for Life courses;
- Projections set out by WAES as part of the business planning process for Westminster learner numbers for 2015/16 and 2016/17.
- The City Council supports WAES to recruit a governor(s) that represent local businesses.
- A refreshed strategy and business plan for WAES is developed for joint sign off by WAES Governors and Westminster City Council.
- Following inputs from WAES' Governors (below) and Scrutiny Committee that a formal Cabinet Member decision is made.

³ Cabinet Member and lead Economic officer meeting 24th February 2016.

At a special meeting of the Governing Body, Governors considered the findings of the recent Strategic Review of the Service that had been undertaken by the Westminster City Council.

Governors supported the proposal that the service remain within the local authority structure with strengthened links to the Economy Team to support the City Council deliver the City for All priorities and service integration. Governors endorsed the proposed closer collaboration with the City Council and the enhanced opportunities available to support Westminster residents and engagement with local businesses.

Governors emphasised their ongoing responsibility for the strategic direction and overall management and governance of the Service whilst recognising the opportunity to strengthen business planning and strategy through a more formalised process, incorporating input from across the City Council.

A more detailed note of the Governors meeting will be circulated to Councillor Daniel Astaire and Scrutiny Committee in due course.

3.5.1 Next steps following input from Committee

Following input from Committee on the approaches outlined above, a final formal Cabinet Member report will be issued to the Cabinet Member for Housing, Regeneration, and Business & Economic Development for consideration and approval.

Committee is asked to note criteria developed by officers set out at Annex 3 to inform views on WAES future operating model and relationship with the City Council.

3.6 The Area Based Review of post-16 education & training in London

The Mayor and London boroughs will play a lead role in a series of **area reviews of post-16 education and training across London** at the beginning of this month. This is part of a national programme of reviews designed to deliver a rationalised and more responsive FE sector.

In summary, the key features of the Area Reviews in London are:

- The reviews will be conducted on a sub-regional basis. Westminster falls within the Central sub-regional which includes Central London Forward boroughs plus Lewisham, Tower Hamlets, Hackney and Haringey.
- The sub-regional area reviews will be led and overseen by a pan-London steering group, chaired by the Mayor, and will be deputy chaired by a nominated borough leader. There will be representation from central government, the LEP, local government and the post-16 sector. The pan-London steering group will ensure a strategic view across the city, and consider the recommendations and findings of each review within this

broader context. Each area review will also have its own sub-regional steering group, with representation from central and local government as well as the post-16 sector and employers. These steering groups will report into the pan London steering group.

- The reviews will begin in March and start with the West London sub-region, followed by Central London (17th March) and the south and east sub-regions which commence in May. The staggered approach takes account of the resourcing available from central government, the Mayoral election period and college term times.
- The priority for the Government review is Further Education and College provision and within the context of reduced public funding, quality and oversupply. Other post-16 provision is within scope, including Adult Community Learning providers but the Government has made it clear this is not the primary focus given the limited capacity of the review teams.

3.6.1 Key issues for Westminster & Committee's consideration:

The two Further Education Colleges in Westminster, Westminster Kingsway College and City of Westminster College, are within scope of the Area Review of FE. Both are financially strong, rated Good in their last Ofsted assessments and are progressing separate collaborations:

- Westminster Kingsway City and Islington Colleges are to merge and a new Chair Designate and CEO Designate have been appointed.
- City of Westminster and Kensington and Chelsea Colleges are currently undertaking an independent review on formal collaboration going forward.

The GLA in conjunction with London Councils has introduced a separate, London-wide review of Adult and Community Learning to establish the long term strategic direction of post 19 adult and community learning provision across the capital. This review will run parallel with the London Area Review, with direct links into the process. The findings of this review, along with those of the college-focused Area Review, will together provide a comprehensive picture of adult education to inform an integrated approach to the future commissioning and delivery of adult education in London.

Given supply side skills issues in London, for example the high number of unemployed adults with low skills, no qualifications or limited workplace skills, there could be a stronger focus on adult skills (levels 1 & 2) and developing new models of integrated employment and adult skills provision.

The City Council's position is that the shape of provision and future collaborations between Colleges and Adult Skills providers should not in any way be restricted by the geography of the reviews and the existing borough partnerships, particularly in view of travel to study patterns.

- The latest position is that University Technical Colleges are not within scope of the Area Review process. However, the Area Reviews are

seen to favour the creation of larger, more resilient organisations. This necessitates the Institute of Technology being carefully positioned in the new landscape.

4. Health and Wellbeing Implications

Within a wider range of learners, groups prioritised within the Health and Wellbeing Strategy are supported by WAES. These include residents on Employment Support Allowance, with long term health conditions, multiple and complex needs, learning disabilities and troubled family lives.

A presentation on WAES' services, and connections with health agendas, including the delivery of a parental employability course with public health, will be delivered to a forthcoming Health and Wellbeing Board.

5. Financial Implications

Financial implications and considerations are set out at paragraph 3.4.4 above.

6. Risks and Mitigations

See the section on financial health check for key risks.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact Report Author x2244
tharding@westminster.gov.uk

ANNEX 1

Overview of Long Term Unemployment in Westminster

Benefit Profile	Total	Active claimants				ESA (Support)
		ESA (WRAG)	JSA	Lone Parent	Other Income	
Total All Claimants	14,400	4,200	2,700	1,300	500	5,800
Long Term Claimants	11,040	3,600	900	1,000	350	5,100
% of Long Term Cohort by Benefit Type	100%	33%	8%	9%	3%	47%

What we know:

- The 47 % of residents that are long term unemployed are not expected by DWP to go to interviews due to limiting illness or disability. The term used by DWP for this cohort is Employment Support Allowance Group (Support).
- About half ESA claimants have mental health issues.
- Westminster's long term unemployed numbers have fallen, with reductions of some 14% compared to 13% in London and 10% in England
- Long Term Unemployed residents in WCC are older than the English average. Few are under 35 years and have an average number of dependent children. Almost half are in private rentals where there is very high volatility, a further 40% are in social housing with very low volatility

Barriers to Employment

For those with **mental health problems**, key barriers are isolation. This is exacerbated by lack of expertise (outside of health and care services) in overcoming the inherent challenges created by mental health issues. These include a lack of confidence and low self-esteem, the time needed for recovery, the detrimental effects of punitive or demanding benefits conditions, and poor assessments for benefits applications.

For families, childcare, unsurprisingly, is a barrier to seeking and maintaining work, with many describing the need to structure any work around childcare needs and of course the need to balance the costs of childcare against earnings. For many parents there was also a sense of a 'barrier spiral' that might start as, say, a health problem could become a debt problem, compounded by benefits caps or sanctions, and subsequent housing problems, all of which ate into.

For the most disadvantaged (not specifically by benefit type and as identified by the Centre for Economic and Social Inclusion for Westminster, June 2014)

- **Loss of confidence and motivation** – from being out of work for a long time
- **Loss of skills** – both general, workplace skills and specific, job-related skills
- **The ‘signal’ that being out of work sends to employers** – meaning that those out of work often fall to the bottom of the queue
- **Loss of networks and access to jobs** – it is much easier to find a job when you are already in a job

All of these four areas get worse the longer that you are out of work, and can be reinforcing. They can also affect different people in different ways: young people may be particularly affected by signalling effects; people with health conditions by confidence and motivation; the longest-term unemployed by a loss of networks, and so on.

WESTMINSTER ADULT EDUCATION SERVICE BUDGET 2016-17 TO 2019-20 - ACADEMIC YEAR

Funding Stream	Notes	For information		Baseline	Funding	Indicative		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Adult skills budget allocation		£7,585,424	£6,794,416	£4,960,308	£4,880,415	£4,909,815	£4,935,948	£4,939,215
Community learning allocation		£1,542,653	£1,542,653	£1,542,654	£1,511,801	£1,520,908	£1,529,003	£1,530,015
Discretionary learner support allocation		£775,886	£683,251	£544,965	£534,066	£537,283	£540,143	£540,500
SUBTOTAL ADULT EDUCATION BUDGET		£9,903,963	£9,020,320	£7,047,927	£6,926,281	£6,968,006	£7,005,094	£7,009,730
<i>Change £</i>			<i>-£883,643</i>	<i>-£1,972,393</i>	<i>-£121,646</i>	<i>£41,725</i>	<i>£37,089</i>	<i>£4,636</i>
<i>Change %</i>	9		<i>-8.92%</i>	<i>-21.87%</i>	<i>-1.73%</i>	<i>0.60%</i>	<i>0.53%</i>	<i>0.07%</i>
24+ advanced learning loan bursary allocation		£114,288	£216,265	£130,238	£130,238	£130,238	£130,238	£130,238
24+ advanced learning loan facility		£449,210	£372,618	£240,000	£240,000	£240,000	£240,000	£240,000
16 to 18 apprenticeship and traineeship allocation		£23,933	£23,933	£23,933	£23,933	£23,933	£23,933	£23,933
SUBTOTAL OTHER BUDGETS	10	£587,431	£612,816	£394,171	£394,171	£394,171	£394,171	£394,171
19+ Apprenticeships	11	£205,672	£569,392	£1,043,826	£1,200,400	£1,380,460	£1,587,529	£1,825,658
TOTAL SFA GRANT ALLOCATIONS		£10,697,066	£10,202,528	£8,485,924	£8,520,852	£8,742,637	£8,986,794	£9,229,560
<i>Change £</i>			<i>-£494,538</i>	<i>-£1,716,604</i>	<i>£34,928</i>	<i>£221,785</i>	<i>£244,158</i>	<i>£242,765</i>
<i>Change %</i>			<i>-4.62%</i>	<i>-16.83%</i>	<i>0.41%</i>	<i>2.60%</i>	<i>2.79%</i>	<i>2.70%</i>

Criteria to inform Council decision making / steer on WAES' future operating model

The operating model supports City for All & the Council's Growth agenda

- Activities would result in more effective support for long term unemployed residents and cohorts with multiple needs, helping their progression into sustained employment.
- Activities support self-employment and are better able to support local economic growth through providing skills which the local economy needs.

The operating model helps generate cashable savings and financial independence

- Activities support the service to be self-financing and with minimal demands on the General Fund.
- Activities help to reduce costs
- Activities help to develop sustainable sources of incomes.

The operating model support Public Service Reform

- Activities support collaboration within the Council and with other public services.
- Activities help to reduce the demand for public services.

Contributors to the WAES Strategic Review

The content of the WAES strategic review has been informed by the feedback sought from:

1) A peer review group formed of:

- Keith Cowell, Principal City of Westminster College.
- Sue Pember, Policy Director, HOLEX
- Samantha Duncan, Institute of Education, University College London
- Yolande Burgess, London Councils

2) A survey, circulated to 30 WAES' partners. 8 responses have been received from the following organisations:

- SHP
- FACES
- Essendine Primary School
- Organisational Development Team, WCC
- Supporting People Development, Housing Team, WCC
- All Souls Primary School
- Paddington Development Trust
- Global Skills

3) WAES' Board of Governors

<u>Chairman:</u>	Carolyn Keen
<u>LEA Appointed Governors:</u>	Carolyn Keen former Westminster Councillor and Lord Mayor Councillor Louise Hyams Councillor Barbara Arzymanow Reggie Kibel
<u>Staff Representatives:</u>	Sindi Hearn Community Partnership Manager (Support Staff representative) Krisztina Fabian ESOL Tutor (Teaching Staff representative)
<u>Co-opted Governors:</u>	Tomasz Patzer Barrister, Accountant, CID officer Richard Frost School Secretary, London Business School Dr Sam Taslaq local GP Ellie Bottie former student, worked with TECs, Learning & Skills Council focusing on employer-based training and apprenticeships
<u>Head of Service:</u>	Barbara Holm

4) Westminster Council teams:

- Councillor Daniel Astaire, Cabinet Member for Housing, Regeneration, Business & Economic Development
- Executive Management Team
- Employment and Skills Team
- Business and Enterprise Team
- Corporate Property Team
- Finance Team



City of Westminster

Housing, Finance and Corporate Services Policy and Scrutiny Committee

Date:	9 th March 2016
Classification:	General Release
Title:	Supply and Allocation of Social Housing 2016/17
Report of:	Executive Director for Growth, Planning and Housing
Cabinet Member Portfolio	Cabinet Member for Housing, Regeneration, Business and Economic Development
Wards Involved:	All
Policy Context:	To promote the quality of life for Westminster citizens by working with all our partners to improve the housing experience of our residents and the safety and social care of vulnerable people and their families
Report Author and Contact Details:	Gregory Roberts grobert2@westminster.gov.uk 020 7641 2834

1. Executive Summary

The purpose of this report is to update the Committee on the issues that will influence the allocation of social housing in 2016/17.

Part A: Affordable Housing Supply and allocation projections

This section sets out the level of available affordable housing in 2015/16 and how this is being allocated and the projections for new supply in 2016/17. Key points are:

- Social Housing allocations for the first 9 months of 2015/16 show high levels of homeless rehousing reflecting the demand from this group
- Total social housing lettings for 2015/16 (including tenants' transfers) are estimated to be c. 805 which is an increase of c. 40 from 2014/15 and are projected to increase in 2016/17 to c. 840, reflective of increased supply from registered providers and fewer regeneration area decant transfers.

Part B: Projections for demand for housing from homeless households in 2016

This section sets out the issues that will influence the numbers of households in Temporary Accommodation (TA). In summary key points are:

- The principal factor that is driving the high levels of homelessness continues to be the availability of private sector housing for households on benefits. Homeless acceptances are forecast to be just under 550 in 2015/16 a reduction of over 200 from 2012.
- A co-located service involving officers from Job Centre plus, Benefit Services and housing officers continues to respond to households in housing need as a result of the Benefit cap by supporting households into employment, assisting with finding alternative private sector accommodation, supporting claims for Discretionary Housing Payments and providing financial advice
- Total homeless acceptances during 2016/17 are forecast to continue at the same level of c. 550 and the total requirement for TA will remain between 2300 – 2500 during the year

Part C: Update on the delivery of the Temporary Accommodation Commissioning Strategy

The implementation of the TA Commissioning Strategy has succeeded in ending the use of B&B accommodation for families over 6 weeks, reduced unit costs, increased supply and made best use of Council resources. However challenges of sourcing sufficient private sector accommodation suitable and affordable for households in housing need continue.

Part D: New Housing Allocation Policy Proposals

This section sets out the recommendations to be made to offer access to affordable housing for low income working households and updates and clarifications to the Allocations Scheme

Part E: Provision of housing for vulnerable groups

A range of services are commissioned to support the delivery of Council priorities for housing vulnerable people. This section provides a brief update on work in these areas

Key Matters for the Committee's Consideration

How can the demands for social housing in Westminster from different groups best be managed during this period of high demand?

Does the allocation of social housing appropriately balance the various demands for housing in Westminster?

The recommendations set out in section D, in particular the proposal in paragraph 5.1 to building on the success of the scheme to offer additional points to working households living in Temporary Accommodation to establish a target quota of 10 letting for working households with total gross income of £20k or less who would not otherwise have priority for social housing under the Housing Allocations Scheme.

What are the key messages we need to communicate to residents about the current housing pressures?

Is the support for vulnerable households in housing need appropriate?

Part A: Affordable Housing Supply and Allocation Projections

2. Housing Supply and Allocation in 2015/16

2.1 Allocation of Social Housing 2015/16

2.2 All social housing is let according to the authority's Housing Allocation scheme. The following table sets out allocations in the year to date. At the end of December 2015 the total number of lettings was 660. The table below sets out the allocations in the year to date and reflects high levels of homelessness:

2015/16 Lettings Year to date (December)		
Tenant transfers	Year to Date	Full year estimate
Decants/Major Works including Returning Decants	11	15
Cash incentives to downsize	30	41
Community Care Nominations	0	0
Children Act Rehousing	1	1
Accommodation for the elderly	11	15
Overcrowded tenants	72	96
Transfers from studio to 1 bed properties	17	23
Category A medical for people with disabilities	22	29
Management Transfers	14	19
SUB TOTAL	180	239
Waiting list		
Homeless (inc older persons and Pathways)	359	385
Category A medical for people with disabilities	21	25
Accommodation for the elderly	40	55
Assisting Cash Incentive moves	13	17
Children Act Rehousing	12	16
Street Homeless and hostel move on quota	1	1
Second Succession	22	22
Staff Rehousings	1	1
Learning Disability Quota	5	7
Reciprocal nominations with other boroughs	8	11
Mental health hostel quota	7	17
Statutory overcrowded	0	1
Registered Providers severely overcrowded	2	4
Right to move scheme	0	2
Pan London moves scheme	1	4
SUB TOTAL (HR)	492	566
GRAND TOTAL TTL/HR	672	805

The above figures represent 9 months of the full year and the forecast is that the lettings profile for the full year will generally reflect the above allocation

2.3 2016/17 Supply Projections

2.3.1 Initial projections for the supply of new lettings of affordable rented accommodation for 2016/17 is c. 840 an increase of c. 35 against the total number of lettings forecast for 2015/16. This comprises the sum of casual voids from City West Homes, Registered Provider (RP) relets, RP first lets and tenant transfers and can be broken down as follows:

Supply by bedsize - 2016/17	Studio	1	2	3	4+	Total
CWH Casual voids	84	167	74	20	12	357
Return from rehab	0	2	4	5	2	13
RP First Let Nominations - Affordable Rent	0	9	27	28	2	66
RP First Let Nominations - Social Rent	0	5	10	15	0	30
RP Relet Nominations - Affordable Rent	8	34	17	2	0	61
RP Relet Nominations - Social Rent	30	74	35	13	2	154
Total Net Voids	122	291	167	83	18	681
WCC Transfers	45	92	21	26	0	183
Less Decants for major works	-2	-10	-9	-3	0	-24
Total	165	373	204	121	23	840

2.3.2 The number of new affordable homes currently projected to be delivered by Registered Providers or directly by the Council during the period 2016/17 and 2017/18 is 385 units, made up of 335 new build or converted units plus 50 spot acquisitions. However it may be possible to increase beyond the current projected figure of 50 through City West Homes or Westminster Community Homes in order to meet the temporary or permanent re-housing needs of residents affected by the Council's Housing Renewal programmes.

2.3.3 Of the 385 new or converted homes, 48 are anticipated to be provided for social rent at target rents, 112 homes for affordable rent, and 3 homes for those with learning disabilities. 192 homes will be provided as intermediate housing either at sub market rents or as shared ownership, and a further 30 spot acquisitions are anticipated to be provided for varying affordable housing types.

2.3.4 These projections are based upon affordable housing developments that are currently under construction or have secured planning permission and are due to commence building works shortly. Significant schemes making up these supply projections during 2016/17 and 2017/18 include: Clelland House (67), Westbourne Park Church (32), Former North Westminster School (27), Ladbrooke Grove (22 units), Rathbone Place (20 units) Chiltern Street (16 units), Clarges Street (11).

2.3.5 In addition to the 385 affordable homes anticipated to be delivered during the period 2016-2018, an additional pipeline of new housing developments exists that has the capacity to deliver c.1,700 additional affordable homes over a 5 year period starting from April 2018. This additional affordable housing supply will come from a mixture of sources including the Council's Housing Renewal areas and S106 development sites. Whilst some of the pipeline supply is under construction a number of schemes are yet to go on site or get planning consent.

2.3.6 Social Housing Relet supply from City West Homes and Registered Providers

Relet supply from City West Homes stock for 2016/17 is estimated to be 370. An anticipated 215 relets from existing registered provider social housing stock is anticipated to be provided to the City Council during 2016/17. This projection is based on the average level of relets received by the City Council over the previous three years. 72% of relets to be provided during 2016/2017 are anticipated to be provided at rents equal to or below target rent levels, with the remainder at affordable rent levels

2.3.7 In addition to other factors mentioned above, there is the uncertainty of the impact of the Housing and Planning Bill upon future supply of affordable housing within Westminster. Both WCC HRA and RP housing stock in Westminster could be reduced under the extension of the Right to Buy to RP's and the requirement for WCC's HRA to make an annual payment to government, based on the number of High Value voids that are likely to become vacant. Details of the policy relating to the sale of high value voids are unclear at present and it is not known how many High Value voids may need to be sold. An amendment has been proposed to the Housing and Planning Bill that every High Value void sold in London another two are developed, but the issue for Westminster is likely to be that shortages of land and its high cost will mean this new supply is not in borough.

Part B: Projections for demand for Temporary Accommodation from 2016

3. Background Information

3.1 The Housing Options Service (HOS) provides the Council's statutory housing assessment and advice function. Local authorities have a statutory duty to provide housing under homelessness legislation, where the applicant's immigration status entitles them and they are:

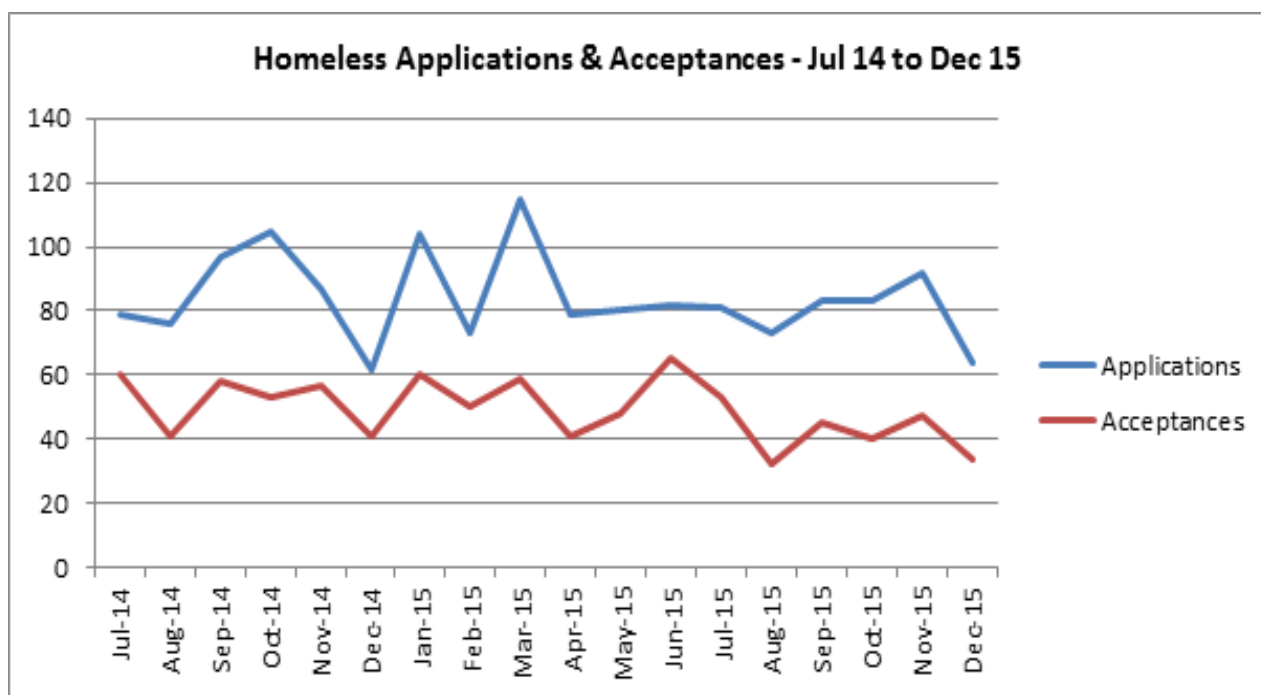
- Homeless with no alternative accommodation that is reasonable to occupy
- In priority need
- Has a local connection (or no local connection elsewhere.)

When the supply of suitable affordable accommodation is not available, the Council is required to procure Temporary Accommodation (TA) to provide housing until social housing is available.

3.2 The following table summarises the numbers of homeless applications and acceptances over the last five years and a more detailed monthly summary over the past 18 months

Demand Profile	31.3.11	31.3.12	31.3.13	31.3.14	31.3.15	YTD 31.1.16
Homelessness Applications (p.a.)	1170	1445	1338	1002	1053	793
Homelessness Acceptances (p.a.)	430	539	813	705	617	451
Households in Temporary Accommodation	1726	1910	2450	2283	2397	2414

3.3 The monthly homelessness and welfare reform updates circulated to Members highlight that whilst there are short-term fluctuations, homeless acceptances continue to be more than 70% higher than in 2010. There is a small difference between the 3 and 12 month average for homeless applications (80 and 84) and acceptances (40 and 48) indicating that there has been a reduction in demand for housing over the past 12 months:



3.4 Private Sector Local Housing Allowance Claims

The number of households claiming Local Housing Allowance (LHA) in the private sector has reduced since the introduction of the original LHA caps in 2011 (see table below.) However the effects of the caps are still being felt and loss of private rented sector tenancies remains the primary driver of housing need in the borough increasing TA demand.

Bedsize	Claim numbers before 2011 Cap	Current total claim numbers	Reduction
1 Bed	3099	1858	1241 (40%)
2 Bed	1743	935	808 (46%)
3 Bed	766	375	391 (51%)
4 Bed	304	155	149 (49%)
TOTAL	5912	3290	2589 (44%)

In addition, in 2011 there were 761 Shared Room claims and there are now 476. It should be noted that the above figures will also include new LHA claimants since 2011 (with most London boroughs showing an overall increase as a result.)

3.5 A system has been set up to respond directly to those households in TA whose claims are capped and households in the private sector who made a DHP application, involving a co-located team including Job Centre plus, Housing Options and Benefit Services officers. All households in TA affected are contacted initially by the Council, a review of each case is completed and interviews are arranged with each household to agree the best way forward in

the short and medium terms. Over 880 interviews have been held with households affected by the Benefit Cap in TA agreeing over 1100 action plans, and almost 300 households have moved into employment.

Homeless Prevention and Forecasts

- 3.7 Homeless prevention remains the central focus of work with households in housing need, whether challenging illegal evictions, debt advice, supporting families to remain together and assisting with moves into the private rented sector. In the past 12 months 218 private sector prevention placements have been completed, 68 into properties in Westminster, 147 into other London boroughs and 3 outside of London. Over 100 moves into the private sector have been of accepted households living in Temporary Accommodation.
- 3.8 Most applicants currently wait 7-10 years for a social housing tenancy and we now intend to start identifying more households for whom the private rented sector would be suitable and start making offers to them to bring our duty to an end. To support this we have commissioned a study of the affordability of the private rented sector to identify areas where suitable and affordable properties are available and this will inform the project to increase the numbers where we discharge of duty into a suitable property in the private sector.
- 3.9 Given the pressures on homeless acceptances during 2015/16, the forecast for 2016/17, the continued pressures in securing properties for Temporary Accommodation and the uncertainty around the funding regime the percentage of total rehousing made available to homeless households (currently over 60%) are to be retained, in particular for larger units.
- 3.10 The principal factor that is driving the high levels of homelessness continues to be the availability of private sector housing for households on benefits. As set out above homeless acceptances are forecast to be c. 550 in 2015/16 a reduction of over 200 from 2012 and this trend is expected to continue. As a result total homeless acceptances during 2016/17 are forecast to continue at c. 550 and the total requirement for TA will remain between 2300 – 2500 during the year

Part C: Update on the delivery of the Temporary Accommodation Commissioning Strategy

4.1 The central assumptions within the strategy that a TA portfolio of at least 2000 units will be required until 2020 and that increasing the supply of units through the traditional model of leasing from the private sector at the government set TA subsidy rates would not meet this requirement are still valid. This is supported by the recent budget reports that highlighted the impact of high rental costs within the private sector. Taking each of the strategy areas:

- **End the use of bed and breakfast accommodation over 6 weeks for families**

This has been achieved, as few families are placed in B&B now and these are for short periods of time. Maintaining this remains a very high priority (at a time when other London authorities are reporting increased use of B&B including for families for more than 6 weeks)

- **Reduce unit costs**

Costs have reduced significantly since June 2013 with total numbers remaining at more than 2400. However the rate of cost reduction has slowed during 2015/16, reflecting the continuing high costs of the private rented sector and the challenges in finding affordable private sector housing.

- **Increase supply**

c. 300 new self-contained properties have been sourced since June 2013; this has largely been within the nightly booked sector which is now c. 430 properties; c. 150 new long-term leased properties have been secured but c. 90 leased properties have been returned to landlords as leases have ended and the landlord has not renewed these

- **Deliver new ways of sourcing accommodation, making best use of the Council's resources**

The Council has made use of its own properties that are temporarily vacant through the regeneration programme and currently make use of c. 85 units. Whilst clearly not a long-term solution this has provided a source of in-borough accommodation.

The Council has entered into a programme of purchasing properties for use as TA outside the borough. The Council has made offers on 349 properties for purchase and this has led to completions on 75 and these are now occupied or being refurbished for letting. In addition a programme of in-borough purchases has commenced with 6 being completed towards a target over the next 2 years of 100.

- 4.2 The above strategy will continue to deliver a reduction in unit costs of TA across the portfolio as a whole and ensure properties are affordable to households on benefits. At the same time the strength of the private market means that it is extremely challenging to maintain the existing properties when alternative markets are available and identify for purchase properties which are economic to purchase and rent to households on benefits.
- 4.3 To deliver a TA portfolio that meets budget targets is dependent upon a central government set funding regime both for TA subsidy and to purchase properties directly that allows such activity to be economic and demonstrates clear value for money. Further announcements regarding the future of TA subsidy are expected during 2016 (in light of the introduction of Universal Credit.)
- 4.4 Current TA levels are c. 2450 and are expected to continue at between 2300 – 2500 during the year, depending on flows of homeless households. This represents an increase of a third since 2012. Before the increase 75% of TA was located in-borough with the remainder in East London. Since the increase whilst the in-borough stock has largely been retained, TA properties are now located in over half of London boroughs with c. 100 properties outside London, principally in Essex.
- 4.5 Legally TA is to be suitable (in terms of size and location) and affordable, with the majority of households in receipt of benefits, and where accommodation is required to be in-borough this is very challenging to deliver and/ or can only be provided above subsidy levels.
- 4.6 The TA Commissioning Strategy will be updated during the first 2016 to reflect changes in the private sector housing market and the impact of legislative and welfare reform changes

Part D: New Policy Initiatives and Amendments to the Housing Allocations Scheme

This section sets out the recommendations to be made in the full year Supply and Allocation of Social Housing report to offer access to affordable housing for low income working households and updates and clarifications to the Allocations Scheme

5.1 Affordable Housing for Low Income Working Households

Building on the success of the scheme to offer additional points to working households living in Temporary Accommodation it is recommended that a target quota of 10 lettings is established for working households with total gross income of £20k or less who would not otherwise have priority for social housing under the Housing Allocations Scheme. Allocations would be to studio and 1 bed properties, reflecting the high level of supply of these size units. Tenancies will be limited to a fixed period of three years (an introductory tenancy followed by a two year fixed term tenancy which would not be renewable).

The aim of the quota is to assist a broader range of low income working households who have few housing opportunities in Westminster to access social housing. It will also help improve the economic diversity of estates, enable people to remain in Westminster and to live near to their work. The take-up of the projection will be reviewed in the 2017/18 report and new recommendations made regarding its future use.

Westminster's draft Housing Strategy was consulted on during June and July 2015. It included a proposal to let some social housing to low income working households who would not ordinarily have priority for it. There was support for this proposal and the intention to go ahead with this objective was set out in the Housing Strategy Direction of Travel Statement published in December 2015.

The City Council is required to allocate housing in accordance with its allocation scheme pursuant to the Housing Act 1996. Pursuant to section 166A of the 1996 Act it is possible for the City Council's allocation scheme to make provision for accommodation to be allocated to persons who fall outside the reasonable preference groups provided the scheme as a whole gives reasonable preference to those in the specified groups.

There are currently few affordable housing options for this low income group as the cheapest single room can cost c. £181 per week which requires an income of c. £31k. There are also no intermediate rent properties available for households in this income bracket. As a result the quota will provide new opportunities for working households to remain in Westminster, to live close to their work if it is in central London and will also help to improve the economic diversity of estates where currently c. 71% of social tenants receive housing benefit.

The exclusions in the Housing Allocation Scheme set out in paragraph 1.6.1 will apply to the quota and within this the following criteria will apply and applicants must have:

- A household income from paid employment of £20k or less
- Lived in Westminster for three years
- Proof of employment and income for 12 months and be in employment at point of offer of accommodation

Applicants meeting the criteria will be awarded 300 points and will be directly offered suitable properties. The tenancies offered will be for up to three years. A successfully completed one year introductory tenancy will be followed by a fixed term or flexible tenancy of two years. The tenancy will be non-renewable as it is offered to help households save for other forms of housing and is intended to help the maximum number of households. During their tenancy households will receive advice on how to move into forms of intermediate housing and home ownership before the end of the 3 year period.

The scheme will be marketed through Home Ownership Westminster who maintain the register of working households seeking affordable accommodation in Westminster. Priority will be given to adult members of overcrowded households, location of work and length of time in Westminster.

5.2 Impact on Tenancy Policy

The above proposal requires an amendment to the Tenancy Policy to allow the offer of an Introductory Tenancy before the non-renewable flexible tenancy. It is proposed the Tenancy Policy is changed to enable discretion to be exercised on whether to issue an Introductory Tenancy generally before a non-renewable tenancy, and that the length of the non-renewable being offered is the basis for deciding this.

The policy as a whole is consistent with the Tenancy Policy which sets out that in certain circumstances, where the supply of housing stock allows, the Council will offer Non Renewable flexible tenancies. These are intended to provide short term accommodation to people without priority for housing under the City Council's Housing Allocations Scheme. In these cases, the tenancy is offered to provide short term housing either to address a specific need or issue or to help the maximum number of people. They will be offered in the following circumstances:

- Where they are intended to provide some transitional housing following a bereavement for discretionary successors, under the discretionary succession policy for flexible tenants (see 7.19).

- Where they are offered to low income working households as part of an annual quota for households that do not have priority for housing under the Allocations Scheme. The aim of the quota is to assist low income working households that have few housing choices in Westminster as intermediate rent is too expensive to help them save for other forms of housing.

Tenants that have been issued with Non Renewable flexible tenancies will not be eligible for Cash to Move payments

5.3 Discretionary Succession

It is recommended that the Tenancy Policy is amended so that households with discretionary succession who have been living in Community Supportive Housing for older people are required to move to alternative housing, if they are not eligible for the Community Supportive Housing in their own right.

The decision is needed in order to enable the City Council to make the best use of its stock for the client group and allocate it to the client group for which is intended. In the case of discretionary successors in Community Supportive Housing, they will only be able to remain in the original home if the applicant would otherwise qualify to be housed in this form of housing. If the discretionary successor is required to move they will be able to bid for an alternative property for six months after which one direct offer will be made. If the offer is refused the City Council will start proceedings to repossess the property.

5.4 Mutual Exchange

It is recommended that the Tenancy Policy is amended so that mutual exchanges are not agreed where the proposed assignee moving into the Westminster Council property would be under occupying the property as defined by the City Council's Housing Allocation Policy. Currently the City Council's policy allows a proposed assignee to have one bedroom more than they require under the Allocation Scheme. This does not make the best use of the stock and it is out of line with national welfare policy which restricts Housing Benefit where tenants are under occupying.

5.4 Workers Points

It is recommended that the additional points for working homeless households scheme is amended to seek formal confirmation that the household is in employment at point of tenancy offer. The onus remains on households to inform the Housing Options Service of any change in circumstances, including changes in employment status, and this check will confirm these details

Part E: Provision of housing for vulnerable groups

A variety of services are commissioned to respond to rough sleeping, to support in particular the delivery of Council priorities to increase the numbers of people with learning disabilities and mental health problems living in settled accommodation and respond to incidents of domestic violence

6.1 The Westminster Learning Disability Housing and Support Plan

6.1.1 The Increasing numbers of young people with a physical disability and a learning disability are living into adulthood. There is also an aging population of people with learning disabilities and ageing carers. Dementia and increased physical frailty amongst the aging population means that there is an increased need to provide more accessible and supported accommodation. Increasing numbers of young people with a physical and learning disability, and those with challenging behaviours, and autism are transitioning into adult social care.

6.1.2 Current Supply

In Westminster we have 160 supported housing properties for exclusive use for people with learning disabilities: 16% are in registered care homes; 84% are now supported living reflecting a move to increasing the availability of supported housing which offers more choice and control for people living there than registered care. The registered care units provide high needs support to people with complex needs and autism. The supported housing units offer a range of support, 43 of the supported housing units offer 24hr support which could be a waking or sleeping night “cover. There are also a further 21 units of floating support which can offer support to those who move on from home or a step down from the building based services.

6.1.3 The 2016-19 Learning Disability Housing and Support strategy will encompass the following priority areas:

- People with a learning disability and/or autism and those who display behaviours that challenge experience more choice and control in the range, quality and supply of local supported housing available as an alternative to out of borough residential care.
- People will have more access to new and improved high quality housing and support services that are fit for future needs.
- There will be robust data on needs and clear housing pathways and information on the range of accommodation and support available
- Housing and support services will maximise the opportunities for all people with learning disabilities to live ordinary lives in the community, in their own home. This is to include those with autism, complex and challenging needs.
- We will work alongside people with learning disabilities, families and carers when developing services

- We will work with our providers to ensure quality and that the work force development opportunities are taken up and we are in agreement with providers of the future workforce requirements.
- Regular inspection and monitoring of supported housing will be undertaken.

6.2 Housing Allocation and Domestic Violence

- 6.2.1 Violence Against Women and Girls (VAWG) remains a major focus for the department. The Housing DV lead was part of the Evaluation Panel which appointed the Integrated Support Service provider for the Tri Borough, which is part of the new Tri Borough Service. The new service was formally launched in September 2015 and a new governance structure has been implemented. As a result Housing sits on the VAWG strategic group, executive group, risk and review group and communications and media group in order to ensure that its departmental objectives fit with the strategic and operational response to DV across the three boroughs.
- 6.2.2 The Housing DV lead is Co-Chair of the Westminster Domestic Violence Forum (WDVF) and continues to support the development of both the Phoenix group for DV survivors and the Butterfly Group, a peer mentoring programme for those who have/ are experiencing domestic violence, which is coordinated by the refuge provider Hestia.
- 6.2.3 The department fully supports the operational work and development of the Multi Agency Risk Assessment Conference (MARAC) and continues to act as an example of good practice to other MARACs in respect of their housing input. The housing lead was a contributor to the MARAC self- assessment process in December 2015 which gave MARAC agencies the opportunity to examine the performance of the MARAC against the Safelives criteria for a successful MARAC.
- 6.2.4 The effectiveness of the response to VAWG issues at HOS continues to be monitored through an annual mystery shopping exercise of the call centre. The most recent exercise was conducted by survivors from the Phoenix Group and a service user from Stonewall Housing, which provided an overview of the response from our customer's perspective. Further VAWG training for HOS staff was identified as a result of this exercise and subsequently the Housing lead and a trained member of HOS staff has provided DV Awareness training to over 55 staff. The housing DV lead continues to represent Westminster on the Tri Borough Housing Operational Group (HOG), which monitors the housing sector's response to violence against women and girls. The Westminster lead has continued to work with HOS to assess their response against a set of Service Standards formulated by Standing Together against Domestic Violence (STADV).

6.3 Mental Health and Housing

- 6.3.1. In Westminster we have developed a wide variety of housing related support services for people who experience severe and enduring mental health issues. There are 372 units of supported housing, ranging from high support 24 hour schemes to semi-independent units with visiting support. The schemes are managed by 10 housing providers. In addition there are over 550 units of floating support for people living in their own independent accommodation who require support to prevent the loss of tenancy.
- 6.3.2 The range of supported housing services has been expanded since the beginning of the Supporting People programme by opening six new mental health schemes and redeveloping a rough sleepers scheme to work with people with low level mental health problems. A new 24 hour high support service to cater for people recovering from severe and enduring mental illness opened in 2012 and is operating effectively in providing additional cost effective options to out of borough residential care. A women only 24/7 high supported commissioned service has been extensively reconfiguration to include self-contained units. Referrals into these units will be for those clients who are highly functioning but with complex needs who ordinarily would be placed in a more specialist scheme out of the borough. Additional clinical support will be offered by the relevant Mental Health team.
- 6.3.3 Westminster Supported Housing is jointly commissioned by Housing, Adult Services and NHS Westminster. Individuals are supported to move from supported housing into independent living along a pathway of care and support as a joint process with the housing provider and the allocated Mental Health team care coordinator.
- 6.3.4 Access to the range of supported housing provision is via the Single Access referral Panel [SARP] The SARP has a multi-disciplinary membership including housing providers; the Housing Options service; floating support; ward managers; senior practitioners from the Mental Health team including an Occupational Therapist and the Commissioner for Mental Health accommodation. The SARP works to prevent homelessness and where possible avoids using out of borough expensive placements. This is achieved by ensuring that there is a steady flow of people through all of our in borough supported accommodation. Referrals are received for clients already living in supported who require a step down to less supported, occasionally a like for like move; directly from the wards; from out of borough projects, tenancy breakdowns and family homes.
- 6.3.5 The SARP also agrees the Move-on Quota applications which agree access to independent accommodation for those service users currently in supported accommodation. Mental health services receive an annual quota of independent housing units from the City Council for people with mental health problems living

in supported housing who are able to live independently. Readiness for independent accommodation is assessed robustly by care coordinators and housing providers and then again by the SARP that accepts or rejects MSHH quota applications. The panel only accepts applications for people where there is clear evidence about the service user's readiness for independent living. Once accepted onto the quota the SARP liaises closely with the Housing Options Service who have the capacity to restrict and delay bidding where it is felt that a situation has changed and people can be removed from the quota when necessary. Once people have moved there are a range of community support services available including floating support services that are able to support the person through the move, to settling in and establishing themselves in the community and other support provisions including flexi care, befriending and day services.

6.4 Supported Housing for Young People

- 6.4.1 138 units of supported and hostel accommodation are commissioned, managed by 4 different organisations for young people up to the age of 25. Services prioritise looked after children, care leavers, young parents and young people at risk of homelessness, and that services respond effectively to meet the needs of this client group improving life chances and opportunity.
- 6.4.2 The Young Persons Supported Housing Pathway continues to be an effective means of support and housing provision and the number of planned moves through the pathway remains above the target of 75% averaging at 91% and the number of Children Services placements have increased annually and a review of the pathway is underway to consider the commissioning arrangements.
- 6.4.3 Over the last year there has been an increase in the numbers of unaccompanied asylum seeking children entering the Country aged under 18 becoming Looked After under Section 20 of the Children Act 1989 and therefore eligible for services. Many of these young people aged 16/17 are being placed in the Young Persons Supported Housing Pathway and Children Services and Housing are working in partnership to ensure an enhanced package of support to this cohort.
- 6.4.4 Improving Health & Well-being for young people within supported accommodation is a key priority and an action plan was developed to increase the take up of primarily health services by young people; increase access to health interventions and improved recording of health outcomes. A number of specific initiatives have been undertaken and these include:
- Free Dental screening and a general health and well-being workshop held
 - Young People have taken part in a Dental Health Survey commissioned by NHS England

- Improving the partnership arrangements with Westminster substance misuse teams has led to a 50% increase of referrals and screening
- Training for supported housing staff on substance misuse particularly around ‘legal highs’
- More access to preventative services and healthy activities Joint work with Public Health colleagues to increase access to preventative services and healthy activities
- A health and well-being training day was held for commissioned supported services supported by Public Health to develop health questionnaires templates, defining and evidencing health outcomes and reporting which has led to services taking a more robust approach in monitoring performance.

6.4.5 The second Brighter Futures Event jointly sponsored Children Services for young people aged 15-25 within supported accommodation, at risk of homelessness or coming into statutory care was held. The aim of the event was to advise and manage expectations on provisions available, to promote health and well-being and to increase employment and training opportunities particularly for those who are not in employment, education and training. Just over 40 young people attended and a range of Organisations supported the event either leading on workshops or providing an information stall and a number of young people were awarded achievement certificates. The feedback from both young people and Organisations was extremely positive.

6.4.6 There continues to be a strong track record of involving young people in service commissioning and 2 young people were invited to attend the Young Persons Supported Housing Forum and supported the delivery of the Brighter Future Event.

6.4.7 Safeguarding continues to a high priority for all housing related support services and a questionnaire is being drafted for young people on safety particularly in relation to internet safety and safeguarding awareness to support the wider work on sexual exploitation and cyber bullying.

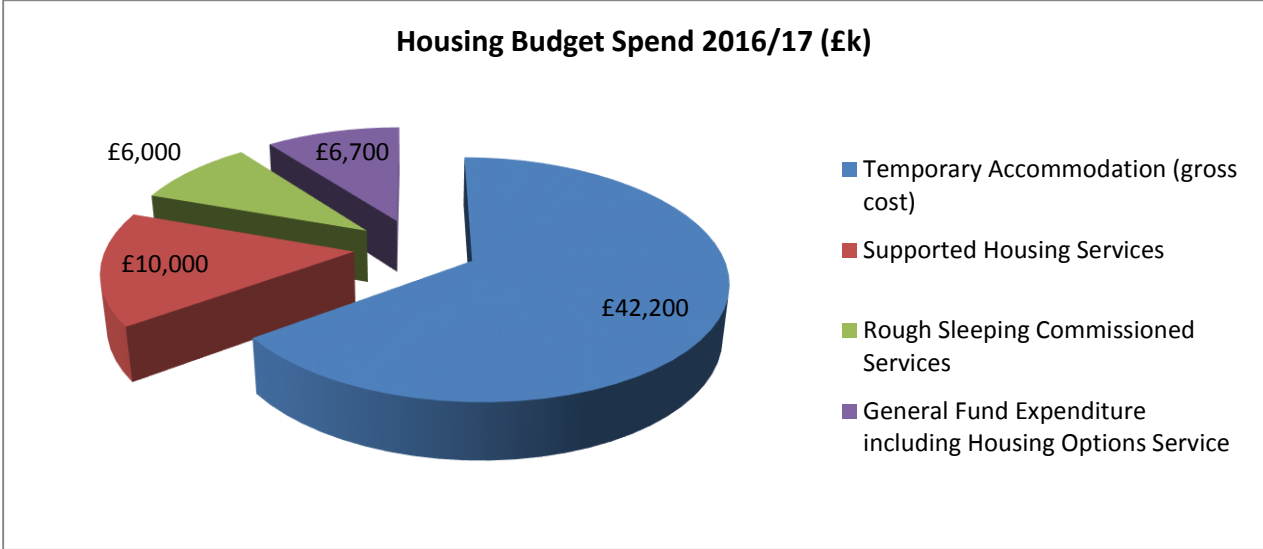
7. Health and Wellbeing Implications

The proposals contained in this report set out the issues related to the development of allocation projections of the supply of social housing for 2015/16. This promotes the Health and Wellbeing of vulnerable groups in housing need through meeting the Council’s statutory housing obligations, meet the varying demands for social housing from different vulnerable groups and to reduce the numbers of people living in Temporary Accommodation

8. Financial Implications

8.1 Housing Expenditure

8.1.1 Total Housing Expenditure can be summarised as follows:



8.1.2 In addition, there is capital funding within the 2016/17 Capital programme that will eventually increase the supply of affordable housing within Westminster by circa 327 units over a period of time

	£m
Grants to organisations to provide Affordable Housing.	32.7
Acquisition new affordable housing by WCC	18.8
Total	51.5

9. Legal Implications

- 9.1 The Council has a general duty under the Housing Act 1996 (Part VII), as amended by the Homelessness Act 2002 to ensure that accommodation is made available for homeless applicants who are owed a full housing duty by the Council.
- 9.2 The Council also has a duty to maintain a housing register under the Housing Act 1996 (Part VI) as amended by the Homelessness Act 2002.
- 9.3 By virtue of Section 1 of the Homelessness Act 2002 many Housing Authorities are required to prepare and update a homeless strategy. However, being an excellent authority, the City Council is exempted from that requirement by virtue of Article 3 of the Local Authorities' Plans and Strategies (Disapplication) (England) Order 2005. This is a non statutory report prepared outside the homelessness regime