



City of Westminster

Committee Agenda

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

Meeting Date: **Wednesday 16th September, 2015**

Time: **7.00 pm**

Venue: **Rooms 5, 6 & 7 - 17th Floor, City Hall**

Members: **Councillors:**

Brian Connell (Chairman)	Adnan Mohammed
Antonia Cox	Gotz Mohindra
Peter Freeman	Adam Hug
Richard Holloway	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 6.00pm. 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 meeting on 10 June 2015 as correct record of proceedings.

(Pages 1 - 10)

4. WORK PROGRAMME

Report of the Head of Cabinet Secretariat.

(Pages 11 - 16)

5. UPDATE FROM CABINET MEMBERS

An update from the Cabinet Member for Housing, Regeneration, Business & Economic Development on key areas within his portfolio is attached.

A verbal update will be provided by the Cabinet Member for Finance and Corporate Services who will be in attendance to answer questions from the Committee.

(Pages 17 - 22)

6. INDICATIVE IMPACT FOR WESTMINSTER AND LONDON OF GOVERNMENT MANIFESTO PLEDGES IN RELATION TO WELFARE CHANGES AND HOUSING REFORM

A PowerPoint presentation would be provided by the Executive Director for Growth, Planning & Housing.

**7. WESTMINSTER HOUSING STRATEGY CONSULTATION
RESPONSES & ANALYSIS ON HOUSING TARGETS**

(Pages 23 - 38)

Report of the Director of Policy, Performance and
Communications and the Executive Director of Growth, Planning
and Housing.

Peter Large
Head of Legal & Democratic Services
8 September 2015

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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 10th June, 2015**, Rooms 5, 6 & 7 - 17th Floor, City Hall.

Members Present: Councillors Brian Connell (Chairman), Antonia Cox, Richard Holloway, Adnan Mohammed, Gotz Mohindra, Adam Hug and Vincenzo Rampulla

Also Present: Councillor Susie Burbridge, (Deputy Cabinet Member for Housing, Regeneration, Business and Economic Development), Steve Mair (City Treasurer), Jane West (Interim Bi-borough Director of Corporate Services), Ben Denton (Executive Director, Growth, Planning and Housing), Cecily Herdman (Principal Policy Officer), Andrew Barry-Purssell (Head of Spatial and Environmental Planning), Hugh Allen (Head of Strategy, Planning, Policy and Insight, Peabody), Alisdair Chant (Managing Director, Berkeley Partnership Homes), Jake Mathias (HRA Strategy Manager), Marc Wolman (Director of Customer Services and Business Transformation, CWH) and Petros Christen (Director of Finance and Strategy, CWH), Reuben Segal (Senior Committee and Governance Officer) and Mark Ewbank (Scrutiny Manager).

Apologies for Absence: Councillor Peter Freeman

1 MEMBERSHIP

- 1.1 It was noted that Councillor Vincenzo Rampulla and Councillor Adam Hug had permanently replaced Councillor Paul Dimoldenberg and Councillor Guthrie McKie on the membership.

2 DECLARATIONS OF INTEREST

- 2.1 Councillors Holloway and Rampulla declared a standing interest in that they are board members of CityWest Homes.
- 2.2 Councillor Connell declared that he is an employee of KPMG who are the Council's auditors.

- 2.3 **ACTION:** That a standing declaration of interests list be produced and included in the agenda for each meeting to avoid regular declarations needing to be declared each time. (**Action for Reuben Segal, Committee & Governance Services**)

3 MINUTES

- 3.1 **RESOLVED:** That the minutes of the meeting held on 27 April 2015 be signed by the Chairman as a correct record of proceedings.

4 WORK PROGRAMME

- 4.1 An outstanding response relating to Hallfield Major Works was tabled.

4.2 **RESOLVED:**

1. That the Work Programme for 2015-16 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 a written update from the Cabinet Member for Finance and Corporate Services on key areas of the portfolio. The Committee asked for details of the role of the Council's monitoring officer as well as the appropriate timelines for it to engage in the Council's medium term planning exercise to identify potential savings of the next three years to 2018/19.

- 5.1.1 In response to the issue of medium term planning and the budget process the City Treasurer advised that scrutiny of this was undertaken by the Committee's Budget and Performance standing task group which meets annually in January.

- 5.1.2 Jane West, interim Bi-borough Director for Corporate Services, explained that the Council's Monitoring Officer is a statutory role with the following responsibilities: (1) To report on matters he/she believes are, or are likely to be, illegal or amount to maladministration; (2) To be responsible for Matters relating to the conduct of Councillors and Officers; and (3) To be responsible for the operation of the Council's Constitution. While the role is currently performed by the Head of Legal and Democratic Services there is no requirement for this and it could be undertaken by another senior officer. Tasnim Shawkat was appointed to the post of Tri-borough Director of Law replacing Peter Large who will retire on 17th August. She is the Monitoring Officer for Hammersmith and Fulham and while she could undertake the role for all 3 boroughs there are several options for the future Monitoring Officer role which are being considered. A decision will be made in August by the Cabinet Member for Finance and Corporate Resources.

- 5.2 The Committee also noted the written update from the Cabinet Member for Housing, Regeneration, Business and Economic Development on key aspects within the portfolio. In the Cabinet Member's absence Ben Denton, Executive Director for Growth, Planning & Housing and Councillor Susie Burbridge responded to questions.
- 5.2.1 Members asked about the implications for the housing portfolio arising from the proposals in the Queen's speech. Mr Denton advised that there were 3 key implications: (1) a reduction in the benefit cap from £26,000 to £23,000 and the impact that this would have on homelessness levels in the borough; (2) a disconnect between the Council's processes for housing homeless residents verses case law and (3), the Housing Bill and the Government's policy on extending "Right to Buy" to housing association tenants. The funding of the increased discounts are to be met by local authorities disposing of their high value council homes as they become vacant.
- 5.2.2 Mr Denton was asked whether the Council had any estimates of the financial impact of the proposed new benefit caps. He advised that these were difficult to determine. When the 10 areas of welfare change were introduced as part of the Welfare Reform Act 2012 the Council estimated that this would affect between 5,000 to 8,000 households. The number actually affected was 2,500. The Council had expected homelessness levels to peak and then stabilise following the introduction of the caps. However, this has not been the case and levels of homelessness continues to be an issue. The Council's Homeless acceptances are the 6th highest in London.
- 5.2.3 The Committee asked what impact the new "Right to Buy" legislation would have on the Council. Mr Denton informed Members that various organisations including the Greater London Authority, London Councils and Housing Associations were undertaking assessments of the proposals. He advised that the Council receives up to 200 high value voids per year. The impact of the legislation will depend on how many Housing Association homes are sold under "Right to Buy" each year. There remained uncertainty about how and where surplus funding would be used to build replacement homes as the policy details had yet to be set out and no details about timescales for this had been provided by the Department for Communities and Local Government. It was unclear whether the policy would operate at a local, regional or national level. A concern is that not all of the homes sold would be replaced which would impact on the Council's duty to provide accommodation for homeless residents. He advised that the Council would prefer to keep control of the funding and where the homes would be delivered or at the very least that replacement is for the benefit of the authority. The desire from a London perspective would be for funding to remain in London given the acute levels of homelessness in the capital. However, the viability of the scheme would be a challenge outside of London, therefore, the rest of the country would require funding from London to fill the gaps. With regard to building replacement homes in the borough he highlighted that there were few brownfield sites in the city to facilitate this. He clarified that any homes to be rebuilt would be separate to those targets for affordable homes proposed in the council's draft housing strategy

5.2.4 Mr Denton was asked when Ward Councillors would receive an update about the Housing Renewal at Ashbridge Street. He advised that a briefing note would be provided by the end of the week. The first pre-application discussion with Planning officers would take place in the next few weeks.

5.2.5 The Executive Director was asked about the Council's ability to deliver the Church Street Phase 2 Regeneration proposals if its bid for GLA housing zone funding is unsuccessful. He advised that the Council was fairly hopeful that this would be successful and that feedback following the presentation to the Challenge panel group had been positive. In the event that the bid was unsuccessful the Council would need to delay the project by 4 to 5 years as it would have used up all of its own available funding.

5.3 **RESOLVED:** That the written update from cabinet members be noted.

5.4 **ACTION:**

1. Provide the Committee with the timetable and associated public documents of GLA/London Council's assessment of the impact of the extension of the "Right to Buy" legislation. (Action for: **Mark Ewbank, Scrutiny Manager**)
2. Provide Councillor Rampulla with details of the number of tenders received for the regeneration of Paddington Green as part of the Housing Renewal Programme (Action for: **Ben Denton, Executive Director Growth, Planning & Housing**).

6 CONSULTATION ON THE COUNCIL'S NEW HOUSING STRATEGY

6.1 The Committee considered a draft of the new Housing Strategy that had been launched for consultation. Andrew Barry-Purssell, Head of Spatial and Environmental Planning, and Cecily Herdman, Principal Policy Officer, provided an overview of the strategy which was grouped around four themes: Homes, People, Places and Prosperity.

6.2 Before giving their views on the strategy, the Committee heard from witnesses Hugh Allen, Head of Strategy, Planning and Policy Insight, Peabody and Alisdair Chant, Managing Director, Berkeley Partnership Homes, who had been invited to the meeting to assist the Committee in its consideration of the issues.

6.3 Mr Allen addressed the Committee on behalf of Peabody. He outlined Peabody's mission and aims which was to provide good quality, affordable homes and to protect people from homelessness. He advised that the organisation owned and managed approximately 3000 homes in Westminster of which 80% was social housing. Intermediate housing including shared ownership accounted for 14% of the stock and was rising.

6.4 Mr Allen commended the Council for its consultative approach to its new Housing strategy. He welcomed the fact that the proposals were informed by an evidence base. He also welcomed the strategy's commitment to work with

other agencies as he considered a joined up approach was important given the complex issues the strategy aimed to address. In respect of the themes of people and places, he considered that there were opportunities for collaboration between boroughs on some issues such as homelessness and welcomed the proposals for improving places in partnership with housing associations. He also considered that there were opportunities for sharing data to better understand residents' circumstances. In terms of the theme of prosperity, he stated that supporting people into work was a key approach to tackling poverty. Peabody was interested in exploring where it could work with the council to pool resources to support its social housing residents into jobs. Reaching people was one of the most difficult challenges and signposting people to services and the provision of outreach work was important.

6.5 Mr Allen then outlined some of the areas where Peabody welcomed more information or had concerns. He welcomed the proposals to change planning policies so that in new developments the council would ask for 60% intermediate/40% social housing as there was a need to expand the housing options for low to middle income households. Peabody was interested in the detail of the types of intermediate housing the Council was looking to develop. He advised that Peabody was having less success in shared ownership intermediate housing in Westminster due to the high cost of homes. Residents ordinarily purchase a 25% share and then remain on that share rather than staircase. There was also an issue with affordability in social intermediate rented properties where rents are set at 80% of market value. Residents were paying on average 40% of their income on rent before service charges were taken into account. He welcomed the proposal to deliver 1,250 new affordable homes over the next five years but considered that the targets could be more ambitious. One of the key issues that was considered to be missing from the strategy was the lack of land. It was suggested that a strategy on this is developed to link to the housing strategy in the way that the strategy has been informed by the work undertaken on other council strategic documents. Peabody was also concerned about the proposals to explore the scope to provide homes outside Westminster's boundaries. It was unconvinced that this would give more choice to residents although it may help to address supply shortages. It was interested in seeing the protocols related to these proposals.

6.6 Mr Chant addressed the Committee on behalf of Berkeley Partnership Homes which was responsible for the assembly, planning, implementation, procurement and delivery of Berkeley group's programme of affordable housing. Its field of operations covered a wide geographical area including delivering schemes in Westminster. When required to provide affordable housing as part of a larger open market scheme Berkeley traditionally works with a registered social landlord who satisfies its development principles and who has an understanding of the approach required to create sustainable new homes. Mr Chant commended the council for engaging with stakeholders on its strategy at an early stage. He considered that the strategy should include an element of flexibility to accommodate changing circumstances in the market place so that developers had the ability to negotiate on planning policy requirements on a site by site basis.

- 6.7 In respect of the specific theme on homes, he considered that the target of delivering 250 new affordable homes each year could be more ambitious. He questioned how this figure would be arrived at - whether it would be developer led through section 106 contributions, by Registered Social Landlords or the council itself. He suggested that it would be helpful for this detail to be included in the strategy. With regard to the proposed change to planning policies requiring 60% intermediate/40% social housing in new developments, he queried who the intermediate housing was targeted at; whether it was starter homes for individuals or family sized housing. He considered that it might be possible to provide the former for residents in the lower and middle income groups (incomes of up to about £40,000) but questioned whether family sized housing was viable. He advised that Berkeley Partnership had been working on schemes in Lambeth and Hammersmith and Fulham to develop senior living schemes which have helped to address over-occupation by older residents to free up housing for families and the homeless. He suggested that it would be beneficial to address the issue of over-occupation in the strategy to help meet its objectives.
- 6.8 The Committee discussed the draft strategy and submitted questions to officers. It was noted that the last housing strategy ended in 2012. Officers were asked why a new strategy was being developed as the council had appeared to manage without one for three years; whether a strategy drives behaviour and whether the targets within the previous strategy were met. Mr Denton advised that the former strategy had met all of its delivery targets. The new strategy asked more searching questions than its predecessor and focused on how housing plays a vital role within the new vision for Westminster: City for All as well as the Council's wider role in London.
- 6.9 The Committee concurred with the views of witnesses that targets for the delivery of new affordable homes were not sufficiently ambitious. Officers were referred to the fact that Westminster's annual house building target in the London Plan was 1068. The strategy's target to deliver 250 new affordable homes each year would represent only 23% of this target. This contrasted with the targets set by a number of other boroughs which were significantly higher (40% for the London Borough of Hammersmith and Fulham; 50% for the London Boroughs of Hackney, Islington & Lambeth; 36% Southwark). Research had highlighted that 420 affordable homes was required each year. This would equate to 39% of the Mayor of London's target. Officers advised that targets had been set which were deliverable and which were based on those delivered previously. Many of the boroughs referred to would not deliver the house building targets in their City Plans.
- 6.10 Officers were asked why targets had been set for the delivery of types of units rather than the overall units needed. Members were advised that the proposals had been developed on facilitating change and taking into account components of need. To better address the gap in the housing market officers were asked whether it would be more appropriate to increase the intermediate/social housing requirement in new developments to 70%/30%. Officers advised that this would not provide sufficient social housing stock for the Council to meet its statutory responsibility. The Council had modelled the different ratios in terms of the impact on the provision of temporary

accommodation. While the intermediate offer included shared ownership the experience in Westminster was that it had been difficult to make this work well given the cost of property which was why there would be more of a focus on intermediate rent.

- 6.11 Officers were asked whether the proposals took into account the demographic changes over the next 5 years. Members were informed that this had been factored in and the information was set out in the appendices to the strategy. This highlighted that there would be an increase in Westminster's population of 10,300 people over this period.
- 6.12 In addition to the proposed number of affordable homes not being ambitious enough questions were also raised about whether the developing City Plan was sufficiently ambitious to address the challenges for Westminster over the next 20 years including meeting the needs for school places. It was suggested that if the cost or availability of land is an issue then consideration should be given to building upwards. Officers advised that land in the city is heavily contested. Officers are considering, as part of the City Plan, the issue of density and building more units per square metre. There are many planning issues associated with building upwards including the impacts on existing views.
- 6.13 Officers were referred to the fact that living close to a place of work was important to many people. They were asked whether any research had been undertaken on the distance that people in different housing tenure were willing to travel for work. Officers advised that they were not aware of whether any research on this existed.
- 6.14 **RESOLVED:** That by a majority the following views were expressed on the draft strategy to inform the public consultation:
1. The Committee welcomed the early consultation on the strategy and commended the emphasis on inter-agency working including with Registered Social Landlords and the health sector.
 2. The Committee was pleased to note that the council aims to provide 1,250 new affordable homes over the next five years, above historical rates of delivery, and that there would be an increased focus on intermediate housing which reflects the demand for such housing tenure in the borough. The Committee were curious that the strategy focused on the number of units to be delivered rather than the stock which existed and was required.
 3. Whilst welcoming the proposals for new affordable homes the committee considered that the targets could be more ambitious. It also considered that the proposals in relation to planning policies should include some flexibility on the delivery of new affordable homes in case of possible changes to market conditions and individual site circumstances.
 4. The Committee noted that the focus on intermediate housing was an attempt to assist residents in a challenging private rental sector. It

considered that a better level of understanding and focus was required around intermediate housing in order to better meet needs.

5. The Committee has suggested that the strategy should include clearer links to land issues which due to limited availability and high costs has a clear impact on the delivery of housing in the city.
6. The Committee was surprised by the absence of the private rented sector from the draft strategy given its importance in Westminster and recommended that it should form part of the strategy.

6.14 **ACTION:**

1. Provide the Committee with the modelling undertaken on the impact of different intermediate/social housing ratios in new developments required by planning policies (Action for: **Andrew Barry-Purssell and Cecily Herdman**).
2. Provide the Committee with details of why the strategy is focused on delivering types of tenure rather than overall units, i.e. the components of need. (Action for: **Andrew Barry-Purssell and Cecily Herdman**).
3. Assess an appropriate date for a follow-up item to be included in the committee's work programme which should be in advance of the adoption of the strategy by the Cabinet Member. (Action for: **Mark Ewbank**).

7 **REVIEW OF HOUSING MANAGEMENT OPTIONS**

- 7.1 Jake Mathias, HRA Strategy Manager, introduced a report on a review of housing management options, the Altair review. The purpose of the review was to highlight the successes and advantages of the current ALMO as well as help the council to improve performance and generate efficiencies is where possible.
- 7.2 The report also included CWH's response to the Altair findings and the Council's approach to the implementation of the review's recommendations.
- 7.3 Altair concluded that the Housing Revenue Account (HRA) is financially strong and there is no financial or performance imperative to either bring the management function back in-house or to transfer the stock to an outside body. The review highlighted particular areas of focus for the Council and CWH. These included Value for Money, Communications and a need for better alignment between the goals of the Council and CWH.
- 7.4 It was noted that the Council and CWH are now working together to develop a new strategic framework which will set CWH's long term priorities and align these with those of the Council and enable the Council to monitor change projects as well as 'business as usual'.

- 7.5 In response to the Altair review, CWH is implementing transformation plans which will change its service delivery model through innovative IT solutions and developing plans to save £5m over the next 5 years.
- 7.6 Marc Wolman, Director of Customer Services and Business Transformation, and Petros Christen, Director of Finance and Strategy, CWH attended the meeting to answer questions from members.
- 7.7 The Committee considered the Altair report. Members questioned the overall conclusions of the review that CWH is an excellent housing manager given its challenges with value for money. The Committee was concerned that CWH is one of the most expensive housing providers (per property) in comparison with peers.
- 7.8 The Committee also challenged the review's findings that CWH is maintaining very high levels of satisfaction. Questions were raised about the reliability of the annual survey into resident satisfaction, particularly around the manner and range of responses received.
- 7.9 The review found that those members interviewed by Altair Consultants had concerns about the organisational culture at CWH. This centred around the complexity and ambiguity of the ALMO's governance arrangements. It was felt that there was a view within the organisation that it was only responsible to the City Council as its sole shareholder rather than to residents or individual councillors. Questions were raised as to whether this was still the case or whether the review had resulted in a step change.
- 7.10 The Committee asked for further details about the proposed commercial activity to generate income for the HRA. Officers advised that commercial expansion would in the main involve the provision of services to third parties both within Westminster and further afield. In pursuit of this objective CWH was looking at a number of areas including lessee services which the organisation was good at and where there was the potential to expand commercially.
- 7.11 Members noted that Altair had found that the ALMO's overheads were high. This included office costs. The latter was likely to be as a consequence of the number of estate offices that the organisation maintains and the high cost of its head office. It was noted that CWH aimed to achieve savings of approximately £5 million by year 5 by reviewing the services' proposition of the estate offices including how to redesign the model into community spaces focused on resident needs. Comments were raised by members about the advantages of estate Management offices and the negative experiences raised by remote contact centres. Concerns were also expressed about the high costs of CWH's head office and whether a space in Victoria was a necessity. Officers advised that CWH was developing online digital services to provide a broader set of channels for residents to engage with the organisation. This was partly aimed at providing communication options that better suit people's lifestyles. It would also embed mobile working capabilities into its delivery model. The service's ambition across its channels would enable the organisation to shift the idea of estate offices to opportunities

where the space could be shared with other public sector bodies or used in part as enterprise space.

- 7.12 The Deputy Cabinet Member for Housing, Regeneration, Business & Economic Development, advised that the organisation's head office based in Grosvenor Place was comparatively cheaper than City Hall. She believed that some of the newly appointed executive staff would make a significant difference to the organisation. It was recognised that significant improvements in how the organisation consults with residents particularly on major works schemes, was required. This was being taken forward with the development of an online engagement portal where residents could find and track information about pending and on-going works.

RESOLVED:

1. The Committee did not consider there was a need to fundamentally change the way in which the council's housing stock is managed and by default agreed that an arms-length management organisation (ALMO) funded via the HRA continued to be the best option.
2. Members have questioned the Altair review's key findings that CWH is an excellent housing manager given its challenges with value for money. The committee wished to see a lean, value for money organisation.
3. The Committee welcomed proposals on improving value for money and reducing costs, however, it considered that the proposed financial savings over the next five years will only be successful if the proposed service delivery changes such as changing the provision of estate offices and offering online communication services meet the needs of residents.

The Meeting ended at 9.05 pm

CHAIRMAN: _____

DATE _____



ROUND TWO - 16 September 2015
Main Theme – Finance and Corporate 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 Service	<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 Barrypursell

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 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
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
Housing Associations (RSL and PRP) – Performance Review	An opportunity for the Committee to hold to account Housing Association management in relation to performance.	<ul style="list-style-type: none"> • Three RSLs • Fergus Coleman

Work Programme



Housing, Finance and Corporate Services Committee

<p>Tenant Satisfaction Surveys</p>	<p>At the session last year on RP performance, members felt that the customer satisfaction surveys CWH carried out did not get responses from all the target audience, and may exclude the hard to reach and discontented. This item provides an opportunity for members to consider whether improvements have been made to the way in which information on tenant satisfaction is gathered.</p>	<ul style="list-style-type: none"> • Fergus Coleman • CityWest Homes
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ROUND FOUR - 6 Jan, 2016 Main Theme – Finance and Corporate Services

Agenda Item	Reasons & objective for item	Represented by:
<p>Cabinet Member Q&A Finance & Corporate Services</p>	<p>A Q&A session with the Cabinet Member for Finance and Corporate Services</p>	<ul style="list-style-type: none"> • Cllr Mitchell
<p>Draft Treasury Management Strategy 2016/17</p>	<p>To assess the draft treasury management strategy prior to submission to Council for approval.</p>	<ul style="list-style-type: none"> • Steve Mair
<p>Treasury Performance Half Year Statutory Review</p>	<p>To review treasury performance.</p>	<ul style="list-style-type: none"> • Steve Mair

ROUND FIVE - 9 March 2016 Main Theme – Housing, Regeneration, Business and Economic Development

Agenda Item	Reasons & objective for item	Represented by:
<p>Cabinet Member Q&A Housing, Regeneration, Business and Economic Development</p>	<p>A Q&A session with the Cabinet Member for Housing, Regeneration, Business and Economic Development</p>	<ul style="list-style-type: none"> • Cllr Astaire

Work Programme



Housing, Finance and Corporate Services Committee

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
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ROUND SIX - 13 April 2016

Main Theme – Finance and Corporate 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 Corporate Services	<ul style="list-style-type: none"> • Cllr Mitchell
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

Other Committee Events & Task Groups

Briefings	Reason	Date
Budget Monitoring Task	Standing task Group to consider the budget of Council	Jan/ Feb 2016

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Action Tracker



Housing, Finance and Corporate Services Committee

ROUND ONE (16 June 2014)

Agenda Item	Action and responsible officer	Update
Item 7 – Worklessness	Provide the Committee with a map that outlines the different local employment support programmes, the agencies involved and the money invested to identify whether there are any gaps or overlaps in provision. (Steve Carr – Head of Economic Development)	Strategy being produced and will be circulated to members in due course.

ROUND FIVE (9 March 2015)

Agenda Item	Action and responsible officer	Update
Item 5 – Update from Cabinet Members	Provide Councillor McKie with a final schedule for major works on the Hallfield Estate (Councillor Daniel Astaire, Cabinet Member for Housing, Regeneration, Business and Economic Development) .	To be addressed.

ROUND SEVEN (10 JUNE 15)

Agenda Item	Action and responsible officer	Update
Item 5 – Update from Cabinet Members	Provide the Committee with the timetable and associated public documents of GLA/London Council's assessment of the impact of the extension of the "Right to Buy" legislation. (Action for: Mark Ewbank, Scrutiny Manager)	
Item 6 – Consultation on the Council's new Housing Strategy	Provide the Committee with the modelling undertaken on the impact of different intermediate/social housing ratios in new developments required by planning policies (Action for: Andrew Barry-Purssell and Cecily Herdman). Provide the Committee with details of why the strategy is focused on delivering types of tenure rather than overall units, i.e. the components of need.	Reflected in report to Committee

Action Tracker



Housing, Finance and Corporate Services Committee

(Action for: **Andrew Barry-Pursell and Cecily Herdman**).



Housing, Finance and Corporate Services Policy and Scrutiny Committee Briefing

Date: 16th September 2015

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

In the period since the last committee meeting there has been particular activity around Ebury Bridge and Church Street.

Ebury Bridge Estate

Since I last reported to the committee 30 leaseholders and 36 tenants have now been successfully decanted off the estate so far. This leaves 36 leaseholders and 70 tenants to be decanted before we begin the regeneration programme.

Over the next quarter, I expect us to be working towards appointing a preferred development partner to deliver the redevelopment. This will be alongside continuing negotiating to acquire third party interests.

2. Church Street

Luton Street

Luton Street Working Group is working up design plans with developers with a view to submitting planning for October. The Venables street market traders relocation planning application submitted and currently working on Blackwater House with a view to submit planning in the next two weeks.

Cosway Street

Officers submitted EMT Report – 13 July 2015 and are in the process of preparing a Cabinet Member Report.

Tresham Crescent

All modules now installed and project is currently on programme to be completed in November. Children's Services and Commissioners progressing relocations of Newpin, LEYF and WSPLD to be held at Tresham Crescent.

Lisson Arches

We are enabling works on site which are on-going to enable service diversions to take place and two-stage tender bids received from D&B contractor. The evaluation and recommendation for reserved bidder is now completed. Service diversion works to be completed in April next year and will start on site from May 2016.

Green Spine

A new WSP Conway Project Manager was appointed to help progress the scheme – Darren Pacey. Church Street design and place-making champion was also appointed – Keith Priest. The neighbourhood upkeep and green spine landscape architects procurements have been finalised.

3. Churchill Gardens

The Residents Hall has had an external consultant complete the initial information gathering. They are currently planning a workshop with the committee. Scale of repairs needed to the Hall is substantial and officers will begin discussing with the committee what the optimal approach is for the repair and improvement of the facility in the short and long-term.

4. Ashbridge Street

A Development Manager has joined the team and has been assigned to the project.

5. Housing Strategy Update

The draft Housing Strategy consultation period came to an end in August 2015. We received 57 responses from individuals and organisations. To see a full version of the consultation please read the Housing Strategy Consultation paper attached to this P&S agenda.

I decided with senior council officers to publish a direction of travel statement by the end of 2015. This will set out what will be the highlighting themes and approaches we as a council will take with the Housing Bill. Once they have been released we will be in a much better situation to formulate an effective housing strategy.

6. CityWest Homes

The strategy is being finalised and will be sent at the end of September.

Altair report

The first meeting between CWH and City Management and GPH was held to look at ways in which CWH can align their functions with the Council to generate efficiencies and savings. Issues such as shared physical assets; parking issues; human resources and IT discussed.

Infill programme

Meetings held with CWH and WCH to progress the infill development programme. In particular, the issue of tenure and size of units was discussed in the light of the Budget implications and this matter will probably need to be discussed with the Cabinet Member at a future briefing.

Capital programme

As per flash report sent separately by CWH, performance on delivery has improved compared with recent years.

CWH have become a member of the Institute of Customer Service and will be carrying out a customer satisfaction survey under their methodology in addition to the annual 'Housemark' survey that is carried out.

7. Rough Sleepers' accommodation services

I received the responsibility of overseeing hostels from the Rough Sleeping portfolio this spring, a post I have previously held.

Officers are close to completing a joint venture with Central London CCG, enabling the health service to spot purchase commissioned bed spaces from the Council for hospital discharge services for homeless people. Given the evidence around poor hospital discharge practices, we have launched a partnership to reduce instances of homeless people being discharged to the streets or being sent in an ambulance to Housing Options. Supported accommodation services across both rough sleeping and vulnerable adult pathways will benefit from targeted clinical support, commissioned by the CCG, in order to provide vulnerable adults 6 week placements with wrap around support and more sustainable housing outcomes.

The focus on the coming year will be on quality auditing services, decision making on a commissioning framework and ensuring the buildings our providers operate out of are fit for purpose and conducive to the recovery of the people who live there. Over the last few years, three hostels have been refurbished and this year, we have supported bids to apply for capital funding to refurbish a further two from the GLA and the Dep't of Health.

Our rough sleeper hostel services achieved 78 positive and planned moves throughout the pathway in Q1 15/16; 103 individuals were engaged in employment or training in the quarter with an additional focus on literacy and numeracy.

Economic and Growth

8. Employment

Work and Skills Group

A cross departmental Work and Skills Group met on 9th September and provided an overview of all Employment and Skills projects within the Council. The Group have since reported to me and will report to the Growth Board. Work underway includes a mapping of provision with colleagues from Adult Social Care and Public Health; a review of European Social Fund opportunities with a view of sustaining services beyond 2016 and, a review of Further Education (adult) skills provision in Westminster.

The work of the Work and Skills Group will be driven by the Employment Programme which sets the direction for the City Council's activities on employment and skills for the next four years incorporating the City for All Aspiration of reducing long term unemployment.

Key Employment Programme projects

Recruit London has recently filled six roles to support delivery of the project including a new Delivery Manager, a full time Specialist Workplace Co-ordinator and a new Workplace Coordinator role established with Capco.

FACES

The project is on track with recruitment of new advisors in progress and first quarter performance shows that 5 residents were supported into employment. A wider referral network is being developed with the service engaging with likely sources of candidates including local schools. It is anticipated this activity will lead to a consistent and reliable flow of referrals to the project.

LEST

This project is supporting long term unemployed residents who have completed the work programme without a job. The two employment coaches are on track with performance and have supported 7 residents into work since April 2015, with a further 20 being referred and starting training or other progressions.

9. 'Made At Somerset House'

Refurbishment works begin this month at Somerset House. The first phase of works will transform a disused 'street' of vaults into affordable workspace for 18 creative and maker SMEs, who will benefit from 6 month - 2 year tenancy agreements. Works will be completed before the end of the year with subjected phases of refurbishment completed over 2016. Overall 100 small businesses will benefit from the project. As part of the Council's funding terms, Somerset House Trust will propose to all tenants to accept 1 work placement per organisation with an expected uptake of 25 per year. The Trust will then work with the

Council and our Education Business Partnership (One EBP) to pair appropriate institutions with schools, colleges and pupils. The Council's investment in the project is matched by Somerset House Trust and the Foyle Foundation.

10. Westminster Enterprise Week

Plans for the inaugural Westminster Enterprise Week (16th-22nd November) are well underway, targeting local young people. A programme of activities will take place featuring a Dragon's Den competition; inspiring talks in enterprise assemblies at local schools; open house sessions co-working spaces; business start-up workshops; and a youth enterprise summit. Officers have secured the support of various partner organisations including The Prince's Trust, Bright Ideas Trust, and many others. A flagship event will take on Thursday 19th November with contributions from Margaret Mountford and Tim Campbell of The Apprentice. Over 1,000 young people will be engaged during the week.

11. Markets

The council is considering how the new pitches for Berwick Street market could be curated to improve the offer for local residents, workers and visitors now the streetscape works have been completed. This would operate for a trial period initially and if successful could be rolled out to our other street markets.

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Housing, Finance and Corporate Services Policy & Scrutiny Committee

Date:	16 th September 2015
Classification:	Public
Title:	Westminster Housing Strategy consultation responses & analysis on housing targets
Report of:	Julia Corkey – Director of Policy, Performance and Communications Ben Denton- Executive Director of Growth, Planning and Housing
Wards Involved:	All
Policy Context:	Housing, growth and prosperity, City for All
Financial Summary:	No specific financial implications
Report Author and Contact Details:	Kimberley Hopkins, Principal Policy Officer, Tel: 0207 641 2935 Email: khopkins@westminster.gov.uk Andrew Barry-Purssell, Place & Investment Manager Tel: 0207 641 5662 Email: abarrypurssell@westminster.gov.uk

1. Housing Strategy consultation

- 1.1 The consultation period ran from 2nd June until 31st July and responses were accepted up to two weeks after the closing date. During the consultation period officers attended twelve meetings with stakeholders to promote the consultation and to gather views.
- 1.2 Links to the draft strategy and the summary document were sent out to over 400 stakeholders including: registered providers, health professionals, business representatives, developers, think tanks, the GLA, housing applicants, and resident and neighbourhood groups.
- 1.3 Stakeholders were able to respond to the consultation face to face at meetings, by post or electronically via a dedicated email address. The strategy asked a number of specific questions about the proposals and consultees were invited to answer these, or to comment on any other aspects of the strategy, or on areas they thought should also be included.

All consultation documentation was available online via the council website, and in hard copy as appropriate and required.

2. Responses to the consultation

- 2.1 An overview of the responses received is given at Appendix 1 to this report. The consultation received 57 responses – over half of which were from residents or resident groups. Although not receiving comprehensive support from all consultees, there was general support for the objectives set out in the draft Housing Strategy.
- 2.2 In particular consultees were generally supportive of the proposal to increase the intermediate sector and for identifying types of people based on profession who should be prioritised for intermediate housing. There was also support for allocating a small proportion of social units to low income working families who wouldn't ordinarily have priority.
- 2.3 Some respondents criticised the target for affordable housing delivery in the Strategy as being unambitious and there were concerns that not enough affordable housing is being planned for or sought. The housing associations responding, however, were more likely to consider the target realistic. Some suggestions were made for ways in which delivery could be increased (development of brownfield land, increasing densities and building taller, for example). The question over delivery of affordable housing out of the borough received mixed responses. However a large proportion of consultees were pragmatic in their response about the challenges Westminster face.
- 2.4 There was overall support for estate renewal and for wider regeneration to improve local business infrastructure, retail offer and public realm. There were mixed views about retention of City West Homes as the housing management provider, and some residents made negative comments about aspects of their operation (communication with residents, meeting the needs of leaseholders and major works were among the specific concerns mentioned). There was also support for using council/estate offices to provide a range of integrated services and for housing associations to have a local presence.
- 2.5 The lack of reference to the private rented sector was raised by many consultees. The question of empty properties and the definition of affordable housing in the specific circumstances of Westminster were also raised as matters that should be covered.
- 2.6 There was recognition that the Strategy was published before the government's housing policy announcements in the Queen's Speech and Summer Budget.
- 2.7 The various housing policy announcements made by Government in the Queen's Speech and Summer Budget and the anticipated publication of

the Housing Bill that was announced in the Queen’s Speech later this autumn mean that it is not practical to publish a finalised Housing Strategy to the originally planned timetable. Given this, , the Cabinet Member has agreed that a “direction of travel” statement should be published highlighting the themes and general approaches the council will be taking until it is in a position to produce a strategy.

3. Housing targets

3.1 This section seeks to answer the questions asked by the Committee about how the targets for affordable housing in the draft Strategy have been developed, and why they are presented in the way they are. As background to this it starts by explaining how Westminster (and other London boroughs) develop policies for:

a

- The **total amount of housing** that should be delivered;
- within that, **the amount of affordable housing** that should be delivered; and

within *that* the proportions of **different types of affordable housing** that should be delivered.

The context

3.2 In its National Planning Policy Framework (NPPF) government sets the starting point for boroughs as seeking to meet total housing need in their area for both affordable and market housing. But the other policies in the NPPF also have to be taken into account – for example how much is physically deliverable; the resources available to fund affordable housing; policies on sustainable development; meeting the development needs of business and economic development; and protection of the historic environment. In particular, the NPPF says that local plans should be aspirational, but realistic and deliverable, with particular reference to the effects policies might have on development viability across the authority’s area.

3.3 The NPPF also says that planning policies should draw on evidence in two documents:

- A **Strategic Housing Market Assessment (SHMA)** identifying each area’s housing needs - the scale and mix of housing the area is likely to need given likely changes in population (including migration), breaking this down by types of housing (including affordable housing and provision for groups like families with children, older people, people with disabilities and service families).

- **A Strategic Housing Land Availability Assessment (SHLAA)** identifying the amount of land that will realistically be available, viable and developable to meet the identified need for housing.

- 3.4 We also have to take account of the **Mayor of London’s “London Plan”**. This sets strategic targets for housing delivery with which Westminster’s own City Plan has to be “in general conformity”. These include overall targets for each London borough for delivery of all types of housing. It also requires boroughs to set an overall target for affordable housing (as a number or a percentage of all housing delivered) and separate targets for social/affordable rented and for intermediate housing.

London Plan housing targets

- 3.5 The most recent London Plan targets were formally published in March 2015 drawing on London-wide evidence of need and land availability. The targets are:
- For an annual average of at least 42,000 additional homes across London. The target for Westminster 2015-2025 is a minimum of 10,677 homes (giving an annual benchmark of 1,068 homes).
 - For at least 17,000 more affordable homes per year London-wide.
 - For 60% of the affordable housing provision to be social/affordable rent and 40% for intermediate rent or sale.
- 3.6 The London SHMA sets out evidence about London-wide housing need looking forward to 2035, drawing on the demographic and economic trends in London and developments in the housing market. There is particular uncertainty about future population and household growth at the moment, partly because of the importance of domestic and international migration in London, and partly because of the unpredictability of the rate at which new households will grow. In recent years the rate at which people move into London from the rest of the UK has increased, while out-migration has decreased (net domestic out-migration fell from 100,000 pa at the start of the 2000s to 50,000 in 2012); while there are signs that out-migration has started to pick up again as the economy has recovered the trend is difficult to predict. This uncertainty meant that the Mayor looked at three different population scenarios in developing his most recent targets, using the central one to support the London Plan. This shows London’s population growing to around 10.1 million by 2036 (an annual increase of 76,000 pa), with growth in the number of households by around 39,500 pa. Taking account of the need to clear backlog need, it estimates an annual housing need in London of 48,841 homes which includes need for 25,624 affordable units of affordable housing.
- 3.7 The London SHLAA is prepared by the GLA in discussion with each London borough. It establishes how much land is available for housing in London and how much can be built on each identified site. It covers sites of 0.25 hectares and larger and makes assumptions about the numbers of

units that can be provided on smaller sites. Sites were identified by the Greater London Authority, by boroughs and by landowners and developers in response to a public “call for sites”. For each, potential constraints on development are identified and assumptions made about the timescale over which housing will be delivered. Housing potential is estimated based on public transport accessibility, London Plan standards of development density, London and local policy constraints and development viability.

- 3.8 Taking account of large sites, small sites, returning long-term vacant housing to use and student non-self-contained accommodation this found total capacity across London for 423,887 new units 2015-25. For Westminster the figures were:

Large Sites	4960
Small Sites	4667
Long-term vacants returning to use	1050
Non-self-contained student accommodation	0
TOTAL	10,677

- 3.9 The London Plan housing targets are based on developing all of the sites identified in the London SHLAA. This approach, recognising the very high level of demand compared with the availability of land to meet it, has been taken since the first London Plan was published in 2004.

Setting targets for Westminster

- 3.10 Westminster’s housing delivery policies are based on the London SHLAA and housing market assessments commissioned by the City Council. Our housing need evidence base is drawn from a [Local Housing Market Assessment \(LHMA\)](#) – which followed the approach set out in national planning guidance – and a Housing Market Analysis which has taken account of factors like the importance of migration and the effect this has on demand for housing that make the national approach less effective in Westminster. It also provided a “sense check” of the LHMA findings against housing market trends like demand for homes of different sizes. These documents both used the Mayor’s “Central” population projections – for Westminster an annual increase of 740 households between 2011-2036 which translates into a need for 1,100 new dwellings each year 2011-2016 and 800 pa 2016-21 (these include provision making up for past under-provision). The total need for affordable housing is 420 units pa. By comparison, over the past 10 years an annual average of 764 new homes have been completed in Westminster (excluding non-self-contained units and vacant homes returned to use); of these 183 (24%) have been affordable.
- 3.11 There is a range of factors other than need that have to be taken into account in going on to set targets. In addition to viability and the resources likely to be available to fund affordable housing, account has to be taken of

the other demands on land that the council has to plan for – such as the additional 655,000 sqm of office space that employment growth will require and the 604,000 sqm of comparison retail space likely to be required in the West End. Policy considerations like international, regional and local heritage designations (including the Westminster world heritage site and protected views of and across the city) also have to be taken into account.

- 3.12 For affordable housing, need is based on an assessment of how many people will be unable to afford to meet their housing needs in the market having regard to prices and incomes and draws on evidence sources like the Council's housing waiting list. The current stock of affordable homes is subtracted from this figure to give the future requirement. The Housing Market Analysis suggested a total need for affordable housing of 422 units per year for the next twenty years, split between the types of affordable housing – 180 units of social housing pa and 240 intermediate (detailed tables from the Housing Markets Analysis showing in detail how the estimates are developed are given in Appendix 2 to this paper). National guidance requires that in setting targets the total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments.
- 3.13 Taking all of this into account the housing targets that are being considered to underpin both the Housing Strategy and the City Plan are:
- The annual overall target of at least 1,068 set by the London Plan.
 - For affordable housing, given current levels of funding (and likely future constraints) and the high value of land, the 250 pa target included in the Housing Strategy. This represents a 37% increase over historic delivery.

Question 1: Why are affordable housing targets expressed by tenure?

- 3.14 The National Planning Policy Framework defines the types of housing that can be treated as “affordable” for planning purposes. These are available to different groups of eligible households defined by the council with regard to local incomes and house prices:
- Social rented housing, for which rents are set nationally
 - Affordable rented housing, intended to be let to households eligible for social rented housing at rents not more than 80% of local market rents.
 - Intermediate housing, for sale or rent, provided at a cost higher than social rent but lower than market levels.
- 3.15 It is because these types of housing are aimed at (and suitable for) different types of household with distinct housing needs that separate targets are set for social/affordable rented housing (aimed primarily at those on the lowest incomes or benefits) and intermediate (currently aimed at households with annual incomes of £18,000-£66,000 (or £80,000 for family homes)). As explained earlier, in London Plan Policy 3.11 the Mayor requires boroughs

to set overall affordable housing targets and separate ones for social/affordable rented housing and intermediate.

Question 2: Modelling undertaken on the impact of different social/intermediate housing ratios in new developments

- 3.16 The proposal within the housing strategy to require more intermediate than social housing in new housing developments which come forward was based on the independent assessment of Westminster's housing market in the Market Housing Assessment (HMA). The independent HMA explains that the intermediate tenure currently makes up just 1% of all households in Westminster (compared to 26% social rent) and that there is a demand for 1,300 intermediate homes over the next five years (compared to 1,180 social homes over the next five years). There are 4,470 applicants on the Waiting List and 3,769 on the Intermediate Housing Register.
- 3.17 The HMA pointed out that for the reasons already explained delivery on a scale necessary to meet identified need for social and intermediate housing given current funding mechanisms is impractical – although there is a clear need to maximise delivery of all types of affordable housing. It also highlights the need to address the broad range of need for housing in Westminster, including low to middle income households. Statutory responsibilities the council has to house certain types of household in need in the social sector means that there is limited scope to consider any other type of housing need through social rented housing. The intermediate sector, on the other hand, provides greater flexibility over the type of household which can be offered a property. In particular, it would allow the council to help households on lower incomes - including people vital to running the city's businesses and public services – who are ineligible for social housing and would otherwise not be able to live in Westminster. Given the rough equivalence in need for social housing and demand for intermediate, and the wide difference in the supply of each, increasing the amount of new intermediate housing coming forward is a pragmatic response.
- 3.18 In the past ten years 24% of housing completions have been affordable as defined in the NPPF. If the overall housing target of 1068 units per year is achieved and 24% is affordable this would result in 256 new affordable units being built each year. If we require 60% of these new affordable homes to be social this would result in 154 new social homes compared to 102 intermediate homes (40% of all new affordable units). If, as the Housing Strategy suggested, the ratio were to be flipped, so 60% of all new affordable units were required to be intermediate then this would mean that 154 homes would be intermediate and 102 social – so there is a potential difference of just 52 units between the two tenures.
- 3.19 The proposal to modify the ratio in this way received a large amount of support from consultees who responded to the Housing Strategy. Consultees recognise the high demand for intermediate housing and the benefits increasing this tenure can bring to Westminster such as allowing

low paid workers to live in the city, creating diversity of residents, benefits to the local economy and improved funding for affordable schemes.

4. Financial Implications

4.1 None

If you have any queries about this Report or wish to inspect any of the Background Papers please contact: Kimberley Hopkins, telephone 020 7641 2935, email khopkins@westminster.gov.uk

BACKGROUND PAPERS:

1. Full summary of responses to the Westminster draft Housing Strategy (attached at appendix 1)

Appendix 1: Full summary of responses to the Westminster draft Housing Strategy

This report covers:

Section 1 Details of who responded

Section 2 Details of meetings attended to discuss the strategy

Section 3 A summary of comments on each theme of the strategy

Section 4 Comments on topics which should be included in the strategy

Section 1: The consultees

- 1.1 The Housing Strategy consultation received 57 responses from individuals and organisations. The types of respondents are shown in table 1 below. The GLA and DCLG did not respond at this stage.

Table 1: Breakdown of responses	
Respondent type	No. of responses
Residents or individuals	21
Resident or neighbourhood groups	9
Housing associations or housing management providers	8
London Boroughs	6
Charities	6
Internal to Westminster Council (including Councillors)	5
Developers	1
MPs	1
TOTAL	57

Section 2: Meetings attended to discuss the strategy

2.1 Officers attended a number of meetings to discuss the strategy:

	Meeting	Attendees
1	Policy & Scrutiny Committee	Mix of councillors and developer/housing association witnesses
2.	CityWest Board pre meeting	Mixture of residents, councillors and independent reps
3.	CityWest managers	Mix
4.	Service Improvement Group	People in temporary accommodation and some council tenants affected by overcrowding
5.	CWH Strategic Committee	CityWest resident representatives
6.	Westminster Residents Panel	Social housing tenants and leaseholders in Westminster (including some housing association tenants)
7.	Cardinal Hume Centre	People using the service – from a mix of tenures
8.	Housing Association Chief Executive Group	Registered provider Chief Execs or nominees
9.	Health and Wellbeing board	Mix
10.	Community Network	Voluntary organisations operating in Westminster
11.	Church Street Futures Steering Group	Local residents and councillors
12.	Westminster Advice Forum	Advice agencies – mainly voluntary sector

CHAPTER 1: HOMES

Question 1. *Do you think our target of 1,250 new affordable homes over 5 years is reasonable? Do you have any ideas about ways we could boost delivery even further?*

Overall more consultees disagreed with the target than supported it; mostly on the ground that it was not high enough (although some thought it was undeliverably high. Most housing association respondents supported the target. There were also many comments about the planning system not delivering more affordable housing in new developments, a point also made at a number of the meetings. Comparisons to other London Boroughs' targets and approaches to affordable housing delivery were made. Some respondents made suggestions about how delivery could be boosted (e.g. development of brownfield land, increasing densities, taller buildings).

Question 2. *Do you agree we should focus on growing the intermediate sector in Westminster and focus on developing more products for people with lower incomes?*

There was more support than opposition for this proposal. Some consultees highlighted the benefits it could bring. Reasons for not supporting it centred on the effect it might have on supply for vulnerable people. Some consultees expressed caution that the homes would be genuinely affordable and that they would benefit the right people.

Question 3. *What are the characteristics of an intermediate home or housing product that households in this sector most need?*

There was a general view that products should be affordable to lower income and middle earners. There was a lot of interest at the meetings about how affordable intermediate housing would be, whether it would be a rented product and who it would be for. Intermediate rent was generally supported and there was interest in whether tenancies would offer long-term security or be fixed term.

Question 4. *Are there any groups of workers that particularly need to work in Westminster and should have higher priority? If so, why?*

There were many different views and suggestions on who should be prioritised – the most common response was that people working in the public sector and service industry should be supported. However there was also a view that households should not be prioritised on the basis of employment type. This opinion was echoed at the consultation meetings where people commented that workers that did not live in Westminster should not be supported as there were good transport links into the City.

Question 5. *What is the best approach to ensuring that receipts from disposal of affordable properties in Westminster are re-invested in Westminster? Is it more important to ensure the London-wide supply of affordable homes is increased?*

There was much support for disposal receipts being re-invested in Westminster but also a view that this was hard to achieve practically and that a pan-London approach to housing delivery would increase supply. This support was often qualified by concerns about concentrations of social housing being created.

Question 6. *Do you think Westminster should be using its resources to deliver homes outside the borough boundaries?*

Views were mixed, with almost equal support and opposition. Most of the opposition came from residents or members of residents' groups, while most of the support came from housing associations. There was a view amongst some that it is better to move into a secure tenancy in outer London than wait for many years in temporary accommodation for a home in Westminster. There were also mixed views at the meetings – while there was often a view that a new approach was needed – the need for strong local communities was also emphasised and that people (particularly the elderly) needed to live near to care and support networks.

Question 7. *Do you agree that we should continue with our current housing management model, and retain CityWest Homes as our housing management provider?*

Support and opposition for retaining CityWest Homes was fairly equal, however there were a number of negative comments about CityWest as a housing management provider – these mainly came from residents.

Other comments not relating to the questions:

Housing management

Suggestions for improvements included:

- sharing more services with smaller housing associations;
- co-locating services ;
- improving resident engagement – perhaps the drawing up of a 'residents' charter';
- training front-line staff to offer broader care and support to customers;
- introducing damp and cold as a performance indicator.

CHAPTER 2: PEOPLE

Question 1. *What do older people want and need in terms of housing in Westminster?*

The general view was that older peoples housing should include a range of provision and services alongside it to provide for social interaction as well as just a home. It was also felt that studio accommodation is not appropriate and that the strategy should also recognise that not all older people need care and should consider their wider housing needs and a range of housing products/tenures to match. There were concerns raised about younger members of families having to move away from the older generation because of the cost of housing and suggestions for multi-generation housing to be developed as part of estate renewal.

Question 2. *How can housing services best help to reduce the burdens on adult social care and health services?*

A number of improvements were suggested to the housing stock such as improving energy efficiency and installing high speed broadband. A joint approach to preventing the need for care services was strongly supported by Adult Social Care. Residents that responded emphasised the need for families to stay close together and for older people to stay in their own homes for as long as possible.

Question 3. *Are there better ways to address London's homelessness problem?*

Charities, housing associations and other London Boroughs tended to support a London-wide debate on the issue and there was recognition that the current system didn't work well. A number of suggestions were made about how to address homelessness such as making use of vacant and empty homes.

Question 4. *What is the best ways of getting people's views about housing policies?*

A variety of methods were suggested, but face to face consultation received the most support. The importance of early consultation and involvement was also emphasised. There was also a view that consultation could be more extensive, in plain English and that it should be advertised in more public areas e.g. GP surgeries and libraries.

Other comments not relating to the questions:

Overcrowding

There is a proposal in the strategy on overcrowding but not a direct question. Some consultees felt that letting just 60 units a year to overcrowded households is too low and that the problems with overcrowding in Westminster are hindered by: the failings of housing associations; the system of prioritisation which should be revised so that length of time on the waiting list is given a higher priority; and too many small units being built. Solutions such as the sale of smaller units to fund delivery of larger ones and introduction by housing associations of space for homework clubs (to alleviate the problems children face in crowded homes) were welcomed.

Housing quality

The proposal in the strategy to address damp and cold in council homes were generally welcomed, although some consultees would have liked it to provide more detail about how it will be implemented. Pressure by the council on housing associations and private landlords to address damp and cold and other quality issues in their own stock was suggested. There was a view that the strategy was too focused on the social sector and that many vulnerable residents are at risk from poor quality housing in the private rented sector too. Some consultees would like to see the council lobbying government for more energy efficiency funding.

CHAPTER 3: PLACES

Question 1. *Are there any estates that you would suggest for inclusion in the future estate renewal programme?*

Overall there was support for more estate renewal and also support for wider improvements beyond housing supply. A number of estates/locations were suggested for renewal:

- Churchill Estate
- Millbank Estate
- Lillington Estate
- Ebury Bridge Estate
- Harrow Road
- Victoria Fire Station
- Queen's Park (for intensification)
- Brunel Estate

Question 2. *Involving residents in estate renewal plans*

Responses mainly came from residents and housing associations. A variety of approaches were recommended, overall face to face consultation was supported the most, along with wider advertising of consultations.

Other comments not relating to the questions:

Use of council buildings and housing associations having a local presence

These proposals were generally supported at the meetings. However some (particularly housing association) respondents made the point that having a local physical presence was against the general direction of travel of moving to a more self-service approach among registered providers.

Partnership working

Where it was addressed, the preferred partner approach suggested was welcomed. There were suggestions that the Council could join forces with neighbouring boroughs to develop a preferred partner scheme as many housing associations work across boundaries.

CHAPTER 4: PROSPERITY

Question 1. *What other approaches could we consider to help address long-term unemployment and help local people access the economic opportunities in the West End?*

Some respondents thought the topic did not belong in a housing strategy while others welcomed its inclusion. Consultees criticised the Strategy for not being clearer on what sort of people would be helped into employment. Partnerships with other services,

organisations and established charities were suggested to solve long-term unemployment.

Question 2. *Should we allocate some social housing to low income working households that wouldn't ordinarily have priority? If so, what should be taken into account when deciding when to do this?*

Although there was some concern however about how the homes would be allocated and who would have priority, there was supported for this proposal. Some consultees considered that this would be unjustifiable in the face of such high need for social housing.

Section 4: Comments on areas not included in the strategy

National policy changes

A number of consultees commented on the announcements and suggest the final strategy is not published until the full impact is known. There is a lot of concern about the changes and their impact particularly on Westminster's social mix.

Private rented sector

The lack of reference to the private rented sector was commented upon by many consultees and at three of the consultation meetings. It was felt that the draft strategy is too focussed on social housing and given that the council discharges its duty to some residents on its waiting list by placing them in the private rented sector, and because of the sheer size of the sector in Westminster, it merits reference in the Strategy. Respondents pointed out that users of social housing experience similar problems to those in the private rented sector and suggested that a private renter's forum could be set up to enable clear dialogue with renters across the city.

Some respondents thought the strategy should address high deposits and letting agency fees (proposing that the council might act as a guarantor), tenancy length and standards of accommodation. There was also a view that the London Rental Standard and London Landlord Accreditation Scheme should be promoted by the Housing Strategy.

Empty homes

Some consultees felt that the number of empty homes, or homes bought as an investment and then left empty is unacceptable and should be addressed. It was suggested that the council should lobby for the disclosure of empty property ownership; owners of properties which are not occupied should be penalised financially; the properties used as temporary accommodation for those on the waiting list; and incentives offered to bring empty properties back into private use. Some consultees strongly opposed "buy-to-leave investments" and thought that the council should prevent off-plan sales to foreign markets.

Definition of affordable housing

Some consultees considered that the Strategy should be clearer about what is meant by 'affordable housing' and, in particular, about what 'affordable' means in a Westminster context. There was a lot of interest in the cost of affordable housing at the meetings.

Appendix 2: Estimates for social and intermediate housing need

1. Estimate of the Annual Need for Social Housing Over 20 Year Period

		Per annum 2015-35
A	Backlog excluding transfer tenants	135
B	Newly arising need (on the basis that 30% of new households need subsidised rent reflecting current 25% population on Housing Benefit plus an estimated 5% to reflect numbers placed outside the borough)	272
C	Newly arising need (on the basis that 89% need subsidised rent based on modelling in Housing Market Assessment)	712
D	Mid-point newly arising need (average of B+C, to take account of different methodologies used in the two reports)	492
E	Existing households falling into need (net growth in waiting list)	166
F	Supply (excludes transfers but includes supported housing)	610
G	Shortfall (A+D+E+F)	183

2. Estimated Annual Demand for Intermediate Housing

		Per Annum 2015-35
A	Current demand: Intermediate Waiting List (households living in Westminster only)	91
B	Newly arising need – new households: GLA household projections x 23% (estimate based on % of Westminster households 'stable' in private rented sector and not on Housing Benefit – this is used as a proxy for intermediate families. "Stability" is derived from population turnover)	183
C	Supply: Average number of re-sales or re-lets of intermediate housing over last 3 years	32
E	Shortfall: A+B-C	242

Source for both tables: Westminster Housing Market Analysis: Final Report (December 2014)