



City of Westminster

Committee Agenda

Title:

Housing, Finance and Regeneration Policy and Scrutiny Committee

Meeting Date:

Monday 18th March, 2019

Time:

7.00 pm

Venue:

Room 18.01, 18th Floor, 64 Victoria Street, London, SW1E 6QP

Members:

Councillors:

Melvyn Caplan (Chairman)
Antonia Cox
Richard Elcho
Adam Hug

Pancho Lewis
Matt Noble
Mark Shearer
James Spencer



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. 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, Toby Howes, Senior Committee and Governance Officer.

**Tel: 020 7641 8470; Email: thowes@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 Committee and Governance Services in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

To note any changes to the membership.

2. DECLARATIONS OF INTEREST

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

3. MINUTES

To approve the minutes of the Housing, Finance and Customer Services Policy and Scrutiny Committee meeting held on 14 January 2019.

(Pages 5 - 12)

4. CABINET MEMBER FOR FINANCE, PROPERTY AND REGENERATION UPDATE

Councillor Rachael Robathan (Cabinet Member for Finance, Property and Regeneration) to update the Committee on current and forthcoming issues in her portfolio.

(Pages 13 - 22)

5. CABINET MEMBER FOR HOUSING SERVICES UPDATE

Councillor Andrew Smith (Cabinet Member for Housing Services) to update the Committee on current and forthcoming issues in his portfolio.

(Pages 23 - 38)

6. UPDATE ON TRANSITION STREAMS ASSOCIATED WITH THE TRANSFER OF THE COUNCIL'S HOUSING MANAGEMENT PREVIOUSLY DELEGATED TO CITY WEST HOMES BACK TO THE COUNCIL

The report is attached.

(Pages 39 - 44)

7. UPDATE ON WESTCO COMMUNICATIONS

The report is attached.

(Pages 45 - 50)

8. WORK PROGRAMME AND ACTION TRACKER

(Pages 51 - 56)

Suggestions for the Work Programme for 2019-20 and the Action Tracker are attached.

9. ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT

To consider any other business which the Chairman considers urgent.

10. EXCLUSION OF PRESS AND PUBLIC

RECOMMENDED: That under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), the public and press be excluded from the meeting for the following items of business because they involve the likely disclosure of exempt information on the grounds shown below and it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

| <u>Item Nos</u> | <u>Grounds</u> | <u>Para. of Part 1 of Schedule 12A of the Ac</u> |
|-----------------|--|--|
| 11 | Information relating to the financial and business affairs of an individual including the authority holding the information and legal advice | |

11. MINUTES

To approve the confidential minutes of the Housing, Finance and Customer Services Policy and Scrutiny Committee meeting held on 14 January 2019.

**Stuart Love
Chief Executive
8 March 2019**

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CITY OF WESTMINSTER

MINUTES

Housing, Finance and Customer Services Policy and Scrutiny Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Housing, Finance and Customer Services Policy and Scrutiny Committee** held on **Monday 14th January, 2019**, Room 3.1, 3rd Floor, 5 Strand, London, WC2 5HR.

Members Present: Councillors Melvyn Caplan (Chairman), Antonia Cox, Richard Elcho, Adam Hug, Pancho Lewis, Matt Noble, Mark Shearer and James Spencer.

Also Present: Councillor Rachael Robathan (Cabinet Member for Finance, Property and Regeneration), Councillor Andrew Smith (Cabinet Member for Housing and Customer Services), Councillor Murad Gassanly (Deputy Cabinet Member for Housing Services), Councillor Robert Rigby Chair of Westminster Housing Investments Limited and Deputy Cabinet Member for Finance, Property and Regeneration), Barbara Brownlee (Executive Director for Growth, Planning and Housing), James Green (Director of Development), Aaron Hardy (Policy and Scrutiny Manager), Joe Joseph (CityWest Homes), Tom McGregor (Director of Housing and Regeneration), Stephen Muldoon (Assistant City Treasurer – Commercial and Financial Management) and Toby Howes (Senior Committee and Governance Officer).

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 MINUTES

3.1 RESOLVED:

That the minutes of the meeting held on Wednesday, 28 November 2018 be signed by the Chairman as a correct record of proceedings.

4 CABINET MEMBER FOR FINANCE, PROPERTY AND REGENERATION UPDATE

- 4.1 Councillor Rachael Robathan (Cabinet Member for Finance, Property and Regeneration) presented the report and advised that the provisional settlement of funding announced by the Ministry of Housing, Communities and Local Government was broadly what the Council had been expecting. The implementation of the IBC Solution for payroll services had gone smoothly, whilst in respect of regeneration schemes, consultation for the Church Street scheme was ongoing and planning permission had been approved for the Ebury Bridge scheme.
- 4.2 During Members' discussions, the Chairman asked whether pooling in respect of business rates was benefitting the Council. With regard to changes to facilities management, he queried whether this would be on a Council or bi-borough basis.
- 4.3 A Member asked whether Amey staff would be transferred to the new facilities management arrangement and he emphasised the importance of having a robust process in place going forward. He also asked if the Mandela Way waste depot site had been operating without the necessary planning permission. He queried whether 'meanwhile' use would be considered if floors at City Hall could not be leased to other organisations. Another Member asked whether staff under the new facilities management arrangements would receive the London Living Wage (LLW). A Member welcomed the news that there would be officer support with regard to implementing Universal Credit and asked if additional support would be required. Information was sought on how funds from the Community Contribution would be used. It was suggested that there be an online facility for ward councillors to find out more on how the Community Contributions were being used. A Member commented that some residents had expressed their displeasure in respect of the quality of refurbishments at Tollgate and asked that this be addressed. He also asked what lessons had been learnt in respect of delays at Beachcroft. Members also sought an update on 'meanwhile' use in respect of Ebury Bridge.
- 4.4 In reply, Councillor Robathan advised that the Council was benefitting from the pooling of business rates, although this would lessen in the second year due to changes in regulations. In respect of facilities management, it was recognised that there had been some shortcomings with the current service and the plan was to bring this back in-house, although some services would be outsourced. Councillor Robathan advised that initially facilities management would operate on a Council only basis, although joint council arrangements could be considered in future. Where services were to be outsourced, Councillor Robathan informed the Committee that the Council could express its desire that staff be paid the LLW, but could not specify this as a guarantee because of legal issues regarding the procurement process.
- 4.5 Councillor Robathan stated that the implementation of Universal Credit was just beginning and resource issues would need to be monitored as well as the process. The Community Contribution now stood at £592,000 and the Board of Trustees would make decisions as to how this would be spent, however areas that would be focused on included homelessness and promoting work with voluntary sector organisations. Consideration would also be given into providing ward councillors with information on how the Community

Contribution was being spent. With regard to Tollgate, Councillor Robathan acknowledged that there had been various issues to contend with and the Council was working with residents' groups to address these. The delays to Beachcroft had also been frustrating but were mainly attributable to the existence of an electricity sub-station that was outside the control of the Council. Councillor Robathan advised that a number of options had been considered in respect of 'meanwhile' use at Ebury Bridge and there would be progress on this soon. Councillor Robathan also informed Members that there had been interest from some third parties in respect of leasing floors at City Hall and the lack of office space in the area would benefit the Council. In the event of the floors not being able to be leased out, all options would be considered.

- 4.6 Barbara Brownlee (Executive Director for Growth, Planning and Housing) agreed to provide a briefing note in respect of the Council's legal right to use the Mandela Way site.

4.7 **ACTION:**

Briefing note in respect of the Council's legal right to use the Mandela Way site for dustcarts to be provided to Members. **(Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing).**

5 **CABINET MEMBER FOR HOUSING SERVICES UPDATE**

- 5.1 Councillor Andrew Smith (Cabinet Member for Housing Services) presented the report and advised that the performance of the contact centre continued to improve and the preventative maintenance programme was also progressing well. There had also been a number of actions undertaken in relation to fire safety.
- 5.2 Members welcomed the improvements in respect of the contact centre and sought reasons as to how this had been achieved. The Chairman asked whether there would be an opportunity to undertake an overall review of the contact centre once housing management services were brought back in-house. He also sought information on how satisfaction in performance was measured in respect of anti-social behaviour.
- 5.3 In respect of implementing flexible tenancies, Members asked whether the intention was to free up housing for those in greater need and could this mean tenants being moved from properties where their incomes had since increased significantly. Another Member asked what the anticipated number of residents who would be moved under the flexible tenancies initiative would be. He also queried whether those 75% residents in receipt of Universal Credit were in arrears due to the delay in initial payment or because they had gone into arrears over a period of time. A Member asked why leaseholders faced such high costs in respect of the new central heating option at Torridon House. He also asked whether residents were now finding it easier to locate the Family Centre in Bruckner Street and were there any dates in place with regard to progress on the homelessness strategy. Another Member asked whether a more robust approach would be taken in respect of anti-social

behaviour. The issue of tenants sub-letting was raised and it was asked whether prosecutions had been carried out where this had occurred. A Member asked why the implementation of Traffic Management Orders (TMOs) on CityWest Homes (CWH) had still not been undertaken in Churchill Gardens and he sought the reasons for this.

- 5.4 In reply to the issues raised, Councillor Smith advised that the performance improvements from the Contact Centre were attributable to changes made within the Contact Centre and joint working with Housing and Estate management. He advised that the initial focus would be to ensure that the transfer of housing management services to in-house was undertaken smoothly, although a review of the overall contact centre services could be undertaken at a later stage. In respect of flexible housing, Councillor Smith advised that the aim was to ensure that residents had homes that were appropriately sized for their circumstances and any movement of residents would be gradual. He acknowledged that moving could be unsettling for residents and further information on this could be provided as the initiative progressed.
- 5.5 Turning to Torridon House, Councillor Smith that it was not possible to simply change the boiler and tenants had been assured that the option put forward represented value for money. Cheaper options had been considered and an explanation of the option pursued could be provided. Further information was also to follow in respect of the homeless strategy. Councillor Smith stated that he felt reassured that there was an improvement in respect of occurrences of anti-social behaviour and all legal measures available would be used to tackle this issue. More information on measuring the satisfaction rate in tackling anti-social behaviour would be provided to the Committee.
- 5.6 Councillor Smith stated that implementing TMOs was a complex process and there was a statutory consultation period and legal complexities to contend with, however every effort was made to implement these more quickly. Churchill Gardens faced particular parking pressures that had exacerbated the situation. With regard to Universal Credit, Councillor Smith welcomed the greater flexibility recently afforded by the Government and a note would be provided in respect of the reasons why some residents were in arrears.
- 5.7 Barbara Brownlee confirmed that there had been no prosecutions in respect of residents sub-letting Council housing, however enforcement action had been undertaken.
- 5.8 **ACTION:**
1. Information on the reasons why the central heating option for Torridon House was pursued to be provided to Members. (**Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing.**)
 2. Clarification to be provided on whether the 75% of the 400 residents on Universal Credit who are in arrears was due to the delay initial payment or went into arrears over a period of time. (**Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing.**)

3. Provide the number of leaseholders who have leases which have a no short let clause. **(Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing.)**
4. Details to be circulated on the number of residents on flexible tenancies that will be offered different accommodation. **(Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing.)**
5. Provide a briefing on the reasons for delaying rollout of TMOs on CWH property. **(Action for: Kevin Goad, Director of City Highways.)**

6 RESPONSE BY THE CABINET MEMBER FOR HOUSING SERVICES TO THE RECOMMENDATIONS OF THE SPRINKLERS TASK GROUP

- 6.1 The Committee agreed that this item be discussed confidentially as there were matters to be discussed that were confidential in nature.

6.2 RESOLVED:

That under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), the public and press be excluded from the meeting for the following items of business because they involve the likely disclosure of exempt information on the grounds shown below and it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

7 RESPONSE BY THE CABINET MEMBER FOR HOUSING SERVICES TO THE RECOMMENDATIONS FOLLOWING THE TASK GROUP REVIEW OF CITYWEST HOMES

- 7.1 Councillor Smith introduced the report and stated that the Task Group's work had been very useful in helping to shape the future of housing management services. There would now be a focus on cultural change and ownership as services were moved in-house, as well as providing more value for money.
- 7.2 Members then made queries and suggestions with regard to the following Task Group recommendations and Cabinet Member responses to them in the report:
 - Recommendation 1: Request that the annual councillor survey be done more frequently.
 - Recommendation 2: Were residents also surveyed.
 - Recommendation 4: Have clear points of contact for councillors been provided.
 - Recommendation 6: How will councillors be informed of mass resident communications
 - Recommendation 8: Clarification sought on the frequency of block inspections

- Recommendation 11: Who will scrutinise the Housing Management function
- Recommendation 12: What steps are being taken to encourage officers to take direct responsibility.
- Recommendation 16: How will customer contact points be integrated with repair contractors
- Recommendation 23: What information was provided to residents on what was allowed in respect of short term lettings
- Recommendation 25: An update on progress was sought
- Recommendation 32: How likely was it that management and professional fees would drop below 12%
- Recommendation 36: It was noted that some major works were removed from the Major Works Programme and never placed back and so it was emphasised that there needed to be transparency and openness on this.

- 7.3 In reply to Members comments, Barbara Brownlee advised that in respect of recommendation 2, resident surveys would still be undertaken as part of resident engagement and this would be also be highlighted, whilst performance would be monitored in respect of recommendation 12, however individual officers performance would be more difficult to monitor, particularly when, for example, officers went on annual leave. The Chairman added that it was important that officers attended events such as residents' associations meetings and estate inspections and Barbara Brownlee agreed to re-word the response to recommendation 12 accordingly. Barbara Brownlee also agreed to update Members when or if management and professional fees dropped below 12% in respect of recommendation 32.
- 7.4 Joe Joseph (CityWest Homes) advised that creating clear points of contact for councillors was in progress in respect of recommendation 4. He also agreed to provide information on the powers of the Council and the rights of tenants for the various leases that exist and what information was circulated to residents regarding short term sub-letting in respect of recommendation 23.
- 7.5 Councillor Smith advised that consideration of how councillors would be informed of mass resident communications prior to its issue was being undertaken. A mapping process with regard to scrutiny of the housing management function would be undertaken in respect of recommendation 11, whilst there would be eventual full integration in respect of the contact centre. The Chairman added that it was important that this area be joined up appropriately. Councillor Smith advised that consideration was ongoing in respect of recommendation 25 concerning the strategy for resident engagement.
- 7.6 The Chairman welcomed the progress made to date and requested that an update on the Task Group's recommendations be provided at the November 2019 meeting.
- 7.7 **ACTION:**

1. Provide details of the information regarding short term sub-letting that has been circulated to residents. **(Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing.)**
2. Information to be provided on the powers of the Council and the rights of tenants for the various leases that exist. **(Action for: Barbara Brownlee, Executive Director for Growth, Planning and Housing and Joe Jordan, CityWest Homes.)**

8 UPDATE ON WHOLLY OWNED HOUSING COMPANY

- 8.1 Councillor Robert Rigby (Chair of Westminster Housing Investments Limited and Deputy Cabinet Member for Finance, Property and Regeneration) introduced the report and advised that following the establishment of the Wholly Owned Housing Company (WOC), Westminster Housing Investments Limited was subsequently formed as profit making company wholly owned by the Council, along with its subsidiary, Westminster Housing Developments Limited. The WOC would provide a key role in helping to deliver more affordable housing.
- 8.2 Members queried whether using the WOC could affect access to other avenues of funding. Whilst homes for rent was welcomed, it was queried whether market rents could be put through some mechanisms that would help residents. Members emphasised the importance of ensuring that all schemes were financially viable. With regard to the equity element, Members asked what measures were in place if there was a significant reduction in the value of property assets.
- 8.3 The Chairman commented that conceptually the WOC was a good idea and he sought details with regard to timescales in identifying schemes and bringing them forward. He also enquired if there were sufficient resources in place that can be used by the WOC for schemes that would shortly commence.
- 8.4 In reply to the issues raised, Barbara Brownlee advised that there was nothing to prevent the Council accessing Government funding in respect of intermediate rents providing these were business viable, even whilst utilising WOC funding. Every scheme would be under the control of the Capital Review Group and subject to extensive scrutiny and potential changes to market conditions were factored in accordingly.
- 8.5 James Green (Director of Development) advised that resources would come from the Capital Programme and the WOC would be used as a delivery vehicle for schemes. Processes were in place to set timescales and housing units had already been identified under the WOC.
- 8.6 The Chairman requested that an update on the progress of the WOC be provided at the appropriate time at a future meeting.

9 WORK PROGRAMME AND ACTION TRACKER

The Committee noted the Work Programme and Action Tracker. The Chairman added that any requests for additional items to be added to the Work Programme be sent to Aaron Hardy (Policy and Scrutiny Manager).

10 ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT

10.1 There was no other business.

The Meeting ended at 9.20 pm.

CHAIRMAN: _____ **DATE** _____



Housing, Finance and Regeneration Policy and Scrutiny Committee

Committee date: 18th March 2019

Author: Councillor Rachael Robathan

Portfolio: Cabinet Member For Finance, Property and Regeneration

Please contact: Gemma Jones
gjones1@westminster.gov.uk Ext. 3411

Finance and Resources

1. 2019/20 Final Settlement

1.1. The final 2019/20 local government finance settlement was confirmed by the Secretary of State for the Ministry of Housing, Communities and Local Government (MHCLG) on 5 February 2019. The final settlement for the Council contained no new announcements or changes over what was announced in the provisional settlement from 13 December 2018.

1.2. The key highlights for the 2019/20 settlement for the Council are:

- Confirmation that in 2019/20, the Business Rates Pool will continue at 75% retention for London;
- A reduction which had already been anticipated in the 2019/20 MTP of £8.500m for core funding;
- Confirmation of the New Homes Bonus grant for 2019/20 which will total £8.370m; and
- A one-off non-ring-fenced grant of £1.364m which is the Council's share of the surplus in the national Business Rate Levy account.

2. Council Tax

2.1. The key highlights for the 2019/20 settlement for the Council are:

- Confirmation that in 2019/20, the Business Rates Pool will continue at 75% retention for London;
- A reduction which had already been anticipated in the 2019/20 MTP of £8.500m for core funding;
- Confirmation of the New Homes Bonus grant for 2019/20 which will total £8.370m; and
- A one-off non-ring-fenced grant of £1.364m which is the Council's share of the surplus in the national Business Rate Levy account.

2.2. The Council has proposed the following for 2019/20 Band D Council Tax:

| Council Tax Band D Rate: | 2018/19 (£) | 2019/20 (£) |
|------------------------------------|--------------------|--------------------|
| Approved Band D Council Tax | 416.27 | |
| 2.1% increase for Core Council Tax | | 8.74 |
| 2.0% increase for ASC Precept | | 8.33 |
| Proposed Band D Council Tax | | 433.34 |

2.3. The above is set out in more detail in the 2019/20 Council Tax and Budget Report, which was presented to Cabinet on 25 February 2019 for recommendation for approval by Full Council on the 6 March 2019.

2.4. Further to the above, the Council collects a precept on behalf of the Mayor of London and the Greater London Authority (GLA). For 2019/20, the GLA Precept was proposed to increase from £294.23 to £320.51. This consists of an increase for the:

- the policing element of the precept totalling £24.00;
- the non-policing element of the precept totalling £2.28.

2.5. The above was confirmed at the meeting of the London Assembly on 25 February 2019.

3. Local Government Funding Beyond 2019/20

3.1. By 2020/21, based on current plans, local government finance will be subject to:

- Spending Review 2019;
- Fair Funding Review (FFR); and
- (Further) Business Rates Reform.

3.2. Spending Review 2019

This will set the total spending envelope for the public sector and will include a determination of the total available funding to local government. It is not known exactly when this announcement will be or how many years it will cover beyond 2020/21.

3.3. Fair Funding Review (FFR)

The FFR will take the total available funding, as assessed by the Spending Review 2019, and will calculate the relative need of each local authority for this funding. Broadly, the FFR will include a Foundation Formula to fund most services and a separate service-specific formula for others, for example, Adults Social Care, Public Health, and Children's Services. Each formula will include a cost driver(s) and be adjusted for Area Cost Adjustments, such as property costs (business rates) and labour costs. Additionally, each authority's relative needs assessment will be "dampened" down by a Relative Resource Adjustment. For example, the Government will take account of what income, such as Council Tax, can be raised locally.

3.4. The Council submitted a response on 21 February 2019 to MHCLG on the second Fair Funding consultation, the 'Review of Local Authorities Relative Needs and Resources'. The consultation did not contain any data to enable the Council to model the impact of changes.

3.5. The consultation included some unexpected proposals which the Council (and other local authorities) have argued against in the consultation response. The key concerns include:

- The removal of deprivation as a cost driver in the Foundation Formula;
- The inclusion of homelessness as a service in the Foundation Formula as opposed to having its own service specific formula;
- The use of a notional figure for Council Tax in the Relative Resources Adjustment as opposed to actual levels of Council Tax; and
- The inclusion of surplus parking income in the Relative Resources Adjustment.

3.6. (Further) Business Rates Reform

Finally, after the calculation of total available funding from the Spending Review 2019 and the assessment of relative needs for this funding from the FFR, there is a distribution of funds to authorities via Business Rates Retention. By 2020/21, authorities will retain 75% of locally collected Business Rates (subject to top-ups and tariffs). The Business Rates Retention system will also include some reforms from 2020/21, including extent of reset periods and treatment of growth.

3.7. The Council will continue to monitor developments in the Spending Review, Fair Funding Review and Business Rates Reforms.

4. Revenues and Benefits: Benefits Service

4.1. Council Tax and national non-domestic rates collection is on target to meet our year end collection targets, which would match the highest collection rates previously achieved by the Council.

5. The Transition from Housing Benefit to Universal Credit

5.1. The Council continues to work with the Department for Work and Pensions (DWP) on a regular basis to ensure that the transition to Universal Credit is as smooth as possible for Housing Benefit claimants when they start to transition over in 2020. A potential test phase could commence in Summer 2019.

5.2. The Government has recently announced that the requirement to provide personal budgetary support and digital assistance will transfer from a local authority responsibility to a national contract with the Citizens Advice Bureau (CAB) with effect from 1 April 2019. The details of this arrangement are still unclear. Officers are working with DWP to clarify the position.

6. Community Contribution

6.1. The Community Contribution has raised over £600k so far.

6.2. The London Borough of Lambeth, and the Royal Borough of Kensington and Chelsea have announced they will be adopting similar schemes.

6.3. The Community Contribution fund will be open for applications shortly.

7. SAP Implementation (Integrated Business Centre)

7.1. Now the launch is complete further work will be progressed to ensure new ways of working are embedded and benefits are realised in full.

8. Key Staff Changes

- 8.1.** I am delighted that the new Executive Director for Finance and Resources, Gerald Almeroth, started on Monday 4 March and I am looking forward to working with him.

Treasury and Pensions

9. Treasury

- 9.1.** Investment balances as of 31 December 2018 stood at £1.094bn. The weighted average return for December 2018 was 0.86%. This compared to an average investment balance of £1.151bn in Period 8, which generated an average return of 0.83%.
- 9.2.** Treasury investments at 31 December 2018 consisted of bonds, cash notice accounts, money market funds and fixed interest investments (cash lent to banks and local authorities for a fixed duration). All Prudential indicators to 31 December 2018 have all been complied with and all investments are within the limits as set out in the 2018/19 Treasury Management Strategy Statement approved by Full Council on 7 March 2018.

10. Pensions

- 10.1.** The valuation of the Westminster City Council Pension Fund as of 31 December 2018 was £1.333bn. The estimated funding level for the Westminster City Council Fund as assessed by the actuary at 31 December 2018 was 94.5%. A fall in equity markets took place in the run-up to Christmas and the New Year, but markets have since rebounded sharply in January and February 2019.
- 10.2.** The value of pension fund investments managed by the LGPS pool, London Collective Investment Vehicle (LCIV), at the end of Period 9 was £631m. The LCIV holdings represents 47% of the pension fund investments of £1.333bn at 31 December 2018.

Property

11. Corporate Property Projects

- 11.1.** Corporate Property Projects manages various capital projects across the Council's estate. The portfolio includes the Council's maintained schools, libraries and operational and municipal property. There are currently 61 projects at various stages, which includes feasibility, design, construction phases.
- 11.1.1. Portman Children's Centre**
Approval to progress improvements at the Portman Centre has been granted to

provide an enhanced Family Hub adjacent to the Church Street regeneration scheme. A meeting has been held with the Council's multi-disciplinary consultant, Westminster City Council Information Technology Team and the Portman Centre service users to begin evolving the design and specification for the Centre's remodelling. The aim is for the specification to be complete by end of April.

11.1.2. Coroner's Court

All participant Councils to the Westminster Coroner's Court (Westminster City Council, Royal Borough of Kensington and Chelsea, the London Borough of Wandsworth and the London Borough of Merton) have approved plans for its extension. Plans are agreed along with a budget and the programme of works can now commence.

12. Facilities Management Transition

- 12.1.** Responsibilities currently held by the Link, the outsourced Tri-Borough Facilities Management function, will transfer into the Council soon. A Cabinet Member Report has been issued to confirm the appointment of a new service provider for hard and soft FM services.

13. City Hall Refurbishment

- 13.1.** Practical completion of the extensive refurbishment of City Hall is expected on 28 February 2019. The constructed contract was agreed on sectional terms allowing handover of various parts of City Hall at different stages. This allowed the Council to move back under a compressed programme and all areas used by the Council were handed over to the Council in January and early February. The roof, plant room and façade of the building will be handed over and full Practical Completion of the construction phase at the end of February.
- 13.2.** Moves from Strand and Portland House are ongoing, with the first move for the Council to begin re-occupying City Hall occurring on 4 February 2019. The moves from Strand and Portland House are expected to complete on 11 March 2019. The leases on Portland House will expire on 24 March 2019 and the lease on 5 Strand will expire on 23 June 2019.

14. Investment

- 14.1.** For the current financial year, the total gross annual income increase generated from the Council's investment property is broken down as follows:

| | |
|------------------------------|------------|
| Increase from Rent Reviews | £1,195,378 |
| Increase from Lease Renewals | £100,038 |
| Increase from New Lettings | £84,400 |
| Total | £1,379,816 |

Regeneration and Development

15. Church Street

- 15.1.** Following completion of the Stage 1 design work on Church Street sites in January, which included initial design feasibility, financial modelling, the design development has progressed into the Stage 2 works.
- 15.2.** The S105 Options consultation with directly affected residents and wider community will take place for six weeks from early March 2019. This engagement is about options for the sites and how the residents can be involved in that process.
- 15.3.** Engagement with WCC Development Management, Markets and Regeneration Teams, Commercial Strategy consultants and the GLA planning team is ongoing.
- 15.4.** Housing need analysis has been completed across the Church Street area and this information has been used to gauge a better insight into the preferences and housing needs of those affected by the regeneration programme. This exercise will contribute towards informing the likely sequence of phasing and tenure mix of the redevelopment programme.
- 15.5.** A contractor has been appointed to deliver the Cosway/Ashbridge/Ashmill schemes and they are now carrying out all the approval processes with utility companies, completing design checks and starting site mobilisation. Enabling works will begin in Spring 2019, with the new build in Summer/Autumn 2019.

16. Ebury Bridge

- 16.1.** The plans for the comprehensive renewal of the Ebury Bridge estate are continuing to progress well. Successful land assembly activities by the Council has resulted in vacant possession of Edgson House, where demolition activities are now underway to enable the delivery of the meanwhile use and very low levels of occupation in Wellesley, Wainwright, Hillersdon, Dalton, Mercer, Pimlico and Bridge House that will enable the delivery of Phase 1 redevelopment by the Council.
- 16.2.** Approval is currently being sought for the Council to self-deliver an expanded Phase 1 that will enable the Council to meet most of their re-housing requirements of the project and enable decant of those blocks in subsequent phases. This expanded Phase 1 will deliver 216 new homes in two new blocks, together with one of the new, high quality public open squares. It will also align well with the meanwhile use provision and offer a cohesive and better sense of place for the new Ebury. The Community Futures Group (CFG) is very supportive of the expanded Phase 1 proposal and the ability this provides locally to meet the re-housing provision to existing residents.

- 16.3.** The team are currently undertaking a RIBA 2 refresh and undertaking early engagement with planning to ensure the delivery of a hybrid planning application together with a detailed planning application for Phase 1 for the end of 2019.
- 16.4.** Securing vacant possession of the existing blocks is now at the forefront of the team's activities and the legal processes to ensure this delivery by the agreed milestones are underway. The related procurement exercises required to ensure the delivery team, demolition contractor and design and build contractor for the delivery of Phase 1 are also being planned and mobilised in accordance with the programme.
- 16.5.** We are also expanding the Council's project team to ensure appropriate capacity and capability to deliver the Ebury renewal plans. Dedicated development staff together with wider project team resources for programming and project support are critical.
- 16.6.** Following a survey of the housing needs of existing residents, both on the estate and who have temporarily moved away, the Council will shortly consult with all residents the anticipated phases of work for the delivery of the Ebury Bridge regeneration scheme. The first phase of regeneration will allow the majority of Ebury Bridge residents who have the Right to Return the ability to move once, directly in to their new home.
- 16.7.** Continued engagement with and involvement of local residents remains central to the project in terms of delivering the Council's decant strategy, in the design development process and in the overall governance arrangements for the project.
- 16.8.** The CFG have been part of discussions around the anticipated phases of work and the tenure mix in new blocks. When forming proposals, the feedback from the CFG has been factored in to the tenure mix for new homes and the group has welcomed the news that the phase one blocks would reduce disruption and allow all the Right to Return residents move permanently or temporarily into their new home.
- 16.9.** Residents of the estate will also be involved in the development of the re-housing strategy for existing residents and the lettings plan for new homes.

17. Paddington Green (Parsons North)

- 17.1.** The site is now established, and the enabling works are progressing with the demolition of the basement car underway. The sub-contractor pricing is progressing for the main contract and the cost consultant team are monitoring to ensure the council achieves best value. The scheme is targeting main contract award in late May. Completion of the scheme is expected in Spring 2021.

18. Tollgate Gardens

- 18.1.** On site construction of the new homes, community centre and landscaping continue. The scheme will see the delivery of 86 new affordable homes (78 social rented and 8 intermediate) when it completes in late Summer 2019; this is a net gain of 27 affordable

homes. The scheme, being delivered by Clarion, will also see improvement works to Tollgate House - retained as part of the plans.

18.2. First priority for the new social homes will be given to those residents who have temporarily moved off the estate to enable the redevelopment to take place. Consultation on a lettings plan, which will set out how the remaining homes will be allocated, is due to commence shortly.

18.3. The Council is working with the residents of Tollgate House on the appointment of an independent surveyor to ensure that concerns raised by residents about the structural integrity of the block following completion of the improvement works are addressed appropriately.

19. Tenant Policy for Housing Renewal Areas

19.1. The Council consulted on this updated policy until 8 February 2019. It set out the rehousing rights and options, financial compensation and general support for council tenants where the council wants to acquire their homes to enable housing renewal to go ahead. There were a range of options for council tenants, including a right to remain or return to the housing renewal area in one of the new homes. The policy proposes that those needing to move due to regeneration have the highest priority in the Allocations Scheme, as currently those under occupying have the highest priority.

19.2. The policy also sets out the help and support for other tenants in housing renewal areas, including homeless households in temporary accommodation and private rented tenants.

19.3. Following the closure of the consultation, the Council is currently analysing responses.

20. Carlton Dene, Peebles House and Westmead

20.1. The consultation with residents at Carlton Dene, Westmead and Peebles House is now complete, and officers are considering the responses.

21. Beachcroft

21.1. The Beachcroft House development in Maida Vale forms an integral part of the SHSOP programme. Once complete the development will provide 84 care bedrooms care home and 31 apartments for private sale.

21.2. Following the agreement of the extension of time arising from the delays from UKPN, the completion date has been revised to June 2020. The contractor is progressing well and is on target to meet the revised completion date.

22. The Infill Programme

- 22.1.** The Council has recently let two further new homes completed under the programme. The homes were let under a local lettings plan which enabled two overcrowded households living locally to avail of the new homes, one of whom lived on the estate. This is an example of the positive benefits we are able to achieve through the infill programme. The programme continues to progress new opportunities as part of an evolving pipeline of sites. Public consultation events have recently been completed for a further package of schemes which have the capacity to deliver 21 social rented homes.
- 22.2.** The outcome of planning applications for delivery of six new homes across four sites – conversions of former offices, a laundry room and an under-croft space, is expected in March 2019.

23. Wholly Owned Company

- 23.1.** As requested by the committee, there will now be updates on the Council's wholly owned housing company (WOC).
- 23.2.** The WOC was established to help deliver the Council's ambition to increase the supply of housing affordable to those living and/or working in Westminster and approved the formation of two companies to help ensure tax efficient operations.
- 23.3.** Specific business objectives are:
- to provide more affordable - Intermediate and market housing in the city;
 - to offer new tenures and, in particular, sub-market tenures to extend the range of provision available for those living and working in Westminster;
 - to increase housing delivery at a scale, pace and quality set by the Council and with control and ownership of the assets retained by the Council; and
 - to offer a flexible partner for the Council in delivering housing.
- 23.4.** It is considered that good progress has been made in establishing the company and the Business Plan developed should provide a solid and robust basis for development activities to commence in 2019/20. These will support the Council's drive to provide more homes for working people on middle and lower incomes.
- 23.5.** Workstreams that the team are concentrating on currently, include:
- Communications Strategy, branding, marketing and public relations;
 - Legal agreements for service level agreements; and
 - Housing management and lettings agreements.



Housing, Finance and Regeneration Policy and Scrutiny Committee

Committee date: 18th March 2019

Author: Councillor Andrew Smith

Portfolio: Cabinet Member for Housing Services

Priorities for 2019

- Focused on a smooth transition of CityWest Homes back to in-house management
- To continually ensure improvements in performance, particularly on repairs and customer services with our housing stock are maintained whilst CityWest Homes is brought back in-house
- Ensure a new robust and stringent parking enforcement system is implemented across the Westminster Council Estates as a priority.
- Ensure fire safety programmes are implemented to the Council's housing stock
- To Improve and expand on services around homelessness prevention
- To ensure our strategic policy goals reflect our commitment to affordable, safe and attainable housing provision and standards for our residents

1.CWH Transition Programme Update

Background

Following the decision on 15th October to proceed with bringing City West Homes back to the Council's direct control by 1st April 2019, a programme of work has been set up to manage the transition. The aim of the programme is to return the management of housing services to the Council, whilst maintaining service delivery. In order to achieve this, a number of working groups have been set up to address key areas of work required to transfer and integrate CWH staff into the Council a separate Policy and Scrutiny committee report has been prepared detailing the transition.

Resident Listening Programme

In December last year, Westminster City Council launched a listening programme to start to rebuild trust with tenants and leaseholders, many of whom felt that they had been let down by the service over the last few years.

From 26 November 2018 to 21 February 2019, 861 survey forms were completed either online or face-to-face at the listening events. 235 surveys were completed face-to-face and 293 online. A further 333 were completed following visits to older and vulnerable residents' homes, giving them the opportunity to have their say.

The intention now is to ensure that resident engagement continues after 1st April and that we ensure the views of our residents are not just heard but are an integral part of the process in improving our housing services, further details of the residents listening programme have been captured in the CWH transition paper

2.CityWest Homes

2.1 Resident Services

Contact Centre

There has been a steady improvement in performance during Q3 which has continued into Q4. It should be noted that, during February, there has been a steady decline in all forms of contact including calls, emails, complaints and member enquiries. This is evidence that the improvement plans are having the desired impact. In February there was a reduction of 4,744 calls including 2,601 less calls in relation to repairs compared to January. The reduction in calls included those for newly reported repairs which are the calls handled by Agilisys, the focus now being that these improvements are sustained and expanded.

During Q3 only 50% of calls were being answered within the 30 second target. However, in February we answered 96% of calls and 85% in 30 seconds. Average wait time was 22 seconds - the best performance yet against all call handle KPI's.

| | Sept | Oct | Nov | Dec | Jan | Feb |
|--------------------------------|-------|-------|-------|-------|-------|-------|
| Calls offered | 19210 | 22986 | 23555 | 16543 | 21769 | 17025 |
| Calls % answered | 74% | 68% | 87% | 95% | 96% | 96% |
| Average wait time | 7:19 | 6:29 | 2:35 | 1:00 | 0:51 | 0:22 |
| % calls answered in 30 seconds | 22% | 13% | 58% | 74% | 80% | 85% |
| % calls abandoned | 26% | 25% | 13% | 6% | 4% | 4% |

In addition, the positive result of the satisfaction survey that was introduced in November which asks callers about their experience is also evidence of the improvements we are seeing. The survey asks questions about the call handler's empathy, how engaged they were and their knowledge of the issue and overall satisfaction. In order to capture residents feedback, each call handler is tasked with having 20 callers a month complete the survey to ensure any issues are picked up with individual staff members appropriately. There has been positive turnaround in customer satisfaction which In February stood at 80.5%, a focus now on sustaining and increasing customer further.



During January 4790 emails were received and 100% of them responded to within 2 days as set out in the SLA.

Complaints - 68 complaints were received during January with a closure rate of c70% in target. Although this is an improvement it is still well short of the target. As the majority of complaints are to do with repairs our focus has been on working with the senior managers on an improvement plan. This has resulted in the recruitment of 2 additional staff members whose sole purpose is to manage all the complaint responses. These officers meet with the complaints team on a weekly basis to

ensure the quality and timeliness of the response. Its early days but we are already seeing an improvement in performance.

2.2 Anti-Social Behaviour Services (ASB)

Case handling satisfaction is currently at 74% against the target of 83% (see table below) and the team are actively working in line with their action plans to drive satisfaction. These actions have included the team conducting a minimum of six door knocking sessions each week in blocks where ASB is being reported; and they have been holding a monthly evening surgery to provide accessibility to residents who want to report ASB outside of office hours.

| Month | Monthly Satisfaction | YTD Satisfaction | Closed cases put forward for surveying | Closed cases <i>record only</i> | Number of responses received |
|---------|----------------------|------------------|--|---------------------------------|------------------------------|
| Sept 18 | 90% | 71% | 68 | 26 | 11 |
| Oct 18 | 89% | 71% | 87 | 50 | 9 |
| Nov 18 | 80% | 74% | 75 | 82 | 10 |
| Dec 18 | 86% | 75% | 40 | 61 | 7 |
| Jan 19 | 63% | 74% | 24 | 22 | 8 |

The team have been focusing on taking a holistic approach to the cases where regular reports of ASB are being received in relation to loitering and general nuisance. The teams have been identifying ways to design out nuisance hotspots with the housing teams. In one case a gate was installed at the entrance to a football pitch in our West area. This gate was necessary to prevent youths loitering on the stairwell leading to the pitch during unsocial hours. The gate has put local residents at ease and has allowed them to enjoy their homes without having to listen to the nuisance during evening hours.

Following our autumn nights project which focused on the time during Halloween and Bonfire night, four youths who were ordered to leave a dispersal zone area were identified to be living within properties managed by CWH. The team mutually agreed to take an interventional non-legal approach and three case managers have been working with early help practitioners and gangs workers to draft acceptable behaviour contracts with parents.

2.3 Estate Services

The compliance team went live with phase one of the new mobile working solution in November 2018 allowing for all of estate inspections to take place on site without the need to come back into the office and raise cleaning and grounds maintenance issues as all actions go directly to the relevant contractor via email through internet connectivity on the iPad's.

The team completed 828 recorded site visits achieving 100% completion of block /estate inspections due in January 2019, scoring 91% for cleaning and 92% for grounds maintenance against the target of 85%.

In addition to the rollout the management team are now able to track the inspection program real time using the current in-house housing management system Orchard negating the need to rely on other teams for information as has been required in the past.

2.4 Income Services

The outstanding balance for rent arrears at the end of January 2019 was £1,112,494 a decrease in arrears of £192,211 since December 2018.

The rent arrears as a percentage of the debit were 1.36% at the end of January 2019. The rent collection was 98.62% against a target of 98.93%.

There have been 9 evictions this financial year due to rent arrears.

We now have 605 residents in receipt of Universal Credit (UC) of which 381 (63%) are in rent arrears. a slight decline from the previous report in January where 75% of the 400 residents then on UC were in arrears.

In total the arrears for our UC cases amount to £214,000. The average arrears balance for our UC cases is c£350 which is 4 times that of our non-UC cases.

The team have already exceeded the target set for the collection of former tenant arrears. At the end of January 2019, the team collected £185,036 against a target of £150,000.

Most recently the team helped a customer get a charitable grant through working in partnership with the CAB. The £450.00 received helped to stop the planned court action and sustained a tenancy. The team also worked with the Adult social care team to clear a former tenant debt of £1,570.74 to prevent legal action.

2.5 Housing Services

Local Offer - The approach to Local Offers has now been presented members and the Brunel Estate Tenants Association.

As previously stated, the Local Offer is our commitment to work in partnership with our residents and councillors to improve services, gain support for local initiatives, and give residents a voice in their neighbourhood.

Our aim is to –

- Focus on issues that are important to our residents
- Improve consistency and efficiency of services to all our residents
- Engage residents in the shaping and delivery of services
- Improve the maintenance and upkeep of the environment

- Ensure our neighbourhoods are safe places to live

The intention is to deliver services on the Brunel Estate for two months as a pilot. During those months the TA will meet with the housing staff twice to monitor performance and progress against any plans that have been agreed. There will also be an estate walkabout which will include participation from the local councillors as well as residents. The path of the walkabout will be decided by the residents.

At the start of May in my role as Cabinet Member for Housing I will review how the trial went, any changes that have been made as a result of feedback from the residents and staff and how the offer can be rolled out across the rest of our homes.

It should be noted that although the Local Offer is only on trial on one estate that the new way of working is already in place. On a monthly basis Housing Services Managers walk the estates inspecting the cleanliness (this is scored) and pick up any health and safety issues. To ensure communal repair issues are dealt with, the Area Surveyors are also inspecting the estates, on a monthly basis. This is to ensure communal repairs are not only reported but also post inspected. The results from both inspections will be publicised for all residents to see and comment on.

Tenancy Reviews - The teams are working hard to achieve the 500 tenancy reviews targeted for this year. With 4 weeks to go there are less than 100 visits to complete. Of the reviews completed 27 have been the statutory flexible tenancy reviews.

2.6 Parking

We are progressing as a priority the introduction and implementation of traffic management orders as set out in the following draft implementation plan. This timeline is indicative and assumes that there are not significant objections to the Traffic Orders:

| TASK | Date |
|---|--------|
| Cabinet Member briefing | Feb |
| Establishment of project team and project plan for implementation phase | |
| Joint Cabinet Member decision | March |
| Traffic Management Order (TMO) drafting | |
| Further resident and stakeholder consultation | |
| TMO formal consultation period (objections dependent) | April |
| Orders come into effect | |
| Phase1a (Churchill Gardens) enforcement commences | May |
| Phase1B enforcement commences | June |
| Phase 2 enforcement commences | August |
| Phase 3 enforcement commences | Sept |

Due to the extraordinary circumstances and historical issues, Churchill Gardens estate will be implemented first as phase 1A of the project. Churchill is relatively straightforward as spaces are not allocated to individuals. From phase 1B onwards however, implementation is likely to be more complex. In the meantime a payment holiday has been introduced on the estate as a “good will “ gesture for the residents.

The completion dates quoted are estimated as detailed surveys to determine required infrastructural works (road markings and signage) are in the process of being carried out.

Whilst Parking Services and its providers will manage and carry out the technical aspects of implementation, CWH, in conjunction with WCC GP&H, will continue to manage and be responsible for engagement and communications with estate residents. Consultation will be in line with consultations for planned Highways schemes, while CityWest Homes will carry out consultation with residents and stakeholders from a housing perspective up to the start of the TMO consultation. This is likely to include mailshots and resident drop-in sessions at the affected estates.

During the implementation stage we will use all our existing powers to manage parking on our estates including doubling down our efforts to patrol and issue of warning letters whilst continuing to work with our residents in resolving individual cases.

2.7 Property Services

The repairs service is continuing to make encouraging progress as we implement the Repairs Improvement Plan. The benefits of the Planned Preventative Maintenance programmes are having the desired effect, with a significant reduction in repairs right across those estates and blocks where the PPM’s have been implemented relating to leaks, water ingress and blocked drains.

This has enabled the emphasis of the Leak Detection Unit to be changed from being a dedicated team, created to rapidly respond to complex leaks, to a situation where the unit is now absorbed as a specialist service which our main repairs contractor has at its disposal with the requisite skills, knowledge and technology.

The Statutory Services relating to electricity, gas and water all continue to perform very well, with compliance levels all at 100% the exception being Gas CP12’s which at 31st January had one property, due to the tenant residing outside the borough causing repeated no access. Access has now been obtained and we are 100% compliant on CP12 domestic gas certification.

Winter Planning has gone extremely well. Lessons were learnt from last year’s winter experience and the directorate put in place remedial action plans to ensure issues from last year were addressed e.g. improved lagging to pipes, PPM’s in place, review of difficult to access properties and closer working with colleagues in Housing. The managers ensured that all contractors had well written winter response plans for dealing with emergencies, adequate resources, materials and contact numbers.

2.8 Planned Preventative Maintenance.

One of the main reasons contributing to the high volume of repairs being raised, was the absence of no planned preventative maintenance programmes being in place for general repairs for many years, which addresses, leaks, water ingress etc.

This has been addressed and a planned preventative maintenance programme of works has been introduced and implemented into those estates which have been most affected by leaks, water ingress.

A detailed analysis was completed of the repairs being raised across the borough, relating to water ingress, roof leaks, blocked drains etc. These 'heat maps' identified those areas we need to concentrate on in the first instance.

The rest of the programme is being rolled out across the borough. The programme involves inspecting, rodding and clearing drains, gutters and downpipes.

The following estates have been completed so far under the PPM works:

1. Harrow Road
2. Grosvenor Estate
3. Townsend Estate
4. Barrow Hill Estate
5. Churchill Gardens (apart from Keats house)
6. Hallfield Estate
7. Warwick Estate
8. Brindley Estate
9. Brunel Estate
10. Fisherton Street Estate

See Table 1 below illustrating analysis of jobs raised between 18 and 19, as shown there is a significant drop in drainage repair demand.

| Estate Office | Dec-17 | Dec-18 | Jan-18 | Jan-19 |
|--------------------------|-----------|-----------|-----------|-----------|
| Bayswater | 2 | 1 | 8 | 2 |
| Churchill Gardens | 8 | 4 | 11 | 7 |
| Grosvenor | 4 | 3 | 6 | 1 |
| Lisson Green | 8 | 0 | 11 | 2 |
| Little Venice | 4 | 2 | 12 | 3 |
| St Johns Wood | 5 | 3 | 3 | 1 |
| Grand Total | 51 | 24 | 62 | 24 |

Table 1 - repair analysis 18/19

The initial estates identified where PPM's have commenced are as follows and programmed to be completed by March 2019;

1. Lillington and Longmore estates
2. Abbots Manor estate
3. Hall Park Estate

4. Maida Vale
5. Regency Street
6. Scott Ellis Gardens
7. Tollgate house
8. Hide Tower

These programmed works involve inspecting and clearing out all debris from stacks and waste pipes. Specialist CCTV / camera surveys are being completed which identify any fractured/broken stacks or failures in the drainage system. This will then form part of our 2019/20 capital asset strategy investment plan to carry out the replacement or major repairs to the drainage system which will turn off or reduce repair demand for these types of repairs across the City of Westminster.

Specific findings from the PPM's - In regards to the main downpipes, Morgan Sindall are clearing and descaling the existing drains and stacks within the buildings and installing rain gully protective screens across all roof top outlets to prevent a build-up of debris which blocks the stacks and rain water outlets in future.

Materials causing the blockage within the drains in general are a combination of general detritus, leaves, oil and grease build up over the years however no major concerns have become apparent with the stacks themselves, and the historical issues seem to be with lack of annual maintenance clearance.

2.9 Key Performance Indicators

Service delivery as at the end of January 2019 has confirmed the best delivery levels across both the Repairs and M&E contracts since the contract commenced in August 2017.

There is still a huge amount of work to do, however, the main KPI's below confirm the steady level of improved performance with the implementation of the Repairs Improvement Plan being well underway, including, changes to the area delivery model as we decentralise the surveyors to an area based working arrangement.

The introduction of the PPM's, impact of co-location of Morgan Sindall and CWH Surveyors, Morgan Sindall's structural change and data reviews and training of the Call Centre staff.

| Property Services KPIs | Target | January |
|---|-----------------|---------|
| Satisfaction with quality of repair | 88% | 85% |
| % of repairs completed within timescale [Immediate] | 1 day | 92.6%* |
| % of repairs completed within timescale [Appointed] | 20 working days | 93.8% |

*100% completed within 48 hours

In addition, the total number of repairs orders currently with Morgan Sindall is 2,413. The total number of repairs outside of SLA was 8% - 193 repairs.

Morgan Sindall receives an estimated 4,000 repairs per month).

2.10 Fire Safety

2.10.1 Fire Doors

All inspections have finished and a programme of remedial works is being developed and members and residents will be kept fully advised of progress. Circa. 10,000 doors need to be replaced or upgraded in blocks 6 storey and above.. Around 47% need to be upgraded (a combination of door closers, strips, seals and letters boxes) and the remaining, 53%, replaced. Residents remain safe in their homes as up to date fire risk assessments are in place and work is being prioritised. An overarching communication strategy has been drafted and covers how residents will be kept informed including updating the website and the options available to leaseholders.

As a result of the prioritisation work so far, doors across Warwick and Brindley estate towers have been identified as requiring action first and work is expected to start in spring 2019.

All other buildings will be addressed as required and in most cases, in conjunction with planned major works over the next three years with the highest risk blocks completed in the first 12 months April 2019 – March 2020. The inspection programme for lower rise buildings (5 storey and below) will commence once the three year programme has been delivered.

Leaseholders are responsible for ensuring that their own fire doorsets are to standard. We have been writing to them individually to ensure we have confirmation that doors meet current performance requirements.

We can offer leaseholders the opportunity to opt-in, via written agreement, to have their fire doorset replaced by the same manufacturer, in buildings where we are also replacing tenanted doors as part of planned major works.

In cases where we cannot offer opt-in, we will suggest leaseholders contact the manufacturer directly, or make their own arrangement as long as the doorset is compliant.

2.10.2 Cladding (General)

We are now consulting with residents on the alternative cladding solutions, including non-panel based systems such as insulated render systems.

A final decision will be made on the future systems, once outstanding test reports are received and residents are consulted.

2.10.3 Warwick and Brindley estate towers

Residents and councillors were invited to a progress meeting 31 January 2019. The purpose of the meeting was to provide information on planned balcony resurfacing, fire doorset replacement work and the proposed change from cladding panel to external wall insulation. Feedback from attendees was positive. Balcony work started in January and the doorset replacement and the insulation work are now anticipated to start in spring 2019, subject to the outcome of resident consultation.

2.10.4 Torridon House

Planning permission has now been received and work commences on site in March.

2.10.5 Glastonbury House and Glarus Court

The precautionary cladding replacement work at Glastonbury House remains on hold whilst alternative insulation options are considered. In the meantime, we are moving forward with the other important fire safety work, including the retrofit of sprinklers to flats and the provision of mobility scooter storage facilities. This work remains on track for completion by December 2019.

In addition, Glarus Court (low rise, extra care scheme) will also have sprinklers retrofitted to its 20 flats, within the next 12 months. Works are likely to start in the spring following resident consultation and complete by the end of 2019.

2.10.6 Sprinklers

A key recommendation is that any lessons learnt from the two installations mentioned above are incorporated into the wider roll-out across WCC stock. It is proposed to prioritise the remaining sheltered housing (community housing schemes) ahead of the tall buildings. The full cost of installation to the remaining sheltered and tall buildings is £28m. This is made up of £6m to complete the sheltered housing schemes and £20m for tall buildings. Funding will need to be considered and agreed as part of the HRA business plan from the 2020/2021 financial year. The £2m for Glastonbury House and Glarus Court sprinklers is already included in the business plan for 2019/2020.

Leaseholders in tall buildings will be surveyed to establish their views on the sprinkler roll-out and to understand whether the costs of installations (at c£10k per property) will be an inhibitor. A communication and implementation plan is being drafted and the survey will commence in late spring. The results will feed into the lessons learned from the Glastonbury House and Glarus Court installations.

2.10.7 Fire Safety Improvement Plans

As part of our ongoing building safety communication plan project to increase building safety awareness, we ran a pilot from October - December 2018, providing residents with a copy of their buildings Fire Safety Improvement Plan (FSIP), which outlines the findings from their most recent fire risk assessment (FRA) and our plans to address the findings and to improve building safety.

Residents were involved in the design of the strategy, plan template and supporting communications, via a themed service review group in August 2018.

The pilot plans were built from fire risk assessments and sent with a cover letter and fact sheet, via post to residents in 3,738 flats, and via email to 1701, across 41 high rise residential buildings.

Overall the feedback from residents was positive and constructive.

- 67% of residents said they now feel extremely or well informed, compared to 49% before receiving their FSIP. Likewise the number of people who feel that they were poorly informed reduced by 50% after receiving their FSIP
- 56% feel safer after receiving their FSIP
- 70% agree that the FSIP is helpful however they want to know when actions will be completed, what is happening with sprinklers, see results from other inspections (i.e. monthly housekeeping) and receive more information about what they should do in the event of a fire
- 60% would access their FSIP if it was available online

3. Homelessness Prevention

3.1 Homelessness Strategy

In line with the statutory requirements in the Homelessness Reduction Act, a new strategy, with a focus on preventing homelessness, is being developed and will be consulted on in early Summer.

3.2 Trailblazer

Since the start of the project, we have worked with 194 households to prevent possible homelessness and reduce their future risk. Each client receives specialist advice and assistance, which continues throughout their case being open with us. In addition to advice and assistance, currently our most common prevention activities are to resolve housing benefit problems (17%) and other financial issues (13%), followed by employment support (11%). In addition to the front-line service, we are also planning to start proactively training residents and community groups about homelessness and housing. Our aim is to upskill local community groups with the knowledge needed to help residents, if they are approached for advice or support, and to provide early signposting to the council where necessary

3.3 Commissioning

The Supported Housing Commissioning Team have successfully re-procured all of the City's Domestic Abuse Refuges. The new provider, Refuge, is a National Leader in good practice and we are looking forward to working with them to further improve our response to Domestic Abuse in Westminster. Contracts are being implemented with a start date pending of 1st April 2019.

3.3.1 The team have also overseen a large re-procurement of the majority of our Mental Health Supported Housing, re-procuring over 250 units in partnership with Adult Social Care and the CCG's to ensure that we are delivering the best quality accommodation with the best value for money to some of our most vulnerable residents. Awards have now been issued and we look forward to working with Look Ahead, St Mungo's, Riverside and SHP to deliver an ambitious programme of support over the next four years.

3.3.2 The Commissioning Team have worked hard to identify and establish additional income over the past year, we have made a number of bids to Central Government on a range of programmes related to rough sleeping. We have successfully secured over £1m to spend in the next financial year on projects such as the Domestic Violence Safe Space, Women's Housing First, Expansion of our Night Centre, Mixed Housing First and others to ensure our offer to some of the country's most vulnerable people is at the forefront of innovative practice.

3.3 Housing Solutions

The contract for the provision of our frontline statutory homelessness services was redesigned, re-procured and let to a partnership of Places for People, Shelter & Passage in October 2017. The implementation of the new service Housing Solutions Service (formerly Housing Options) and delivery model was successfully completed and launched in November 2018. The redesign of the contract afforded us a unique opportunity to provide a much more community based preventative service, alongside a transformed statutory response for households in Westminster, and the opportunity to utilise the contract to provide additional social value to the residents of Westminster.

Our partnership with Places for People, Shelter & Passage has a two-year delivery programme on a wide range of social value commitments. To date they have exceeded their committed provision in some areas including-

- Offering opportunities for work placements and employment to local residents (which has also led to permanent employment).
- Staff volunteering opportunities to Westminster provided services and local community projects.

- Funding provided for supporting older and vulnerable people to increase their digital awareness and inclusion.
- Sponsorship to Sir Simon Milton University Technical College for an award to science and financial support to a Woman in social enterprise event.

3.4 Temporary Accommodation placements for singles

Since the introduction of the Homelessness Reduction Act (HRA) in April 2018 there has been a significant increase in the use of Temporary Accommodation placements for singles, rising from an average of 30 placements per month before the HRA to 47 afterwards.

The Westminster Prevention Team conducted a piece of research looking at the placement of singles who approach Housing Solutions Service comparing data over two weeks in October and November 2018 to see where they were placed, alongside exploring other commissioned pathway placements, to better understand the demand for the options available, in order to better address issues concerning access to provision for single clients with high levels of vulnerability and ensure their needs are met.

The main findings were that clients meeting priority need assessments and going into Temporary Accommodation had high support needs, but lower support options would not have been suitable. Alternative placement options also looked at out of borough were generally low support relief options and so not suitable for the client group. There was also a visible lack of high support placements available. As such, we are now commencing a wide-ranging look at access to supported accommodation alongside how we can join our approach with providers in the community to enable more support to be targeted.

4. Housing Policy

4.1 Local policies

4.1.1 Implementing flexible tenancies

In line with the Tenancy Policy, the council has been offering flexible or fixed term tenancies for new tenants since 2013 and the first of these tenancies will expire in summer 2019. The process of reviewing them started in January 2019 (eight months beforehand). The review decides if a further tenancy should be offered at the same or another address and if the tenant and their household needs any additional support. The aim of flexible tenancies is to make better use of the housing stock for those in need, as household circumstances can change over time. Households that are under occupying are likely to be offered smaller homes.

Only in limited circumstances will no further tenancy at all be offered at any address and circumstances include where there have been serious or persistent breaches of the tenancy agreement, or where the tenant has not participated in the review and it is reasonable for them to do so. The associate processes have been developed to help ensure flexible tenants are not worried about the process and the message is being communicated that in most cases tenancies will be renewed.

4.1.2 Local Lettings Plan for the Tollgate Gardens Estate

Later this year, new additional social and intermediate homes, developed at Tollgate Gardens as part of its regeneration will be ready to let. The council will shortly be consulting on a Local Lettings Plan for these homes and the aim is that local people should benefit. Social housing tenants that had to move away to enable regeneration to happen will have first priority for them and this is not being consulted on.

4.1.3 Policy for Tenants in Housing Renewal Areas

The council consulted on this updated Policy until 8th February 2019. The proposed Policy was discussed with the Residents' Council and drop ins were held for tenants across the regeneration areas. Letters about the consultation and a summary of the changes were also sent to all affected tenants. The responses are currently being analysed.

The Policy sets out the rehousing rights and options, financial compensation and general support for council tenants where the council wants to acquire their homes to enable housing renewal to go ahead. There are a range of options for council tenants, including a right to remain or return to the housing renewal area in one of the new homes. The Policy proposes that those needing to move due to regeneration have the highest priority in the Allocations Scheme, as currently those under occupying have the highest priority. The Policy also sets out the help and support for other tenants in housing renewal areas, i.e. homeless households in temporary accommodation and private rented tenants.

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Housing, Finance and Regeneration Policy and Scrutiny Committee

| | |
|---|--|
| Date: | 18 March 2019 |
| Classification: | General Release |
| Title: | Update on transition streams associated with the transfer of the Council's housing management previously delegated to City West Homes back to the Council. |
| Report of: | Barbara Brownlee, Executive Director of Growth, Planning and Housing. |
| Cabinet Member Portfolio | Councillor Andrew Smith, Cabinet Member for Housing Services |
| Wards Involved: | All |
| Policy Context: | City For All |
| Report Author and Contact Details: | Fergus Coleman x2129 fcoleman@westminster.gov.uk |

1. Executive Summary

This report summaries progress on the key transition work streams being undertaken in advance of the transfer of the Council's housing management function from City West Homes back to the Council. This report focuses of the following works streams;

- Resident feedback from listening events
- CWH Staff consultation and transfer to Westminster
- Update on contracts and the associated risks
- Future Governance arrangements
- Finance

2. Key Matters for the Committee's Consideration

The Housing, Finance and Regeneration Policy and Scrutiny Committee are asked to:

- Note the updates on transition works streams covered in this report
- consider any requirements for updates on individual workstreams including any risks.

3. Background

- 3.1 The Cabinet decision taken by the Council on 15 October 2018 confirmed that the council's housing management function previously delegated to City West Homes would be returned to Westminster City Council from 1 April 2019.
- 3.2 To ensure an effective and seamless transfer of the housing management function back to the council, a Transition Board was established with membership from both the Council and City West's executive teams to oversee workstreams. A transition project team has also been set up to lead on key workstream areas.

4.0 Resident Listening Programme

- 4.1 In December last year, Westminster City Council launched a listening programme to start to rebuild trust with tenants and leaseholders, many of whom felt that they had been let down by the service over the last few years.
- 4.2 The format for the programme was to provide residents with a face to face opportunity to talk to a WCC representative about their experiences of the service then give feedback on how they would like the service to be shaped in the future once it had returned to WCC. This would enable them to get their frustrations 'off their chest' and begin to create a fresh start for the service in the future.
- 4.3 From 26 November 2018 to 21 February 2019, 861 survey forms were completed either online or face-to-face at the listening events. 235 surveys were completed face-to-face and 293 online. A further 333 were completed following visits to older and vulnerable residents' homes, giving them the opportunity to have their say.
- 4.4 The results are compiled from nine WCC face to face listening events and five Open Door events organised by CWH. Results from four further face to face events will need to be added.
- 4.5 The split between tenants and leaseholders is 60/40 reflecting the make-up of the estates.

4.6 The table below shows the split between age range, which does reflect that a majority of tenants are older.

| 1 Age Group | 2 Tenant | 3 Resident leaseholder | 4 Non-resident leaseholder | 5 Total |
|-------------|----------|------------------------|----------------------------|---------|
| 6 18-35 | 7 6% | 8 4% | 9 0% | 10 9% |
| 11 36-45 | 12 7% | 13 5% | 14 1% | 15 13% |
| 16 46-59 | 17 17% | 18 14% | 19 3% | 20 33% |
| 21 60+ | 22 24% | 23 17% | 24 3% | 25 45% |

4.7 The objectives of the Listening events were to consult with tenants and leaseholders on the following:

- To capture experiences of the housing service CWH to date.
- See resident's priorities that WCC should focus on when the service is brought back under WCC control from 1 April 2019.
- Collect views on how residents would like to be communicated with regarding the reshaping of the housing service going forward.
- Collect demographics of the residents and leaseholders completing the survey.

As expected the Listening Programme was an opportunity for residents with concerns to air their grievances, therefore the tone was largely negative with a small number of positive comments.

4.8 Key issues raised

a. Issues with the repairs service: in particular the systems for reporting, the quality of contractors involved with repairs and the communications between CWH, the contractors and residents.

b. The contact centre. Although concerns were largely retrospective, this was one of the biggest frustrations explained by most residents, especially when it comes to the process of logging repairs or complaints. Resident said they typically ended up waiting between 30 to 60 minutes to speak to someone. Residents argued that the system was too complicated, and they often end up being transferred from a department to another without their complaints being dealt with.

c. Security and anti-social behaviour on estates: Residents frequently mentioned a lack of response or urgency to ASB reports. Some residents feel unsafe on their estates and explained that a lack of CCTV cameras, general security and lack of maintenance to repair broken doors and locks on garages or main entrances to the buildings, means anyone can access their buildings and often rough sleepers use

the stairwells for shelter for example. Also, parking on estates is not always managed properly.

There seems to be a lack of communication when a resident calls the contact centre to report a ASB case, with residents explaining that they felt their complaint regarding ASB was not taken seriously by CWH. This perception was driven by factors such as, the expectation of receiving updates and resolution from CWH regarding ASB complaints were not made; and not proactively seeing or hearing action taken on their estate as a result.

d. Communications: Residents complained that there does not appear to be a clear customer journey leaving them feeling confused and 'not listened to' and unsure of who their issues are being dealt by. In general communications provided by CWH have been good, for example residents are happy with the newsletters and support provided on social media. Although there seems to be functionality issues regarding the website at times. There seems to be an even split between residents wanting letters or email of updates.

e. Staff: Residents would like more staff visible on estates and in the communities. The role of estate managers is missed and they expressed concerns that the local knowledge of that role has been lost.

f. Reputation of CWH and future expectation of WCC: Many residents have high expectations for the handover of the housing service back to WCC, with many expressive their thanks that the decision had been made to return the housing service back in-house.

4.9 The information gathered from residents during the Listening Programme is being used alongside information gathered during Listening events with staff to put together a service plan post April 1st.

4.10 The Cabinet Member's separate report to this committee details the improvement plans being implemented to the contact centre, repairs service, and estate services that have resulted in significant improvements to the performance of these services, leading to increased satisfaction levels among residents. The report also sets out the local offer initiative being piloted aimed at improving services and giving a voice to residents in their neighbourhood.

5 City West staff transfer and consultation process

5.1 Consultation with City West Homes staff began on the 21 January 2019. The consultation period was extended to a 45 day period following a request by the unions and staff. The consultation period will now complete on 6 April 2019.

5.2 Group consultation sessions with staff have been were held, followed by briefings with the Westminster Directors and one to ones. HR and pension drop in sessions were arranged for staff to ask specific queries about their personal circumstances. One to one meetings with staff and their

representatives have also taken place. A final report will be issued once consultation has closed.

- 5.3 City West Homes will also transfer from their existing payroll provider to the Integrated Business Centre (IBC) solution delivered by Hampshire County Council. City West Homes HR and Westminster City Council HR are working with the IBC to ensure that all information is provided for a correct payroll run in April following transfer. A project group and supporting programme plan is in place to support this. IBC are currently testing the system and as part of the migration plan will also be running a test payroll to ensure outputs are correct. Transferring staff will have access to the IBC portal from 1 April.
- 5.4 Facilitated Listening events have been held with staff with 296 staff having taken part to date. These events will;
- Provide staff within City West operational teams with the opportunity to share their views.
 - Identify the strengths, weaknesses, opportunities and threats (SWOT) related to service areas
 - Understand how services currently work and how they could be shaped in the future.
- 5.4 As part of the engagement strategy for transferring staff, West Homes staff have access to their existing Employee Assistance programme. Throughout March and into April, a number of activities will take place to engage and support transferring staff;
- Senior leader walk-about – Executive Leadership team members will visit staff in all area offices
 - Engagement sessions - listening sessions with staff will provide a further opportunity for senior leadership to show that they are committed to engaging with all staff
 - Welcome event - This event will provide an opportunity for staff to meet with reps from the different directorates within Westminster. This will take place on the 1st of April to welcome staff to Westminster.
 - Staff will also be invited to attend the Westminster Way programme once they join.

6 City West contracts update

- 6.1 The transfer team (involving service owners, legal and procurement) has reviewed contracts for all goods and services procured by City West Homes. As a result, some 800 contracts have been assessed and classified by criticality and business needs beyond the transfer date of 1 April 2019. The review also identified those externally contracted employees whose roles are critical to ongoing service delivery beyond the transfer date.

- 6.2 As a result, some 89 contracts have been identified as critical and required beyond 1 April 2019 – and according to their RAG status are now being transitioned to WCC. This process involves a single point of coordination for WCC and dedicated legal support.
- 6.3 At the end of February – some 55 contracts for goods and services remain, of which 28 are in the process of being novated to Westminster and some requirements are being met by existing WCC contractual arrangements. Of the 27 remaining, 17 carry RED status indicating the critical nature of service provision. The rest are AMBER, which are goods and services of a less critical nature.
- 6.4 Intensive work continues complete the transition by 31 March with focus on those contracts carrying RED status.

7 Governance

- 7.1 Officers are investigating options to ensure effective governance of housing services post 1 April 2019. This includes a review of the decision-making framework, consideration of the opportunities to strengthen member-level accountability through Policy and Scrutiny and links to community-level accountability mechanisms through resident engagement. The preferred options will be discussed with Members shortly to enable implementation from 1 April and a more extensive verbal update will be available at the meeting of the Committee.

8 Finance

- 8.1 To ensure a smooth transfer of financial accounts and liabilities from City West to Westminster at 1 April 2019, finance colleagues from Westminster and City West are continuing to work closely to ensure all accounts are clearly reconciled with Westminster auditors. An IBC steering group has been set up to ensure financial transactions previously carried out through City West pass seamlessly on to the Council.

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact Fergus Coleman on x2129
fc Coleman@westminster.gov.uk**



Briefing report to the Policy & Scrutiny Committee

Version: 3

| | |
|---|--|
| Date: | Monday 18 th March 2019 |
| Classification: | General Release |
| Title: | Update on Westco Communications |
| Report of: | Ian Farrow, Westco Managing Director |
| Cabinet Member Portfolio | Cllr Nickie Aiken |
| Wards Involved: | All |
| Policy Context: | Commercialisation of Westminster Council communications services |
| Report Author and Contact Details: | Ian Farrow, ifarrow@westminster.cgov.uk |

Key Matters for the Committee's Consideration

- 1.1. This note provides the Policy & Scrutiny (P&S) committee with an update on Westco Trading LTD, a trading arm providing external clients with Marketing, Research and Creative services, owned by the City Council.
- 1.2. The purpose of this report is to ensure that the P&S committee is aware of, and engaged with Westco's work and the derived benefits for the Council from its operation.

Executive Summary

- 1.3. Westco is the independent trading arm of Westminster City Council; a limited company wholly owned by WCC delivering communications, research and strategy services internally and to external clients, predominantly in local government.
- 1.4. The agency was set up in 2007 as a way to trade the best local government communications practices with other Local Authorities and by doing so, provide WCC employees with professional development opportunities and develop new innovation for use within WCC and improve service delivery.
- 1.5. After 11 years and significant change within the public sector Westco continues to tell a positive story with increasing turnover and constant profitability. The agency is forecast to exceed a £4m turnover this year. Westco has a target net profitability (WCC contribution) of £200,000 for this financial year and is currently forecast to achieve this.

- 1.6. Since its inception in 2007/8 Westco has provided £1.5m in contributions to Westminster City Council. It has developed 10 WCC employees into Heads of Communications, helped to raise the standards of communications professionals across the sector and introduced new thinking and innovation to the sector and to WCC. Westco has helped horizon scan to identify emerging needs for local government communications and is shaping the sectors response.
- 1.7. Westco is wholly owned by the City Council and one of its core priorities is to support the parent company by providing access to a pool of quality professionals, training and development opportunities, new innovations and senior level support and advice.
- 1.8. Through this relationship Westco has:
 - 1.8.1. Developed a Community Engagement team for Growth Planning and Housing (GPH) led by a Westco practice lead (paid for through the HRA); this is responsible for all community engagement on renewal sites, delivery of City for All priorities and reputation management around this core service area.
 - 1.8.2. Restructured a new Creative Service of 6 employees that are now fully resourced through Westco with creative work paid for through an annual retainer.
 - 1.8.3. Supported the corporate team by placing more than 10 Westco employees within WCC PPC, helping to shore up resilience within the corporate team and Westminster.
 - 1.8.4. Developed a Westco Academy and WCC Futures training programme that has trained around 60 communications professionals within our own teams and also approximately 50 professionals from other councils in partnership with Ogilvychange (behaviour change specialists).
 - 1.8.5. Developed the City Council's social media playbook and training for all employees through our partnership with external partners.
- 1.9. In the past 4 years Westco has been at the forefront of innovation both helping Westminster deliver innovative solutions to strategic priorities (e.g. using inbound marketing to help improve the take-up of commercial waste services, development of a Social Mobility survey) and leading discourse on the future of public sector communications. More information on our innovation work can be seen in paragraph 6 of this report.

Main report

2. Westco services

2.1. Westco provides services internally to Westminster, to other local authorities and to a lesser extent, central government and the third sector in the following areas:

2.1.1. Marketing and Communications including: reviews of communication functions for councils, media training, place marketing, inbound marketing, interim resourcing, community engagement, social media, public relations, copywriting, behaviour change campaigns and the deployment of entire teams at client sites to help organisations deliver best in class communications services to their residents (internal and external communications).

2.1.2. Research and insight including: quantitative (e.g. reputation trackers, media consumption surveys, consultation surveys and resident surveys) and qualitative services (e.g. focus groups and online resident panels).

2.1.3. Creative services including: graphic design, web design, animation, branding, campaign concepts, content strategy and web design services.

2.1.4. Strategy and campaigns including: government relations and project management.

3. Westco clients

3.1. Since its inception Westco has focused on the delivery of services to the local government sector. It has also supported central government clients (e.g. DEFRA, Health and Safety Executive and the Cabinet Office), third sector organisations (e.g. the Social Research Unit at Dartington and the Sir Simon Milton Foundation) and other organisations (e.g. Prospects, Oxygen Finance)

3.2. Westco currently works with the following clients:

3.2.1. London Local Authorities: Sutton, Richmond, Wandsworth, Southwark, Tower Hamlets, Hounslow, Havering and Waltham Forest

3.2.2. Peterborough City Council

3.2.3. Derbyshire County Council

3.2.4. Wakefield

3.2.5. Oxfordshire County Council

4. People & Governance

4.1. Westco is led by a Managing Director who reports to the agency's board of Directors and is responsible for all functional areas (operations, business development and strategy). The board is comprised of WCC employees including two executive Directors and led by an elected WCC Councillor. The current composition of the board is outlined below:

4.1.1.Chairman: Cllr Tony Devenish

4.1.2.Directors: Ian Farrow (MD Westco), Dai Williams (Strategic Finance Manager WCC) and Julia Corkey (Director Policy Performance and Communications WCC). Non Executive Director, Stuart Love, WCC Chief Executive.

4.2. Westco delivers its services through 63 employees working in the above areas in the following roles:

4.2.1.Managing Director (1)

4.2.2.Account Directors (11)

4.2.3.Account Managers and Executives (51)

4.2.4.Westminster City Council provides financial management support to Westco and is responsible for quarterly reporting, financial forecasting, contract performance, P&L, and end of year accounts. A member of the WCC financial management team sits on the Westco board.

4.3. The performance of Westco in addition to the other companies owned by the Council is reviewed by the Council's Executive Leadership Team (ELT) through financial updates on a monthly basis

4.4. All Westco staff are training in the vision and values of the organisation in their induction. These include a value to 'Adhere to the highest professional standards' and staff have objectives set against this.

5. Westco innovation

5.1. Westco has developed innovative propositions to both support WCC and to also provide a point of thought leadership on public sector communications across the industry. Westco initiatives include:

5.1.1.Westco Commission: a rolling thought leadership panel looking at the future of public service communications including a range of industry experts such as Rory Sutherland, Vice Chair Ogilvy and Mather Group UK and founder of OgilvyChange; Eddie Copeland, Director of Government Innovation, Nesta Innovation Lab; Dr Robin Pharoah Director of Future Agenda; Tiffany St James Transmute digital experts; Francis Ingham Director General PRCA (Public Relations and Communications Association).

5.1.2.Westco Academy: a points based learning framework developed with the PRCA and Westco Commission partners to train and develop communications professionals with new skills and techniques. To date all Westco employees are engaged in the Academy and we have held training weeks covering digital engagement, campaigning and evaluation, behaviour change, performance management and leadership. The Westco Academy model has also been developed into a WCC Academy (Futures) for communications professionals within the City Council.

5.1.3.Westco Professional Assessment Centre: senior Westco resources provide both clients and the wider sector with recruitment support and professional assessment services. To date Westco has provided the sector technical support to Hays Recruitment for two Heads of Communication posts to London authorities and full assessment tests and interviews for other local authorities.

5.1.4.Westco partnerships: a series of strategic partnerships with leading private sector agencies to improve capability including:

5.1.4.1. #OgilvyChange introducing improved behavioural science into Westco campaigns and training for over 50 local government communications professionals across the sector through the Westco Academy. OgilvyChange also tested a Randomised Control Trial for WCC council tax direct debits as a free trial.

5.1.4.2. Transmute digital engagement experts to introduce social media strategy and campaigning to WCC and Westco clients and training for staff through the Westco Academy.

5.1.4.3. C_Space to introduce online collaborative engagement with residents in Sutton and Richmond to help improve community engagement and the design of services and communications.

5.2. Westco has held thought leadership events to share best practice across the sector on:

5.2.1.Future of residents surveys

5.2.2.Police and Crime Commissioners communications and positioning at Conservative Party Conference

5.2.3.Place marketing for economic growth workshops with clients

5.2.4.Digital engagement and campaigning

5.2.5.Behaviour change campaigns

5.2.6.Asset focused community engagement

5.3. Westco was awarded Agency of the Year by the Chartered Institute of Marketing in 2016.

5.4. Westco is also a significant supporter of LGcomms, the professional development network for local government communications which was formed to raise standards across the sector. The position of Chair and Vice-Chair is currently held by Westco Senior Account Directors. Recently LGcomms, working with the LGA, launched 'Futurecomms' which is a new best practice operating model for local government communications. LGcomms also organises an annual professional development seminar programme, which includes a flagship two-day Public Sector Communication Academy which is designed with the Government Communications Service.

6. Summary of benefits to WCC

6.1. Westco has delivered a wide range of benefits to WCC including:

6.1.1. Generating a profit for WCC since 2007 – in excess of £1.5m in contributions cumulatively.

6.1.2. Raising the profile of Westminster City Council – e.g. through the agency being the first public sector owned marketing firm to win the CIM agency of the year award in 2016, campaign awards, Westco Academy training events across the sector, thought leadership events and publications and helping raise industry standards through communications reviews and professional assessments and recruitment.

6.1.3. Providing unique opportunities for the professional development of WCC employees – e.g. developing the careers of 10 WCC employees into Heads of Communications for external clients and through training and development as part of the Westco Academy. Providing capacity and resilience to WCC in times of need – e.g. Westco's deployment of resources from across its client sites to support the Grenfell Fire response team.

6.1.4. Providing resources to the Council for communications activities – e.g. placements of more than 10 Westco employees in Westminster to support consultancy work which would otherwise have been delivered by external agencies.

6.1.5. Introduction of innovation in the development of products and services through the Westco Commission and through use of partnerships with private sector leading agencies.

7. Future challenges

7.1. Westco is a successful marketing and communications agency in the public sector but the market in which it operates is going through extremely difficult financial times. The agency is positioning itself to help councils to meet emerging needs and challenges that result from the changing nature of public service.

7.2. As Revenue Support Grant (RSG) is phased out and new economic growth incentive funding mechanisms replace it, Westco needs to help councils drive economic growth through place marketing and improve community engagement to ensure this aspiration is shared and supported by communities.

7.3. As local government scarce resources need to become more effective Westco will help councils to improve demand management for services through better use of behavioural science and service design. Early success in this area has been seen in Sutton where a Westco campaign in partnership with OgilvyChange has delivered significant improvement to recycling rates.

7.4. As technology changes with the increasing dominance of Artificial Intelligence (AI) and the spread of digital, Westco must help clients horizon scan and develop the skills and disciplines to make the most use of this and mitigate any emerging risks. The annual LGA Conference is an opportunity to showcase WCC innovation, what we may see as operational the norm is often 'best practice' elsewhere.

7.5. Managing reputation through significant change in service provision and in the context of a changing society also requires Westco to be ahead of the game in terms of its professional advice and guidance.



Housing, Finance and Regeneration Policy and Scrutiny Committee

| | |
|---|--|
| Date: | 18 th March 2019 |
| Classification: | General Release |
| Title: | 2019/20 Work Programme and Action Tracker |
| Report of: | Director of Policy, Performance and Communications |
| Cabinet Member Portfolio | Cabinet Member for Finance, Property and Regeneration Cabinet Member for Housing Services |
| Wards Involved: | All |
| Policy Context: | All |
| Report Author and Contact Details: | Scrutiny Officer x 2894 Ahardy1@westminster.gov.uk |

1. Executive Summary

1. This report asks the committee to suggest topics the 2019/20 work programme and note the suggested agenda for the committee's next meeting.

2. Key Matters for the Committee's Consideration

- 2.1 The Committee is asked to:

- Note the ongoing topic selection campaign
- Note the suggested agenda for the committee's next meeting
- Suggest items for the 2019/20 work programme
- Note the action tracker (appendix 1)

3. Topic selection

- 3.1 The policy and scrutiny team is currently scoping topics for the 2019/20 work programme. The long list of topics will be drawn together through a horizon scanning exercise, discussions with officers in the relevant services and suggestions from members. The long list will be circulated to members of the committee for comments ahead of the first meeting of 2019/20.

3.2 The suggested agenda for the committee's meeting on 5th June 2019 is:

- Draft homelessness strategy
- Temporary accomodation

**If you have any queries about this Report or wish to inspect any of the
Background Papers please Aaron Hardy**

ahardy1@westminster.gov.uk

APPENDICES:

Appendix 1 - Action Tracker

Housing, Finance and Regeneration Policy and Scrutiny Committee Action Tracker

| ROUND FOUR 14 th JANUARY 2019 | | |
|---|---|-------------|
| Agenda Item | Action | Update |
| Item 4: Policy and Scrutiny Portfolio: Cabinet Member for Finance, Property and Regeneration | Provide a briefing on WCC's legal right to use the Mandela Way site for dustcarts | Completed |
| Item 5: Policy and Scrutiny Portfolio: Cabinet Member for Housing Services | Provide the committee with the reasons the boiler replacement option for Torridon was chosen over cheaper alternatives | Completed |
| | Clarify if the 75% of the 400 residents in receipt of Universal Credit who were in arrears were people who started in arrears due to the delay in initial payment or people who went into arrears over time | Completed |
| | Provide the number of CityWest Homes leaseholders who have leases which have a no short-let clause in | Completed |
| | Provide briefing on the reasons for delaying rolling out Traffic Management Orders on CityWest Homes property | Completed |
| | Confirm what the metric satisfaction rate for anti-social behavior is measuring? | Completed |
| | How many residents on flexible tenancies will be offered different accommodation | Completed |
| Item 7: Response by the Cabinet Member for Housing Services to the recommendations of the CityWest Homes Task Group | Provide details of the information regarding short term sub-letting (powers of the Council and the rights of tenants/leaseholders) that has been circulated | Completed |
| Item 8: Update on Wholly Owned Housing Company | Include updates on the wholly owned company in future cabinet member reports | In progress |

ROUND THREE 28th NOVEMBER 2018

| Agenda Item | Action | Update |
|--|---|-----------|
| Item 4: Policy and Scrutiny Portfolio: Cabinet Member for Finance, Property and Regeneration | Provide update on Universal Credit in Cabinet Member report | Completed |
| | Provide correct figures for Ebury Bridge business plan capital expenditure | Completed |
| Item 6: Capital Programme Delivery | Provide modelling on effects of underspend of capital programme | Completed |
| | Provide the capital figure for year to date expenditure | Completed |
| | What is the proposed general fund capital spend in relation to the non-housing elements of the Church Street and other regeneration schemes | Completed |

ROUND TWO 27th SEPTEMBER 2018

| Agenda Item | Action | Update |
|--|--|-----------|
| Item 4: Policy and Scrutiny Portfolio: Cabinet Member for Finance, Property and Regeneration | Circulate costs associated with the community contribution | Completed |
| Item 5: Policy and Scrutiny Portfolio: Cabinet Member for Housing and Customer Services | Circulate schedule for traffic management order rollout | Completed |
| Item 6: Digital Transformation Strategy | Circulate details of the plans for photo upload ability on report it | Completed |
| | Circulate details to the committee of who Councilors should contact with suggestions for the website | Completed |
| | Update the committee on the digital strategy via Cabinet Member Update | Completed |

| | | |
|--------------------------------------|---|---|
| | Add Councilors as an option on report it | Completed |
| Item 8: Sprinklers Task Group Report | Circulate a briefing note on lessons learnt from installing sprinklers in Glastonbury House | In progress. Work expected to be completed summer 2019. |

| ROUND ONE 20 th JUNE 2018 | | |
|--|---|-------------|
| Agenda Item | Action | Update |
| Item 4: Policy and Scrutiny Portfolio: Cabinet Member for Finance, Property and Regeneration | Update on City Hall be included in the next Cabinet Member for Finance, Property and Regeneration update. | Completed |
| | Next update to also include financial details and figures for the Budget and the Capital Programme | Completed |
| | Information to be circulated to Members in respect of disabled parking spaces in regeneration areas and included in the next update | Completed |
| Item 4: Policy and Scrutiny Portfolio: Cabinet Member for Housing and Customer Services | Task group to be created to consider CWH's structure and the ways in which it works in the various services that it provides to report back to the Committee. | Completed |
| | Next Cabinet Member for Housing and Customer Services update to include details on supply and allocation. | In progress |
| Item 5: 2018/19 Work Programme | Regeneration to be added as a topic to the work programme. | Completed |
| | Chairman to be advised as to when Business Rates can be considered by the Committee. | Completed |
| | Briefing note on the implementation of Universal Credit, including timescales, be provided. | Completed |

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