



City of Westminster

Committee Agenda

Title:

Finance, Planning and Economic Development Policy and Scrutiny Committee

Meeting Date:

Thursday 9th March, 2023

Time:

7.00 pm

Venue:

Rooms 18.06 & 18.07, 18th Floor, 64 Victoria Street, London, SW1E 6QP

Members:

Councillors:

Concia Albert
Paul Fisher (Chair)
Sara Hassan
Patrick Lilley

Ralu Oteh-Osoka
Ian Rowley
Paul Swaddle



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.

If you require any further information, please contact the Committee Officer, Francis Dwan, Policy and Scrutiny Advisor.

**Email: fdwan@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 the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

3. MINUTES

To approve the minute of the Committee's previous meeting held on the 8th November 2022, following the cancelling of Committee scheduled on the 15th December

(Pages 5 - 10)

4. PORTFOLIO UPDATE - CABINET MEMBER FOR FINANCE AND COUNCIL REFORM

To receive an update from the Cabinet Member for Finance and Council Reform, Councillor David Boothroyd

(Pages 11 - 20)

5. PORTFOLIO UPDATE - CABINET MEMBER FOR PLANNING AND ECONOMIC DEVELOPMENT

To receive an update from the Cabinet Member for Planning and Economic Development, Councillor Geoff Barraclough.

(Pages 21 - 30)

6. OXFORD STREET DISTRICT PROGRAMME - MIKE COOKE REPORT

Publication of the externally produced report on the Oxford Street District Programme.

(Pages 31 - 46)

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| <p>7. ONGOING EFFECTS OF COVID-19 ON COUNCIL FINANCES</p> <p>To receive a report detailing the ongoing impact that Covid-19 still has on Council Finances and how the Council is managing these challenges.</p> | <p>(Pages 47 - 62)</p> |
| <p>8. OXFORD STREET PROGRAMME</p> <p>To review the Oxford Street programme and proposals for its future.</p> | <p>(Pages 63 - 72)</p> |
| <p>9. WORK PROGRAMME REPORT</p> <p>To discuss and shape the Committee's work programme for the municipal year 2022/23.</p> | <p>(Pages 73 - 80)</p> |

Stuart Love
Chief Executive
9th March 2023

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CITY OF WESTMINSTER

MINUTES

Finance, Planning and Economic Development Policy and Scrutiny Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Finance, Planning and Economic Development Policy and Scrutiny Committee** held on **Tuesday 8th November, 2022**, Rooms 18.01 & 18.03, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

Members Present: Councillors Concia Albert, Paul Fisher (Chair), Sara Hassan, Patrick Lilley, Ralu Oteh-Osoka, Ian Rowley and Paul Swaddle.

Also Present: Councillor Geoff Barraclough (Cabinet Member for Planning and Economic Development) and Councillor David Boothroyd (Cabinet Member for Finance and Council Reform). Officers: Gerald Almeroth (Executive Director of Finance Resources), Deirdra Armsby (Director of Place Shaping and Town Planning), Haylea Asadi (Director Regeneration and Economic Development), Ruchi Chakravarty (Head of Place Shaping), Francis Dwan (Policy and Scrutiny Advisor), Debbie Jackson (Executive Director Growth, Planning and Housing), Clare O'Keefe (Temp Lead Policy and Scrutiny Advisor) and David Wilkins (Head of Programme and Smart Delivery).

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 That the minutes of the meeting held on 22nd September 2022 be agreed.

3.2 Resolved

- The minutes of the meeting held on 22nd September 2022 were agreed with no amendments.

4 PORTFOLIO UPDATE - CABINET MEMBER FOR FINANCE AND COUNCIL REFORM

4.1 The Committee received an update from Councillor David Boothroyd, Cabinet Member for Finance and Council Reform, on priorities for the portfolio and any updates that have arisen. The Cabinet Member's address stated that since publication, a decision was taken on the Rating Advisory Panel, Member meetings regarding the Seymour Leisure Centre were taking place and Census data showed a decrease in number of residents, which is believed to have been temporarily exaggerated by the impact of the pandemic. The Cabinet Member then responded to questions on the following topics:

- Cost of Living Response, a breakdown of additional costings.
- Current level of reserves (general fund balance).
- Impact of increased interest rate on the balance sheet. In follow up, the Cabinet Member was asked about the spread above the bond rate.
- Insourcing and the degree to which it would be considered across all outsourced works including housing repairs.
- Diverse supply-chain, including the cost of working with the Minority Supplier Development UK (MSDUK), how 'ethnic minority led businesses' was defined and whether this would act as a barrier to other suppliers such as those from a White working-class background.
- Decarbonisation and how businesses were selected for replacement boilers.
- Unspent monies from the Covid Relief fund and whether the remaining allocation could be spent elsewhere and, if so, where it was likely to be spent.
- Public Conveniences; when stood down, would the revenue generated from them be put towards the community they were in.
- Disaggregation of IT service from RBKC and the latest progress. It was asked that an update of this progress would be included in future cabinet updates.
- Ethical collection of unpaid council tax and the reasons behind why a substantive update has not come to the Committee.
- Lease extension for the Council's assets, given the rising cost of living, and whether there are plans to sell any assets.
- Report-it, the Council's reporting function on the website and what the 'contextual research' into it will involve.

4.2 Actions:

1. Updating the Committee on what methods are in place to identify where old boilers still exist and are yet to be updated/decarbonised.
2. To include an update on progress with the disaggregation of IT services from Royal Borough of Kensington and Chelsea in the next update (or, if appropriate, in regular updates going forward).

5 PORTFOLIO UPDATE - CABINET MEMBER FOR PLANNING AND ECONOMIC DEVELOPMENT

5.1 The Committee received an update from Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development, on priorities for the portfolio and any updates that have arisen. The Cabinet Member's address started by bringing attention to the upcoming partial review of the City Plan at certain plans, affordable housing policy consultation, as well as upcoming supplementary planning documents on the public realm, carbon offsetting and the environment. From the Economic Development side, the Cabinet Member drew attention to Westminster Works and its success, Oxford Street District Programme, placemaking and CIL funding. The Cabinet Member then responded to questions on the following topics:

- Ukrainian Refugees, including what would happen and what priority would they be once the Council has identified them for economic and housing aid.
- Good Growth Fund, and the cost of extension to these schemes.
- Westminster Market and how the logistics of transactions will actually work.
- Community Infrastructure Levy (CIL) and whether this can be used to provide staffing/administrative funding for a neighbourhood forum to apply for funding.
- Job fairs, including how the Council can ensure that residents are getting the most out of these ventures.
- CIL Money, what expenditure on 'affordable housing enabling' was defined as. The Committee's concern that it may not be a valid use of CIL funding was noted by the Cabinet Member.
- Employment Programmes, whether built into the initiatives there were plans to evaluate the long-term outcomes and prospects for those who undertake the schemes.

5.2 Actions

1. Following this update, the Committee agreed that an item on the Westminster Employment Service will be added to the list of unallocated items for consideration at future Committees.

6 SMART CITY PROGRAMME OVERVIEW

6.1 The Cabinet Member for Planning and Economic Development provided the Committee with a summary of the Smart City Programme and its purpose. David Wilkins, Head of Programme and Smart Delivery, raised 'notspots', small cell concessions, fibre connectivity, areas of planned expansion and the voucher scheme. The Committee was asked to consider questions on resident engagement, datasets and the challenges residents face. Members asked questions around the following themes:

- Copper Network, following the information that the Copper Network is to be switched off nationally by the end of 2025, the Committee asked how this would affect those who may not have any internet access in their homes.
- The offering of the Smart City programme for the elderly and vulnerable.
- Accessing online Council services without the internet.
- Leaflets and whether hard copies of notices for infrastructure works or other works would be provided.
- Offering for those with learning difficulties, the Committee asked whether the number of people in Westminster who had a learning disability to the degree whereby getting online is made difficult was known and what is done for them.
- Full fibre broadband, given the aims of the programme to hit 100%, Westminster's position relative to other local authorities was discussed.
- Interactive street furniture and how it is defined.
- The Committee identified that one of the great appeals of the outdoor offerings is that they act as an escape from technology and screens the degree to which smart solutions might threaten this.

6.2 Actions

1. The Committee to be provided with local ward maps of mobile phone service capacity on request.
2. The Committee requested details of the process of how the 'permitting team' inform affected residents of technology infrastructure digs so that they understand exactly why the road might be being dug up and for how long.
3. The Committee recommended that notices in future are especially clear and have in bold a summary sentence to explain the purpose and duration of disturbances.

7 WORK PROGRAMME REPORT

7.1 The Work Programme was discussed, and the following items were raised:

- When Corporate Properties is brought to the Committee it should focus on those with a direct economic impact. Ongoing projects or potential sales should be at the fore of any piece that comes to the Committee.
- Oxford Street District Programme, is sought as soon as can be relevant, preferably in the first meeting after the new year.
- Given the condensed calendar, busy schedules and the avoidance of meeting without purpose it was suggested as an action to either truncate, or preferably cancel the proceeding Policy and Scrutiny Committee meeting scheduled for the 15th of December 2022. This was taken as an action.

Action:

1. Determine what is appropriate for the 15th of December given the close proximity between the two meetings. If so, a truncated agenda may be considered.

The Meeting ended at 21.07

CHAIR: _____

DATE _____

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Finance, Planning and Economic Development Policy and Scrutiny Committee

Date:	09 March 2023
Portfolio:	Finance and Council Reform
The Report of:	Councillor David Boothroyd
Report Author and Contact Details:	Maria Burton, Portfolio Advisor, mburton@westminster.gov.uk

1. **Key decisions made in the preceding period since my last Policy & Scrutiny report dated 08 November 2022:**

- 14 November 2022 – Writing off Irrecoverable Debt, Quarter 21 2022/23
- 17 November 2022 – Contract Award for the Refurbishment of 14-20 Orange Street
- 23 November 2022 – Extension of Existing Managing Agent's Appointment
- 16 January 2023 – Ebury Estate Renewal – Delivery Strategy and Viability Position (joint decision with the Cabinet Member for Climate Action, Regeneration and Renters)
- 23 January 2023 – Church Street Procurement Strategy (joint decision with the Cabinet Member for Climate Action, Regeneration and Renters)
- 1 February 2023 – Writing off Irrecoverable Debt – Quarter 3 2022/23
- 8 February 2023 – Award of New Contract to External Agents to Manage the Investment Property Portfolio
- 9 February 2023 – Council Tax Support Fund 2023/24
- 13 February 2023 – The Appointment of a Planned Maintenance Contractor at Huguenot House
- 24 February 2023 – Residential Leasehold Buildings Insurance Renewal

2. **The following report includes my priorities and delivery progress to date:**

2.1 **Finance and Budget**

After intense work through the Autumn and over the winter, the council's proposed Budget for 2023/24 has been completed and presented to Cabinet at the meeting on 13 February. In accordance with precedent, scrutiny was undertaken by the Budget Task Group.

The cabinet member has reviewed the Integrated Investment Framework at a meeting of the Investment Executive.

LGA Finance Conference

To get an understanding of wider issues within local government finance, I attended the LGA Finance Conference with the Executive Director of Finance and Resources, Director of Finance held in January.

PDHU

Officers and members have been holding a series of meetings over the Pimlico District Heating Unit. A Strategic Outline Case for the PDHU was agreed in January 2023 to develop four viable options for the future of the network. This will aim to both decarbonise the PDHU (which is the Council's largest emitter of carbon) and improve the service provided to tenants. The current budget includes a £13m allowance to progress the business case for the scheme and to support emergency network upgrades.

Financial modelling has always shown that the PDHU will require substantial investment, in the region of £175-225m, but until the project is clear the actual cost cannot be stated and therefore is not yet built into Council's capital programme. The works and expenditure will likely be phased over several years and will funding will likely be from a mixture of Government grant, leaseholder contributions and Council funding.

Green bonds

Preparation for the launch of the Green Bonds is moving forward, with the launch date provisionally set for mid March.

2.2 Cost of Living

Support for Residents

Support for residents is currently delivered via the government's **second Household Support Fund scheme between** October 2022 - March 2023 is £1,951,507. The Council is on track to fully spend this in line with the agreed plan, with £711,065 scheduled to be spent helping at least 12,563 households - a breakdown is:

- £44,749 for food vouchers for 10,559 low-income families (families eligible for free school meals) for the holiday periods.

- £42,500 for food vouchers for 867 vulnerable families (not eligible for free school meals)
- £22,000 for food vouchers for 440 vulnerable single people such as care leavers / known to council services
- £77,226 for food vouchers for 417 low-income households receiving Housing Benefit only that did not benefit from the £650 paid to households by Government on certain means tested benefits
- £50,000 to food charities
- £69,481 allocated to 278 households through the Hardship Fund
- £8,109 in administration

The Household Support Fund scheme for April 2023 to March 2024 has been announced and a Cabinet Member Decision will be taken in due course.

Connectivity Cost of Living Support

The following support is available to households:

- Holistic Digital Inclusion Support Pilot – refurbished laptop, internet connection and digital skills support
- National Data Bank SIM Cards
- Community Fibre Free Fixed Broadband Connections

The total saving for residents for the whole package of support is £23,519.90.

Support for Businesses

The support for businesses during the pandemic through the various Business Support Grant schemes and pandemic related NNDR reliefs has now concluded, as has the support for residents through the Test & Trace payments and pandemic related Benefit changes. All of the above were administered by the Revenues & Benefits service. Businesses that continue to experience financial difficulty can apply for NNDR Hardship relief (applications are considered by the Rating Advisory Panel).

£49,000 of financial contributions have been leveraged over the Christmas period from local businesses to support local charities including the North Paddington

Foodbank, the School Uniform Bank and other local food projects including Food Pantries.

2.3 Revenues Collection

The collection of Business rates (NNDR) and Council Tax at all local authorities was severely affected during the two years of the pandemic, primarily due to the long periods where recovery of debts was prohibited.

Business Rates collection has significantly improved in 2022/23 compared with collection during the two years of the pandemic and it is likely to meet our in-year target of 95% at year end, although the collection is still likely to be below the pre-pandemic collection levels of 97.6%.

Council Tax collection has unfortunately not recovered after the pandemic, although this is primarily due to resources being diverted to administer the government's £150 Council Tax Rebate scheme (as outlined above) and the associated cessation of recovery during the scheme's administration. However, collection has started to improve now that the mandatory element of the government's scheme has completed and since recovery has been re-instated for current year debt. It is hoped that the Council can improve collection during the remainder of this financial year in order to achieve the in-year collection target of 93%, but again this will be below the pre-pandemic collection performance of around 96.7%

2.4 Procurement and Commercial Services

Responsible Procurement & Commissioning Strategy Endorsed by Cabinet

The council's Responsible Procurement & Commissioning (RPC) Strategy, aligned with our Fairer Westminster vision, was endorsed by Cabinet on 12 December 2022. This Strategy maps out how we can use the leverage and opportunity that our significant spend brings, to drive ethical and sustainable business practices throughout our supply chain and derive a range of benefits for our local community.

The RPC Strategy is accompanied by a suite of documents that will be used to support its delivery:

- Supplier Charter – setting responsible business requirements for the organisations we work with, as part of supplier selection;
- Ethical Procurement Policy – a set of requirements on aspects related to workers' rights that will now be integrated as a schedule within our standard terms and conditions;
- Westminster's first Modern Slavery Statement – setting out how we are tackling forced labour, steps we have taken so far to try and ensure that it forms no part

of our supply chains and a six-month action plan for continuous improvement in our approach to due diligence.

The 'Fairer Westminster Delivery Plan' comms is planned for March 2023. The aim is that the RPC Strategy launch flows from this, with a launch in April 2023, emphasising how Westminster City Council is planning to deliver a Fairer Westminster through our procurement and commissioning activities. Prior to this launch, a comms plan and toolkit to facilitate delivery of the strategy is now being developed, alongside training and guidance materials for the procurement team and stakeholders across all directorates, as well as suppliers.

Global Majority Business Engagement Event

On 14 November, we held an Ethnic Minority Business (EMB) engagement event with our peers in the Metropolitan Police and the City of London. The event was co-organised by Minority Supplier Development UK, who the council are now affiliated with to support our supplier diversification aims. The event saw 70 people from EMBs across London convene to hear about each organisations' upcoming plans to increase our direct and indirect expenditure with smaller, local businesses, social enterprises and minority-led businesses including EMBs.

This half day event targeted businesses from sectors where the market can be most readily penetrated by smaller suppliers including construction professional services, corporate services including design and marketing, facilities management including cleaning and security and the IT sectors. Participants were divided into break out groups where each host organisation ran through pipeline opportunities and EMBs pitched their businesses and capabilities. Representatives from relevant departments around the council came to support the Procurement and Commercial Services team and learn more about how EMBs can be effectively integrated into their service areas.

The event was an important first step in our journey to making progress on this key objective within the council's Responsible Procurement and Commissioning Strategy, but we recognise there is still far more to do to break down barriers and actively encourage diverse and local SME participation in our supply chains. This is a theme the whole Procurement team will be working collaboratively on over the coming months.

Living Wage accreditation renewed by the Living Wage Foundation

In July 2019 Westminster City Council Cabinet committed to ensure the Council adopts the Living Wage Standard, and in November 2019 we were officially recognised as a Living Wage accredited organisation. Our commitment to the Living

Wage then and now remains a core element of our approach to procurement within Westminster City Council. This has been clearly demonstrated by our recent reporting figures, where 100% of in-scope contracts over £100k awarded between October 2021 and September 2022 included Living Wage commitments.

2.5 Insourcing

Procurement, working closely with Cllr Ormsby, Deputy Cabinet Member for Procurement, have drawn up an Insourcing Framework. The framework proposes an organisational approach to support insourcing decisions which is consistently applied across the council.

This framework has been shared with ELT who are having discussions with their respective cabinet leads to identify possible projects to investigate the insourcing option and are continuing to refine the approach.

2.6 Corporate Property

Carbon net zero award

The Corporate Property Sustainability team have won the Energy Savings Award for the 'Public Sector Project of the Year' for their Carbon Management Programme. The team have been working on decarbonising the Property Operational Estate. The Carbon Management Programme funded by a £13m PSDS grant was completed on 30 June 2022 and is projected to deliver circa 1,600 tCo2e / 20% reduction in the Councils operational buildings baseline emission. The funding has produced carbon savings across a range of 61 operational buildings including Council offices, leisure centres, libraries, schools, community centres and nurseries. We have installed a wide variety of energy conservation measures such as pipework insulation, BEMS optimisation, draught proofing, EC fan replacements, Heat Pumps, Solar PV and LED lighting upgrades, delivered through 135 projects.

The Phase 3b submission for funding from Salix/BEIS

We are awaiting a decision from Salix Finance on our latest grant bid of £3.8m. A decision is expected by the end of January 2023. The project team have developed a phase 2 programme of works building on the success of the phase 1 which would deliver a further reduction of over 580 tCO2e.

Seymour Centre

Regular swimmers at the Seymour Centre have been raising concern at the initial proposal to reduce the size of pool as part of the refurbishment. After much

consideration and further analysis of the plans, we have instructed the team to keep the existing main pool to the same dimensions. The pool will be re-lined and refurbished and will have deck level access to ensure that as many people as possible can use it.

This change will impact upon the previously proposed spectator seating and some changes will be required to the changing room space. However, the changing rooms will be completely refurbished and will remain a separate male/female facility with the retention of a family changing area.

Property Investment Panel reorganisation

A minor change to the role of the Property Investment Panel and its expert advisers has been agreed.

2.7 Digital and Innovation

Contact Centre

Since the corporate contact centre moved in-house, the improved performance has continued. In December, over 92% of calls were answered, above the 90% target, and 79,5% of calls were answered within 30 seconds, above the 70% target.

The service has worked with the Economy team to recruit six residents as Customer Service Advisors, and ongoing training is provided to all CSAs. Post-call surveys are offered, and responses that do not meet target are within a percentage point of the target. Performance in this measure is stable, although there has been marked improvement in customers feeling their query has been resolved since the service was moved in-house.

The out of hours contract continues to be operated by Agilisys. Performance has been stable until December, where a number of issues led to a surge in demand for the contact centre. On 17/18 December a burst water main affecting six postcodes resulted in three times as many calls as normal to the contact centre on those days, but performance was otherwise good.

Report-It

The Report-It survey resulted in 401 responses from a broad range of respondents. The survey was promoted on social media, which helped to increase responses from younger people. The results were as expected, with residents' top concerns being around waste, noise and highways.

Of the respondents who had used Report-It, only 29% were satisfied with the outcome, and the vast majority expressed problems using Report-It, most commonly difficulty in using it, or not receiving a reply.

The results of the survey, and other elements of the Discovery work, will be used to develop the plans for Report-It. Playback sessions for respondents have been arranged for early March, and dedicated playback sessions for Members are planned.

Officers are planning how to deliver the proposed changes in terms of technology, processes and people, and next steps will be shared in due course. A webpage is being developed to update members of the public on progress, and a summarised discovery report will be published on this webpage in the coming weeks.

Free School Meals – Digital Portal

Families are still encouraged to apply for free school meals even if their child receives universal free school meals at primary school. The Digital team has been developing the digital offer to improve the user experience of applying for FSM, such as streamlining the application process, receiving results sooner and reducing the need for additional information to be provided.

2.8 Council Reform

Council Meetings

Discussions about how to enable greater and more flexible public participation in council meetings, and making them more responsive to community concern, have continued to progress. The Governance and Councillor Liaison team, and the legal team who oversee the constitution including Standing Orders for council meetings, have met to exchange ideas and proposals, and weigh up the practical implications.

Our Voice – Staff Survey

The results of the staff survey have been analysed, with feedback across all directorates improving, and the high levels of engagement we saw over the pandemic having been maintained. The average response rate across the council was 70%, and directorates are analysing any areas of concern and developing plans to address them.

Electoral Services – Voter ID

All elections held after 4 May 2023 will require people to present photographic identification to vote in person. I have met with Electoral Services to discuss their plans to communicate this change with residents, both in advance of the next scheduled elections in May 2024, and any elections that happen before then. Electoral Services will work with Communications over the coming months on this.

Audit issues

I have had a meeting with the council's external auditors Grant Thornton to discuss the Value For Money audit for financial year 2021-22.

The recruitment of an independent member to serve on the Audit and Performance Committee has been successful with a strong candidate being selected. He met (in an online meeting) the chair of the committee, the opposition spokesperson and myself, at the beginning of February and will be formally appointed imminently.

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City of Westminster

**Finance, Planning and Economic
Development Policy and Scrutiny Committee**

Date: 09 March 2023

Portfolio: Planning and Economic Development

The Report of: Councillor Geoff Barraclough

**Report Author and Contact
Details:** Maria Burton, Portfolio Advisor,
mburton@westminster.gov.uk

- 1. The following key decisions have been made in the period since my last Policy & Scrutiny report dated 08 November 2022:**
 - 02 November 2022 – Oxford Street Programme
 - 25 November 2022 - Confirmation of Westminster's Non-Immediate Article 4 Direction for change of use from Class E (commercial, business and service uses) to Class C3 (dwellinghouses) outside of the Central Activities Zone (CAZ)
 - 08 February 2023 – Westminster Design Review Panel
- 2. The following report includes my priorities and delivery progress to date of the new administration.**

Economy

2.1 Business Improvement Districts (BIDs)

BIDs play an important role in the borough's economic geography and are increasingly supporting community programmes. It is vital that the City Council creates the right forums for ongoing engagement and partnership working with BIDs. In consultation with BID CEOs, we have initiated a regular schedule of bi-annual Cabinet Member & BID CEO one-to-one meetings, and Cabinet Member and BID CEO quarterly Roundtable Meetings to discuss opportunities / issues of wider interest across the BIDs. We began quarterly WCC Senior Officer and BID Forums in January 2023 to create space and time for BIDs to raise and discuss detailed operational related matters with senior officers.

Paddington Now BID won its ballot on 11 November with 89.86% in favour by number of votes cast and 94.33% by aggregate rateable value of each hereditament.

Baker Street Quarter Partnership BID won its renewal and alteration ballot on 25 November with 98.73% in favour by number of votes cast and 99.11% by aggregate rateable value of each hereditament.

Two more ballots are scheduled to take place this financial year. West Fitzrovia is a new BID proposal that will border with the existing Fitzrovia Partnership BID in Camden, and the ballot will take place on 20 June 2023. The second set of ballots is for a new BID proposal to

include the St. James's area bordering the existing HOLBA BID. This will require both a property owner and occupier ballot and is planned for 25 and 26 September 2023. Cabinet Member reports will be sent on these two new BID proposals in February and May 2023 respectively.

2.2 Cost of Living Campaign with Businesses

Thanks to local businesses for making £49,000 of financial contributions over the Christmas period to support local charities including the North Paddington Foodbank, the School Uniform Bank and other local food projects including Food Pantries.

We have received £1.3m S106 contributions from developers totalling in the last quarter to support the Westminster Employment Service and our cost-of-living efforts to provide low income and unemployed residents with London Living Wage employment.

2.3 Westminster Investment Service

[Nothing](#) a London-based tech brand opened their first and flagship UK store in Soho December 2022. Nothing was supported by London and Partners' West End Future Occupiers Programme and the Westminster Investment Service, who first met the brand in October 2021.

Westminster welcomed a trade delegation of 16 international retail and hospitality brands in October 2022 following which, a Malaysian Restaurant that was part of the mission has confirmed their first site in UK, in Paddington and set to open in early 2023. The mission was organised by London & Partners supported by landowners and BIDs.

London & Partners is planning its next inbound mission for April 2023, hosting a group of international brands actively looking to expand into the capital. London & Partners is aiming for a good mix of retail, hospitality and experiential across target markets of US, Canada, Japan, South Korea, Singapore, Malaysia and Indonesia. London & Partners also travelled to the US, Tokyo and Seoul during January and February 2023 to proactively recruit brands for the West End Future Occupiers Programme.

2.4 West End Pop-ups & Meanwhile Activations Programme

We are developing activation concepts and financial models for Phase 3 of the Pop-up and Meanwhile Uses Programme including a draft strategy developed with the New West End Company BID area aligning to its brand pillars. We are currently in discussion with property owners on a couple of units. We have completed the procurement for a space operator contract for Phase 3. The standstill period has now come to an end and we are at a point where we can progress the award of contract.

Phase 2 activations have now come to an end with the exception of The Good Store. To date, the programme has fully activated 12 void units in the West End, supporting over 43 brands, emerging artist, social enterprises, and start-ups. In October last year, the programme won the Federation of Small Businesses (FSB) Local Government Regional Category Award for Best Programme of Business Support for Small Businesses.

2.5 Enterprise Space

The Rebel Business School launched on 29 November and marked the transformation of the previously vacant council property at 470 Harrow Road into a new 2,000 sq. ft. community enterprise space and business school with Rebel having taken on the first 5-year lease. Rebel will be running regular start-up and growth courses offering free business training to new start-ups, young people and local entrepreneurs. In addition, they will be offering free ongoing support for 60 local residents per year to turn ideas into successful business ventures, which will include co-working spaces, networking events, live Q&A events and mentoring programmes. Rebel ran their first course in the building in January. It was an open course over 2 weeks available to anyone but targeted to Westminster residents who want to start or grow their business.

2.6 Employment

Westminster Employment Service

We organised a job fair at the Lords in November with 47 employers attending generating 76 new registrations from residents for support and interview and job starts for attendees.

Other significant recruitment activity includes supporting 22 residents into apprenticeships at the Council and ongoing support to the Peninsula Hotel and Waitrose. A job fair with Council suppliers is planned in February.

Westminster Works update

Since the launch of the project in November, the Step Ahead team delivering Westminster Works has focussed on recruiting people to the programme. Candidate engagement continues to be effective and over 2,800 people have registered as of December. 40 have started jobs (and stayed more than 2 months) but we anticipate a significant increase in starts from March 2023. The project team is anticipating that the programme target of 2,200 vacancies filled by 31 March 2024 will be delivered and we will closely monitor actuals against forecasts each month.

2.7 Markets

In close partnership with external stakeholder the LCCA, the Markets Team hosted three Night Markets at Newport Place, Soho, in the heart of Chinatown from 16-18 January 2023. The rationale behind the event was to provide a localised celebration for the Chinese Community, ahead of the main celebrations in Trafalgar Square.

Place-shaping

2.8 High Streets

North Paddington Programme

As outlined in the Fairer Westminster Strategy, Westminster City Council has a clear agenda to deliver a more equitable borough. The North Paddington Programme was formally approved by Cabinet on 13 February 2023. This place-based delivery programme will be piloted in the North-West of the borough (including the wards Harrow Road, Queens Park and Westbourne), where there are some of the highest levels of deprivation in Westminster;

with lower levels of income, health, and higher levels of unemployment, than elsewhere in the City.

The Programme will start with the newly created North Paddington Partnership Board, made up of a diverse and influential group of local stakeholders from a range of sectors, with a strong connections to the area. The Board will be critical to supporting the development of vision, design, and priorities for the North Paddington Programme. In this first instance the ambition is to finalise the programme's vision with the Partnerships inputs. Alongside this, forums such as the North Paddington Officer Steering group have assembled, to improve internal working and collaboration.

Embedded in the Programme is a new structure for working, which ensures community engagement and collaboration informs decision making. Under the Programme, projects such as the Maida Hill Market redevelopment will be supported and co-ordinated by the North Paddington team, demonstrating a new way of working, and delivering community engagement, to improve outcomes for our communities.

Strand Aldwych

Strand Aldwych was successfully launched on 6 December 2022, at an opening ceremony with the Leader and Lord Mayor. The event was well supported by local stakeholders, including Kings College, and marks the creation of over 7000m² new public open space in central London. The scheme has removed a polluted 4-lane gyratory and introduced two-way traffic movement around Aldwych with no traffic displacement, better safety with new and improved junctions, significant additional green infrastructure and a management model to support a curated programme of activity, bringing content from the cultural, educational and creative institutions in the area into the public domain.

Harrow Road/North Paddington

The administration offered increased budget for these three projects which were previously failing to deliver the anticipated outcomes.

Following an internal ambition review officers are progressing the three Good Growth Fund projects in the Harrow Road Area – Maida Hill Market, Westbourne Green Open Space and Harrow Road Open Space. Working Group meetings are taking place with community members that have been involved with the projects since the beginning, to discuss the enhanced proposals for each of the three sites. The Place Shaping team will next be working closely with colleagues in the Communities department to carry out wider reaching engagement with local people to ensure the proposals are reflective of local need and ambition.

Beyond this work is under way to develop other priorities identified in the Place Plan including those related to the High Street, Canalside and healthy neighbourhoods.

2.9 West End and Central Activities Zone

Soho

Officers have developed a draft Soho Monitoring Study brief which has been shared with the Soho Community Advisory Group (a group of Soho stakeholders comprising residents and business assembled with assistance from Lead Member for Soho) for comment. Once we have received comments, officers will continue working with Ward Councillors to progress plans to monitor traffic / movement, noise, and air quality in Soho.

Covent Garden

We have published the Covent Garden Public Realm Framework. This document presents a vision and key design principles to protect and improve the public realm, bringing together shared ambitions from Westminster City Council and key stakeholders for the future of Covent Garden.

The document is not a commitment that the Council will provide the measures laid out in the document. Specific projects will be subject to individual detailed design processes as and when appropriate. It will be reviewed and updated every two years alongside our stakeholders and partners.

Westminster City Council and the London Borough of Camden are working together to deliver a Neighbourhood Traffic Management scheme in Covent Garden through an 18 month trial. At the end of the trial, both councils will review the comments and data collected and take a decision on whether the scheme will become permanent.

Oxford Street

We have refined the Oxford Street programme to focus on the delivery of Oxford Street itself from Marble Arch through to Tottenham Court Road with completion targeted for Spring 2026. The project is progressing with the commissioning of the first stage of design and the indicative cost of the scheme both of which are due to be completed in Spring 2023.

The design will make Oxford Street a great place to live, work and visit through a creation of high quality and attractive enhanced public realm. This endeavour is supported by revised governance, updated traffic surveys and modelling, a new engagement strategy, project specific engagement plans, and a revised business case for the programme. Engagement activity has begun, to fully understand what our communities and visitors would like to see for the future of Oxford Street, and these events will continue in the coming months to ensure that everybody has an opportunity to participate in the future of the London's High Street..

Town Planning and Planning Policy

2.10 City Plan Review

Consultation on the first formal stage of consultation (known as Regulation 18 consultation) on our proposed partial review of the City Plan closed on 18 November 2022. In order to better align the City Plan with the Fairer Westminster Strategy, the consultation sets out our intentions to amend policies on affordable housing to secure more genuinely affordable housing, and introduce a stronger preference for the retrofit of existing buildings rather than demolition and redevelopment. It also sets out the intention to incorporate Site Allocations that provide site specific guidance on how key sites should be developed into the City Plan, rather than addressing through a separate standalone document as previously planned.

We received 47 separate responses to the consultation - a similar amount to that received at Regulation 18 of the existing City Plan. Responses came from a wide cross-section of organisations including individual residents, resident groups e.g. neighbourhood forums, statutory consultees, charities/campaign groups, developers/ landowners and businesses/BIDs. Feedback has been largely supportive of the council's broad ambitions in relation to affordable housing, retrofit and refurbishment, and site allocations, whilst also raising some important points to consider as policies are drafted and supporting evidence prepared. These include:

- concerns over the potential impacts on development viability of any changes to affordable housing policies (both in terms of tenure mix, and seeking provision from schemes delivering less than 10 homes);
- that the continued provision of intermediate housing for key workers and those supporting the Westminster economy will remain important;
- that any retrofit policy should be 'retrofit first' and not 'retrofit only' and make clear where demolition and rebuild can be supported;
- that any retrofit policy needs to work for both modern and historic developments, and not have negative impacts on Westminster's high-quality townscape and heritage value; and
- Submitting information on sites that landowners and developers think merit inclusion as a Site Allocation.

Now initial consultation feedback has been analysed, officers are now scoping what evidence is needed and starting to draft policies and review potential site allocations.

We are planning ongoing engagement with stakeholders throughout this process to build consensus for the new policies and any site allocations before formal (Regulation 19) consultation on a final draft plan. Regulation 19 consultation is scheduled to happen towards the end of the year and will be a final opportunity to comment before the plan is submitted to the Planning Inspectorate for independent examination in 2024.

2.11 Supplementary Planning Documents (SPDs)

Public Realm SPD

The Public Realm SPD will replace and consolidate the outdated 2011 'Westminster Way' SPD and other old Supplementary Planning Guidance (SPGs) to set out technical guidance on the council's approach to making, changing, and managing the public realm. It will help ensure consistency in the design, delivery and maintenance of such spaces in a manner that ensures places are welcoming, healthy, and safe for all users, and make a positive contribution towards the climate emergency.

A draft document is in production and officers are preparing a period of targeted informal engagement with key external stakeholders to further inform this. It will include engagement with Neighbourhood Forums, Amenity Societies, Accessibility groups and the BIDs, to better understand their current experience and aspirations for the public realm in Westminster, or views on the existing guidance to be replaced. Statutory six week consultation on the draft SPD is then anticipated to take place in the Spring.

Planning Obligations and Affordable Housing SPD

The Planning Obligations and Affordable Housing SPD plays a vital role in providing clarity on when planning obligations such as s106 agreements will be sought to make development acceptable, and how financial contributions are to be calculated – such as for payments towards off site affordable housing, employment and skills programmes, and carbon-offsetting.

Under the previous administration a Draft of the SPD was consulted on in March 2022. It has subsequently been redrafted, both in response to issues raised during consultation, and to better reflect our ambitions for securing genuinely affordable housing – particularly to ensure intermediate housing better caters for key workers and those on average incomes.

A viability assessment is also being commissioned to ensure the cumulative impact of the asks in the document do not undermine development viability – which was one of the key concerns raised by the development industry on the previous iteration of the document. Once this is complete, a further six week consultation period on the redrafted SPD and its supporting evidence will be carried out – currently anticipated for the Spring.

2.12 Statement of Community Involvement

Local Planning Authorities are required to review their SCIs every five years to reflect changes to engagement and to respond to changes in policy. As our adopted SCI was published in 2014 an update is overdue. Since it was adopted, not only has the council's planning policies have evolved (notably, with the new Westminster City Plan being adopted in 2021), but also new technologies have emerged, and we have learnt new ways of working with our communities particularly from the pandemic and through experiences such as Westminster Connects. An update to the SCI helps ensure we can meet our statutory duties and improve the way we engage with our communities in a meaningful and proportionate way, in line with the commitments made in the Fairer Westminster Strategy.

We launched public consultation on a draft document at the end of January for a period of six weeks. Feedback received through this consultation will then be used to inform any revisions before it is formally adopted.

2.13 Design Review Panel

Officers in Town Planning have begun work to establish a Design Review Panel for Westminster. The panel will be a multidisciplinary group of experts (including architects, place-making, sustainability and planning professionals). Design Review Panels act in an independent advisory capacity providing constructive review of development and public realm proposals and projects from a design perspective, usually at pre-application stage.

Design review is a requirement in national and London Plan policy and the Design Review Panel will provide an independent voice to promote design excellence, providing access to a wide, expert skill-set to ensure innovative and sustainable design solutions in new development which will help deliver on wider Fairer Westminster objectives. The cost of the design review panel will be borne by the applicants.

Detailed working arrangements are being finalised by officers and a recruitment process for panel members has been initiated, with a view to having a panel in place by late Spring/early Summer.

2.14 World Heritage Site

The Westminster World Heritage Site Steering Group, which is chaired by Westminster City Council, met in November 2022 for the first in person meeting since the pandemic. At this meeting there were updates on projects affecting the site from key stakeholders including the Palace of Westminster (Parliamentary Estates), Restoration and Renewal Delivery Authority, Westminster Abbey and the Greater London Authority.

Following this meeting a 'State of Conservation Report' was prepared and submitted to UNESCO (the United Nations Educational, Scientific and Cultural Organisation) which provides details of work being undertaken by the various stakeholders on the steering group to address recommendations previously made in relation to improving the Site's protection

and management. This will be considered by the World Heritage Committee in Summer 2023. A key element of work to improve protection of the site is production of a revised World Heritage Site Management Plan, which is being led by the council and will sets out a framework for effective management of the site. Officers are currently working on a draft of this document and a further steering group is due to be held in the Spring where progress on the draft will be considered before it is finalised for public consultation.

Smart City

2.15 Small Cell Concession

Westminster already has extensive 3G coverage but due to increasing demands on the network connectivity can be very slow and based on both anecdotal and tangible evidence is having an increasing impact on residents, businesses and visitors. Increased 4G and 5G coverage can be achieved through the deployment of Small Cells.

In 2017 the Council ran an open tender process to establish a concessionaire for street assets in relation to the deployment of small cell technologies (4G, 5G and Wi-Fi). Ontix were successful in securing the contract, and this has now been operating since June 2018. In this time, they have built 120 small cells and deployed 114 wi-fi access points.

2.16 Connect Westminster

The Connect Westminster Business voucher scheme was launched in August 2017 with a funding pot of £2m. Businesses with a connection speed of less than 30Mbps are eligible for a grant of £2,000 to upgrade to a gigabit capable connection. Vouchers have made large areas of the borough commercially viable for broadband providers to invest, accelerating their rollout plans. There has been a significant improvement in broadband speeds for voucher recipients with a 2,000% average increase in download speeds and a 9,900% increase in upload speeds.

Delivery to date

Total vouchers paid: 864 (68 awaiting connection and payment)

Funding distributed to SMEs: £1.73m

Active providers: 40

We have secured £300k additional ERDF funding to connect an additional 100 businesses and we are seeking an extension to deliver the scheme until the end of June 2023. To ensure ongoing delivery of vouchers within Westminster we are looking to bid for UKSPF funding to deliver a voucher scheme across Westminster and London.

2.17 Smart City Operating System – Air Quality (AQ) Platform

Following the development of our base AQ platform we are currently undertaking internal testing of reporting dashboards, before making the necessary changes to allow selected third party users to review the dashboards and provide further feedback in late February/March. Alongside this we are developing an export file and API for third parties to directly access all AQ data we are able to share. Once tested internally this too will be made available for external review.

2.18 Digital Inclusion

Working with the telecoms suppliers, we have been able to provide a digital cost of living support package worth over £23,500 to help over 150 households initially, with scope to

increase further. We have been able to provide devices and internet connections to residents as part of the cost of living support package.

Skills and confidence

Officers in Smart City carried piloted a scheme with the Housing Support team to test digital inclusion triage. Over 300 residents were referred and triaged over three months. Over 70 Community Fibre Digital Ambassador sessions held across three libraries, with over 250 appointments booked by residents

We have established a Digital Skills for Employment working group to close the digital skills gap through partnership working and effective referrals. Over 250 people attended 16 events during Get Online Week in November, working with partners cross the sector.

We delivered five courses each lasting 10 days for businesses in Westminster with 175 businesses attending. These offer drop-in style sessions covering creating a website, social media use and marketing, networking, legal requirements and more. 13 street market traders have attended training covering use of contactless devices, SEO, reaching new customers and more.

Working with NHS partners, we launched a pilot to test the Omron Hypertension app and dashboard to help patients and GPs to reduce the need for appointments and increase independence in monitoring. A social prescription model for digital inclusion is being developed, with partners including Housing, Public Health, Adult Social Care, Open Age, Libraries and more.

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Finance, Planning & Economic Development Policy and Scrutiny Committee

Date:	9 th March 2023
Classification:	General Release
Title:	Oxford Street District Programme Report
Report of:	Stuart Love, Chief Executive
Cabinet Member Portfolio	Geoff Barraclough – Cabinet Member for Planning and Economic Development
Wards Involved:	All / West End
Policy Context:	Fairer Westminster – good governance of the council
Report Author and Contact Details:	Mike Cooke, Independent Reviewer Contact through Francis Dwan, Policy and Scrutiny Advisor fdwan@westminster.gov.uk

1. Executive Summary

In October 2022, the Chief Executive commissioned an independent, external produced review into the Oxford Street District Programme. The review was asked to focus on the following four key areas:

- The process and governance in place as well as to make recommendations on any changes or improvements that could be made for the future
- Review the spend on the project to date and the outputs achieved.
- Assist in recommending any lessons to be learnt, including for existing and future projects.
- In considering the lessons to be learnt from the Oxford Street District programme, consider whether the reforms undertaken following the Marble Arch Mound review are sufficient and robust enough.

Additionally, it was specified that upon release the report could be considered by the relevant Scrutiny Committee of the Council. The review has now concluded and is the only appendix to this short covering report.

Appendix 1 - Independent Review of Westminster City Council's Oxford St District Programme

Independent Review of Westminster City Council's Oxford St District Programme

Author: Mike Cooke, Independent Reviewer

February 2023

Section 1: Introduction

Purpose

The purpose of this report is to summarise the main findings of the independent review which was commissioned by the Chief Executive in the summer of 2022 to consider whether there are any lessons for the council that can be learnt from the last few years of its programme of work to develop the Oxford St district, particularly regarding its programme governance and programme processes. The primary intention behind the review was to assist the organisation to continue to learn and improve.

Background

It is my understanding that part of the background to the review being commissioned is that there has been some concern and indeed disappointment about the progress and costs associated with the Oxford St District Programme over the last few years, at least until around the May 2022 period. Therefore, the terms of reference for the review specifically asked for the following to be considered:

- The process and governance in place for the procurement and letting of the MCJV contract with a view to establishing whether the proper processes and governance were followed, as well as to make recommendations on any changes or improvements that could be made for the future
- The spend on the project to date (from the point of the main contract being awarded) and the outputs achieved.
- Given the significant spend and limited progress on the project to date, assist in establishing the cause of this and recommending any lessons to be learnt on both the letting of Council contracts and governance for existing and future projects.
- In considering the lessons to be learnt from the Oxford Street District programme, consider whether the reforms undertaken following the Marble Arch Mound review are sufficient and robust enough.

I address these points in this report by first looking back to the time of the scoping and letting of the contract and considering the lessons from that period (section 2); I then consider the lessons from the years 2020 - May 2022 (section 3) before commenting on the current programme governance (section 4); I then comment on the project spending to date (section 5); and conclude with a summary of main themes and recommendations.

I have conducted this review by interviewing a number of Councillors and officers as well as reviewing past reports. I was impressed with the calibre of the people I have met. They all showed an impressive commitment to Westminster City Council and its ambitions. They

were keen to embrace the challenge of learning from this review in an open way and were keen to contribute to help make this review possible and hopefully beneficial.

Putting things into context

There are a number of important 'health warnings' to set out at the start of this report. The first of these is that looking at events and decisions after they have taken place, especially after the passage of years, is not the same as living through these events and being able to spot issues as they emerge and then adapt and learn in the moment. In that sense, hindsight is a privilege that comes with the benefit of time and distance. It is very important therefore that we use such hindsight as an opportunity to both learn and to commit to applying that learning to current and future situations, rather than thinking of it as criticism of the past.

The next caveat is that an independent reviewer inevitably will miss some of the nuance and detail of what took place in the past. There is a risk that this means some of the reasons why things were done as they were are not fully understood; however, the aim in inviting an independent person to undertake such a review is to help bring a clear focus on the key strategic points and lessons.

When looking back with the expectation that there may be matters to be learned, there is a risk that we under emphasise where strong and significant progress has in fact been made. The reader is asked to bear the importance of balance in mind and the fact that the council has overseen a range of developments including important temporary works to parts of Oxford St.

At the outset I want to stress that the council has already refreshed its governance and approach to the Oxford St Programme and during the last nine months has placed a considerable amount of emphasis on bringing about change: it appears to be in a significantly different place in terms of process and governance.

Section 2: Looking Back - the letting of the contract

The council has for many years been committed to the development of Oxford Street and its environs in order to "create a long term and ambitious vision for the whole of the district that will strengthen its world - renowned status as a great place to live, work and visit" (Feb 2019). There has been a continuous and important recognition of the critical roles that the Oxford St district can play in the economic development of London as well as in the lives of residents, visitors and also to the success of businesses.

At the same time proposals for the development of the Oxford St district have over many years been contentious. They are challenging to develop because of the complexity of the environment and the work itself, as well as the large number of partner organisations whose work directly affects Oxford St decisions.

In October 2018 the council agreed a draft Place Strategy and Delivery Plan for the Oxford St District. To its credit the council undertook extensive consultations about this place-based approach and refined its plans in response to the feedback it received. It was clear from this, amongst other comments, that there was support for a district wide approach, for a reduction

in traffic and for initiatives that would improve air quality and 'green' the district. However, it was also clear from the feedback that the public thought that there was a lack of detail, and more details were requested.

The council's officers at the time described the Plan as "complex", "multifaceted", "radical" and "ambitious" that would result in 97 projects. In April 2019, the Council then approved the allocation of £150m as the council's contribution to the funding required to deliver the ambitions and delivery plans.

At the same time as the above place shaping plans were being developed, a Cabinet Member decision was taken, based on the recommendation from officers, to commence the procurement of a 'design and build services' contract (in essence a contract where responsibility for both designing and building the project is handed to a contractor) to deliver the Oxford St district projects. The report submitted to Cabinet Members in very summary form describe that there were two other options that the procurement strategy could take. In my opinion, the officers that were responsible for this report did not present a sufficiently comprehensive or detailed options analysis of the range of procurement strategy options.

I find it surprising that a significant procurement exercise for such a complex and ambitious project was begun before the consultation on the draft plans had finished and before the plans had been approved by Cabinet. It is clear from budgetary allocations already made that it was highly likely that the funding for the programme would be confirmed. But there was at this stage, arguably, insufficient detail on which to base a procurement. We certainly know from the public consultation that residents thought that some detail was lacking. By the time the procurement process was underway there was no agreement on the final packages of work to be undertaken. It is therefore likely that there was uncertainty within the market for this contract.

Following an almost 12-month procurement exercise, in October 2019 the contract was awarded as a design and build contract to the current joint venture partnership contractor, with final contract details resulting in the contract taking effect from early 2020.

To be clear, there were proper processes and governance followed in the letting of this contract, with clear member level decision making against the background of a Cabinet approved business case.

Looking back, there are lessons to be drawn from the procurement process, however. It appears that in 2018 at the time of setting the procurement strategy, the officers responsible for advising members directly at that time, believed that a design and build approach would be best; indeed, it seems as if they were wedded to this approach. However, there were in fact strong arguments for different contractual arrangements. At the very least Members should have had the benefit of a more comprehensive options appraisal.

The contract that was agreed did ensure that the council had some safeguards. In particular the contract ensures that the council must give its approval to all specific work packages. Whilst this approach to risk management is understandable for the council, it is likely to have slowed down the process of design flowing through to delivery and it also likely to have built in additional, non-specifiable overhead costs.

One of the advantages of a design and build contracts is that the client can hand over responsibility for a full supply chain rather than have to manage those interface risks itself. In this instance, given the amount of complex, cross partnership interfaces, there is an argument to be made for saying that the council had the necessary expertise and capability in managing such interfaces as well as the wider communications and engagement that this complex package of works would require.

The significance of this is partly that the council and indeed MCJV partner have been required to work with what appears to be a high complex and intricate contract, in which not everything was clear to begin with, and which has taken some time to ensure is working to best effect for all the parties. It is very possible that this has had an impact, either directly or indirectly, on the ability of the partnership to deliver on the programme of works in the way that people had hoped.

In addition, there are some important lessons for the council from what took place surrounding the procurement process. There appears to have been a sense of urgency about beginning the original procurement process, hence starting it before the place shaping plans had been approved. The adage of more haste and less speed comes to mind: sometimes taking time to carefully consider and plan can indeed bring about both improved decisions and in fact also reduce the overall time on programmes.

Furthermore, bearing in mind my comments about the perceived lack of comprehensive option appraisal about the procurement options, the organisation is advised to ensure appropriate “check and challenge” measures at key points. By “check and challenge” I mean an objective re-appraisal of key facts accompanied by a mindset that, if needs be, it is acceptable to change course. The process for such “check and challenge” can be adapted to fit the circumstances, including full scale “gateway reviews” for large, high cost and high-risk programmes or simply Executive Leadership Team challenge discussions. By the nature of the role, the Executive Director of Finances and Resources has a particularly important role to play in this regard given the post’s role as being the Council’s primary adviser on all financial matters (clearly the post holder can also exercise this through their team).

Such approaches are dependent on a culture of shared corporate responsibility for the success of major programmes, where there is a ‘duty to speak up’ when colleagues have concerns about how programmes and initiatives are developing or progressing.

Section 3: Looking Back - the 2020-22 period

Almost as soon as the contract to deliver the Oxford St District Programme was signed, the Covid 19 pandemic took hold and very soon the country was moved into a “lockdown”. All organisations including councils found ways of responding to such a challenging operating environment, notably by the widespread implementation of remote working. Previously, this remote working was often part of how organisations operated but the scale of it was very new. Clearly it allowed organisations to continue to function and brought many benefits, but over time we also learned that remote working was not a full substitute for in-person team working.

So, when we consider the progress of the council's Oxford St programme, we should bear in mind this background and also how complex and difficult it was to get things done in this environment. In addition, key officers from the council's Executive Leadership Team were playing major roles in both ensuring the council's critical services were able to function and also in contributing to the pandemic management across London including with health partners. Clearly at that time there was uncertainty about how long the pandemic would persist and whether there would be more "lockdowns", so it was very difficult to plan ahead. However, looking back it appears that the council could have taken rapid stock of its Oxford St District Programme and decided to scale back and alter its timescales until a later point in the pandemic. This might have involved negotiating with MCJV a reduction in the programme running costs associated with any hiatus that was agreed.

Looking ahead we very much hope that there will never be such a national pandemic again, but in general terms there is a principle that can be applied to other scenarios, namely that reviewing, scanning the operating environment and deciding to alter course as a result of the new facts or the new analysis is not only a valid approach, it can be a recommended one. As it was, the programme continued in this very challenging environment as did the contractual operating costs to the contractor.

A further feature of 2020 was the fact that there were changes in personnel at the top of the officer organisation including the appointment of the Executive Director - Growth, Planning and Housing in July and the appointment of a new Oxford St Programme Director in October 2020. These new appointees need to be inducted into the council within the context of the pandemic and more remote working, described above, and it is likely that this period of officer leadership transition was a factor in the progress of the programme.

As has been well documented elsewhere, during 2021 the council decided to plan the opening of a visitor attraction at Marble Arch which became known as the Marble Arch Mound. The background to the Mound is out of scope of this review but it is important to highlight that as plans for the Marble Arch Mound were being developed from early in 2021, there were indirect effects on the wider Oxford St programme of work. The concerns that have subsequently come to light about what took place regarding the Mound at that time, are likely to have been a factor in also explaining the lack of progress on the work of the wider Oxford St District Programme.

Having interviewed a number of the Oxford St District Programme team of the time, it is clear that the council's own resource was moved from the wider programme in order to concentrate on first progressing the proposals for the Mound visitor attraction and then to deal with the well documented issues associated with it, that arose. This had a direct effect on the council's ability to progress wider works within the overall programme.

The staff involved were technically and professionally very experienced. They had been concerned about the analysis and detail behind the Mound proposals and apparently had advised the then Programme Director against the proposal. It now also seems that during that time the senior officer or officers with day-to-day responsibilities for the Oxford St District Programme failed to report comprehensively and accurately on the progress of the wider

Oxford St District programme which meant that the Executive Leadership Team were not aware of the scale of the lack of progress and the need for intervention.

The Oxford St programme staff are of the view that the programme governance arrangements at the time were very light touch; they pointed out that they were only rarely involved, with most of the reporting being undertaken by the Programme Director directly. They suggested to me that this was also a contributing factor in the relative lack of progress because there were fewer opportunities for full programme review than there should have been.

It follows that there are a number of lessons to be drawn from this:

- programme reporting needs to be clearly set out and agreed within a clear programme governance framework; but equally important is the need to ensure the arrangements are adhered to consistently and persistently.
- In reviewing programme progress, we can draw a distinction between “reassurance” and “assurance”. In programme terms the difference can be explained as being “Assurance is based on information, evidence and triangulation. Reassurance is based on opinion, professional expertise and trust.” Seeking assurance from close colleagues can be difficult because the seeking of evidence and the process of triangulation can appear to be challenging their professional expertise. The mindset that is required is one of everyone working to improve the programme of work with the process of assurance being an important and supportive contribution to that.
- It is critical for senior leaders to actively seek out the views of the staff undertaking the work, to listen to them and involve them in reviewing and improving the programme.
- A not unreasonable assumption is that during 2021 there were a number of senior officers within the council that had concerns about developments within and progress of the Oxford St programme. I therefore stress that it is vital to work to ensure there is a working environment where officers have a sense of duty to speak up whilst at the same time the Executive Leadership Team set the climate that is conducive to this by welcoming people speaking up and then acting on what is said.

Section 4: The current programme arrangements

The Chief Executive decided to change the officer leadership of the programme in May 2022 and in doing so he was following the principle that from time to time a change in the leadership of an area of work can bring a refreshed approach. He asked the deputy Chief Executive and bi Borough Executive Director for Adult Social Care to take on responsibility for the programme, bearing in mind that Executive Directors in most councils have corporate responsibilities and, in many cases, lead areas that do not fit within the professional and technical area they are responsible for. In other words, such a move was in keeping with practice in many councils.

This change to the programme coincided with a change in the political administration of the council last May and so clearly there needed to be a period of time for officers who were new to the programme to develop working arrangements with and support members who were new to the Cabinet.

Based on the information I have; the overall programme refresh appears to have developed strongly during 2022 and the programme arrangements and governance seem appropriate. I have been particularly impressed with the following:

- there has been a strong internal self-assessment of the programme and a clear willingness to apply the lessons from other programmes.
- The revised programme governance is clear and ensures both that Cabinet members should be involved in the programme oversight and also that officers have opportunities for internal reviews and the checking and challenging process I am advocating. Clearly how the programme governance is used will be the more important assessment that will need to be made after they have been in operation for some time. Ultimately the success of the governance arrangements will be judged by the success of the programme itself. However, among the key proxy indicators of effectiveness will be consistency/ regularity of meetings; a focus on outcomes; evidence of people 'telling it like it is' / a freedom to speak up; and a joint problem-solving environment.
- The essential wider engagement with the community, partners and stakeholders seems to have re-commenced.
- I am advised that there has been a refresh in the process and arrangements for working with MCJV and that these have been beneficial to the working relationship not least because a degree more clarity has been achieved.
- There has been a refresh of the programme vision and a re-focusing. Although I have not been asked to comment on the actual content of the programme, the focusing of the programme seems to me to be an eminently sensible response to the complexity of the whole place plan
- The prospect for appropriate, respectful and highly effective member / officer working appears to be good.
- Steps have been taken to reduce the overall programme overhead costs.

Having said the above, there are organisational risks (in addition to the many technical risks associated with a development programme of this kind) that the programme needs to continue to manage. In particular:

- the council's programme staff have experienced a considerable amount of change in the officer leadership of the programme since its inception. This could affect the confidence that the organisation and its key staff have in the future of the programme. The best way of managing this risk is to ensure there is continuity of leadership and consistency of message for the foreseeable future.
- Those staff who have worked on the programme for some time will have worked through some quite challenging times. Many will have been professionally and personally

committed to the work and will want it to succeed. Continuing to create an environment where they feel valued and listened to will be essential.

- There is a risk that there is a leadership 'stretch' at the top of the organisation, although the council is very aware of this risk and is managing it by ensuring there is appropriate dedicated programme leadership.
- There is a risk that the Oxford St Programme does not integrate effectively all areas of the council that are essential to the successful development of both Oxford St and the wider district.
- The development of organisations and their cultures takes time. There is therefore a risk that the devolvement of the corporate working, shared responsibility and the process of mutual support, check and challenge takes longer than is needed by this particular programme. The council's Executive Leadership Team is aware of this risk and appears committed to managing the risk and bringing about the development of the organisation.

Section 5: The spending to date

The terms of reference for the review ask me to review the spend on the project to date from the letting of the MCJV contract.

Identifying the allocation of the costs between the various elements of the programme has proved to be very challenging for officers. There appears to have been an issue in the way the programme was set up such that cost allocations that have been used over the last few years were not cross referenced to the programme purpose. There is a clear lesson in terms of ensuring that for any significant programme there needs to be a clear link and trail between the programme allocations and the financial system.

It is known that until July of 2022, approx. £28m was spent by the council on the Oxford St district programme, excluding a further approx. £6m which was spent on the Marble Arch Mound. What officers have been able to establish is that the £28m falls into the following broad categories:

Costs associated with work completed (including permanent and temporary works):

£16m (£6.1m to the contractor and £9.8m incurred by the council)

Design and preparatory work not completed and likely to be useful in future*:

£3.1m (£1.37m to the contractor and £1.73m incurred by the council)

Design and preparatory work not completed and unlikely to be used in future*:

£0.86m

Contractual operating costs to the contractor (contractually agreed and charged monthly)

£ 8m

(* NB This is officers' estimate of utility as at the time of writing which may be liable to change depending on future programme decisions.)

It can be seen that a high proportion of the spending has been in respect of completed works, specifically the Soho Photography Quarter and temporary changes on Oxford St west. However, it likely to be the case that some of these 'completed works costs' include important indirect costs necessary to the completion of these works, such as communications and engagement costs (bearing in mind both the legal duties to consult on such developments and the criticality of consulting partners and residents). It has not proved possible to ascertain whether such elements could have been undertaken at a lower cost for the same benefit. Also, it may be the case that the unit costs of the work completed would have been lower had there been more delivery progress in terms of a higher number of projects delivered, by the overhead costs being spread over more projects.

It will be important that the council benefits from the £3.1m investment already made the on design and preparatory work to date in regard to other schemes that are still in scope, namely:

Hill Street - Poland Street
Berners Street
Mortimer Street
Davies Street
Orchard Street - Holles Steet
Wigmore Street
James Street.

The other significant headline figure above is the cumulative contractual operating cost incurred to date. The underlying issue here, in my view, goes back to the nature of the original contract, the complexity associated with it and the inherent dichotomy which was created by establishing a design and build contract (which inevitably will have overhead costs that need to be funded) and at the same time requiring a contractual 'brake' on the progress of the work to ensure that the council was ready to proceed with any planned works. To be clear, it is completely understandable that the council would indeed want to ensure that it retained the final controlling approvals for packages of work given the sensitivity associated with any development work on Oxford St and within the district.

The lessons from this have been picked up by the Cabinet and the programme team in partnership with MCJV and some practical solutions to cost drivers such as office and storage costs have been agreed to enable the contractual operating costs to be reduced.

Section 6: Summary of Themes and Recommendations

I have stated that it is important to keep in mind that there have been some positive developments within the Oxford St district programme during the last few years. In this report I have attempted to summarise my views as to the reasons why there was less delivery progress in the programme than was expected and wanted whilst at the same time the programme was incurring significant expenditure.

I have pointed to one of the main underlying causes being the approach to the original procurement of a contractor. The procurement was entirely proper, but I have suggested that looking back, probably the timing was wrong; it would have benefited from a deeper

analysis of a wider range of options and potentially a different contractual arrangement may have been preferable.

The programme was then hit by the events of 2020, with the wider pandemic and a period of national emergency which will have slowed progress. It also seems to have been affected by the re-focusing of efforts and resources onto the development of the Marble Arch Mound “visitor attraction”. During this time there appears to have been a lack of transparency and failure to communicate from the senior officer(s) with the day-to-day responsibility for the programme as to the extent of the programme slippage.

In summary the main lessons I have pointed to can be categorised as being organisation developmental in nature. My work with the council during this review has given me the impression of an ambitious, effective and modern organisation that cares for its staff and a council that seeks to deliver quality services in partnership with its residents, businesses and communities. The officer leadership seems to already have a determination to continue to develop and improve and I hope that these additional reflections may assist in its journey:

- I have made a broad point that a careful, planned approach to programmes of work that considers not only ambitions but also plans the routes to delivery and the management of risk, often saves time and costs over approaches where speed is the primary focus. To be clear I am not suggesting that speed has been the main driver for the council in its Oxford St District Programme, but it is helpful to be reminded of the longer-term benefits of dedicating time to plan the approach that then can mean faster implementation.
- the organisation is advised to ensure there are appropriate “check and challenge” measures at key milestones within programmes (meaning an objective re-appraisal of progress, key facts and a review of future options), including for large procurements.
- This needs to be accompanied by a mindset that, if needs be, it is acceptable to change course. Flexibility and adaptability including the willingness to change an approach are important attributes with modern organisations.
- The success of programmes can also be attributed to a culture of shared corporate responsibility for their success. Part of this shared responsibility involves a ‘duty to speak up’ when colleagues have concerns about how programmes and initiatives are developing or progressing.
- Another element of the organisational development needs to be ensuring that there is an environment where staff are able to “tell it as it is” and where honest conversations about progress and challenges within programmes can take place. The sooner these conversations can be had the better in that this allows for remedies to be discussed and actions taken to limit any impacts. This clearly also involves allowing staff to speak up and be listened to and have their concerns acted upon or responded to.
- In terms of programme governance, the council has put in place new governance arrangements for what is now the Oxford St Programme. These appear to be appropriate and if implemented consistently, over time, should provide the framework for effective

programme oversight, risk management and programme control. I have outline in the report how it also needs to ensure there is a good habit of effective behaviours and activities that will enable full programme assurance.

To conclude, since May 2022 there has been a re-fresh of the internal programme arrangements for the Oxford St Programme and also a rescoping of the focus by the current Council administration. This refresh and refocusing appears to be being effective (including in reducing the programme overhead costs) and in my view appears to be an appropriate response. The programme will, I believe, be enhanced if it can apply the lessons as set out above.

Mike Cooke
February 2023

Appendix 1: Terms of Reference

INDEPENDENT REVIEW OF THE OXFORD STREET DISTRICT PROGRAMME TERMS OF REFERENCE

Undertake an independent review of the Oxford Street District project commencing from the procurement strategy formally approved in 2018 through to the current date.

The review to focus on the following areas:

- The process and governance in place for the procurement and letting of the MCJV contract with a view to establishing whether the proper processes and governance were followed, as well as to make recommendations on any changes or improvements that could be made for the future
- Review the spend on the project to date (from the point of the MCJV contract being awarded) and the outputs achieved.
- Given the significant spend and limited progress on the project to date, assist in establishing the cause of this and recommending any lessons to be learnt on both the letting of Council contracts and governance for existing and future projects.
- In considering the lessons to be learnt from the Oxford Street District programme, consider whether the reforms undertaken following the Marble Arch Mound review are sufficient and robust enough.

The review to be undertaken by an independent person. This should be a former local authority chief executive, or person of similar stature and independence. Legal support will be provided through the Council's legal team or independently. This will be decided by the independent person.

The independent person will have access to all necessary Council staff and documentation. The Chief Executive will commission the review with the outcomes being reported directly to the Leader of the Council and the Cabinet. The final report may also be considered by the relevant Scrutiny Committee of the Council. It is intended the findings of the review are published in full, subject to any commercial or other confidentiality issues.

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Appendix 2

About the Independent Reviewer

Mike Cooke was chief executive of the London Borough of Camden between 2011 and 2019 during which time the council led significant 'place shaping' developments across Camden. Before then Mike had been the council's Director of Housing and Adult Social Care, its deputy CEO and its Director of Organisation Development. Although his career has been mainly in the public sector, he spent eight years working for a financial services group where amongst other things he refined his skills in programme management. Mike currently is the chair of one of the new integrated health and care systems in North London.

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City of Westminster

Policy and Scrutiny

Meeting or Decision Maker:

Finance, Planning & Economic
Development Committee

Cabinet Member for Finance and
Council Reform

Date:

9th March 2023

Classification:

General Release

Title:

The ongoing impact of Covid-19 on
Council Finances

Wards Affected:

All

Policy Context:

Corporate Finance

Key Decision:

N/A

Financial Summary:

Report of:

Gerald Almeroth – Executive Director of
Finance Resources

1. Executive Summary

- 1.1. This report summarises the financial impact of the Covid pandemic on Westminster City Council.

2. Recommendations

- 2.1. That the committee note the content of the report

3. Background Including Policy Context

National Impact of Covid-19 on Local Authorities

- 3.1. The Covid pandemic had a significant impact on the finances of local government across the country, with substantial increases in expenditure and falls in income, especially from sales, fees and charges and commercial activity.
- 3.2. The Institute for Fiscal Studies (IFS) issued a briefing note in January 2022: *“Looking back to look forwards: what can we learn from data on the impacts of COVID-19 on councils in 2020–21?”*. Their key findings were¹:
 - i) Councils’ net expenditure on Covid related (non-education) services increasing by around £4.1 billion.
 - ii) The scale of changes in expenditure and SFCs income across service areas varies significantly. Relative to what one might have expected in the absence of the pandemic, central and other services (+£1.3 billion), adult social care services (+£0.9 billion) and highways and transport (+£0.8 billion) saw the biggest increases in net expenditure. The first two were largely driven by higher gross expenditure, while the last was driven overwhelmingly by lower sales, fees and charges (SFCs) income, especially from parking.
 - iii) Public health also saw a notable increase in gross expenditure and culture and leisure services a big fall in SFCs income. In contrast, spending on children’s social care services increased by somewhat less than might have been expected.

There was also significant variation in changes in expenditure and income across councils. The median council saw its per-capita net spending on services increase by 14.7% year-on-year, but a fifth of councils reported an increase in spending of over a third. Nine in ten

- ¹ https://ifs.org.uk/sites/default/files/output_url_files/BN337-Data-impacts-on-councils.pdf

councils saw their total income from sales, fees and charges fall, with the median change being a fall of 18%.

- 3.3. A further report from the IFS identified that council tax shortfalls were most notable in London, the North East and North West, where in the first half of the 2020–21 fiscal year receipts actually fell year-on-year by 1.4%, 1.3% and 0.2% respectively². The City of Westminster saw the full year fall of 5.6%.

Covid-19, Lockdowns and the Impact on the Council's Finances

- 3.4. The broad impacts noted in the IFS report were also felt in Westminster. The lockdown led to social distancing and the closure of many buildings, with people instructed to work from home if they could. The impact of the lockdown on the Council and its finances was three-fold:

- reduced income from lower footfall in the City
- increased expenditure to support our most vulnerable residents
- extra funding from the government to offset many of the financial pressures councils were facing.

Westminster's Response to the Pandemic

In the first year of the pandemic the Council put in place a wide range of support for residents and businesses across the City. Key areas were:

- The mortuary team facilitating research-based post-mortems with St Mary's Hospital, contributing to our understanding of the virus and aiding the fight against Covid-19.
- Working alongside partners to develop and implement just under 100 public realm schemes.
- Supporting over 1,000 businesses in the hospitality sector through fast tracking licensing applications and pavement licences when the City reopened in April 2021.
- Supported 22,000 shielding residents through Westminster Connects phone calls and signposting; delivered 80,000 meals to those in need and registered 4,000 volunteers on our platform.
- Accommodating 266 individuals in the first phase of the 'Everyone in' programme, and then successfully moving on over 75% from hotel accommodation. The council had placed over 800 individuals in emergency accommodation as a result of Covid-19 since March 2019.

² [Employment, income and council tax during the COVID-19 crisis: a geographical analysis and implications for councils | Institute for Fiscal Studies \(ifs.org.uk\)](#)

- Successfully negotiated the first major phase of reopening the City.
- Significantly engaged/supported over 12,000 businesses and WCC delivered or commissioned business support programmes.
- Provided business rates relief to businesses

The Council continued to adapt its response to the pandemic as it evolved in 2021/22 by:

- Supporting residents – the Council continued working proactively with partners to support vulnerable residents
- Volunteering opportunities – an interactive map on the Council website provided details of local organisations that were assisting residents through COVID-19, the kinds of support they offer, and how to get in touch
- Hybrid Council meetings had been taking place to maintain open and transparent decision making. During 2021/22, the regulations changed to continue to allow hybrid meetings, but decision-making must be by members in physical attendance at their Committee.
- COVID-19 pages on the Council website were updated daily and provide further information.
- The Council's Internal Audit service had worked with the Council to ensure that awareness of fraud risk and appropriate systems of governance and internal controls had been maintained despite the changes in processes necessary to provide local people and businesses with rapid and effective support. Internal Audit assurance that Covid-19 funding provided by the Government has been used for the purpose intended, continued into 2021/22 in respect of Income Compensation Claims, Protect and Vaccinate and Rough Sleepers. Some of this work will continue into 2022/23.

[Financial Impact of the Pandemic](#)

3.5. The financial impact of the pandemic on Westminster was considerable whereby the Council had:

- incurred additional costs supporting the most vulnerable people in the community;
- been negatively impacted by reduced economic activity in the City which has led to significant reductions in income from sales, fees and charges, and;
- needed to review and delay saving proposals that are no longer considered deliverable.
- This is summarised in the table below:

2020/21 Outturn	
Item	£m
Income Variance	49.194
Expenditure Variance	11.874
Total Variance	61.068
General Covid Grant	(29.210)
SFC Compensation	(28.007)
Net Variance (funded by unallocated reserves)	3.851

3.6. The biggest impact on the Council's financial position was due to reductions in income. In 2020/21 the variance based on the largest income streams was £49.1m. However, a number of income losses were mitigated by the Government's 75% Sales, Fees and Charges (SFC) compensation scheme through which the Council received £28m to cover 2020/21. The table below outlines the income variances:

3.7. A summary of the Council's top income variances in 2020/21 can be found in the table below:

ELT	Major Income Streams with Losses	Full Year Budget £m	Full Year Actuals £m	Full Year Variance £m	Full Year Variance %
Environment and City Management	Parking - Paid for Parking	39.866	30.456	9.410	-23.60%
Environment and City Management	Parking - PCNs	19.912	12.473	7.439	-37.36%
Environment and City Management	Parking - suspensions and dispensations	23.092	18.643	4.449	-19.27%
Environment and City Management	Parking - Resident Permits	4.471	4.491	-0.021	0.47%

Environment and City Management	Commercial Waste	18.199	7.684	10.515	-57.78%
Environment and City Management	Licensing (top two income streams)	3.65	1.641	2.009	-55.04%
Environment and City Management	Road Management	8.81	8.644	0.166	-1.88%
Environment and City Management	Leisure Services	5.974	0.113	5.861	-98.11%
Children's Services	Registrars	2.302	1.261	1.041	-45.22%
Growth, Planning & Housing	Planning	7.336	4.867	2.469	-33.66%
Innovation and Change	City Promotions, Events and Filming	4.704	0.83	3.874	-82.36%
Other Corporate Directorates	Local Land Charges	1.794	1.105	0.689	-38.41%
Finance and Resources	Property Income - General Fund	30.333	30.946	-0.613	2.02%
Finance and Resources	Court costs recovery income	1.908	0	1.908	-100.00%
	Total	172.349	123.155	49.194	-28.54%

3.8. In 2021/22 there were a further £20m of income losses – in comparison to pre covid budgets. This was against a range of income sources but the largest variances were in parking, leisure, waste and planning.

3.9. Over the two years of lockdowns the Council lost approximately £70m in income from sales, fees and charges.

SFC Compensation Scheme

- 3.10. The Government reimbursed authorities for 75% of Covid-related income losses in 2020/21 and 2021/22 (after the first 5% of losses is absorbed by local authorities). To qualify, income losses must have been related to the delivery of services. The compensation scheme excluded commercial and rental income.
- 3.11. The Council received £28m of government support for 2020/21. A further £2.4m was received in 2021/22 from the SFC compensation scheme.

Business Rates and Council Tax (Collection Fund)

- 3.12. Council Tax and Business Rates are the Council's largest income sources, and the Council has a responsibility to collect on behalf of the GLA and government. It collects and recognises in its account the following:
- Gross Council Tax (including GLA share): £98m
 - Gross Business Rates (after retail relief given by government during COVID): £2.4bn – approximately 10% of the business rates collected nationally. The largest for any billing authority.
- 3.13. Compensation (known as s31 grant) covered losses in the Collection Fund but is recognised in the General Fund upon receipt. However, due to accounting regulations Collection Fund losses are realised the year after they occur. Therefore, this increased earmarked reserves by £361m in 2020/21, which is then used over three years from 2021/22 to cover the corresponding Collection Fund loss.
- 3.14. The collection of business rates and council tax has been impacted by the Covid-19 outbreak as residents and businesses face an uncertain financial situation. The restriction on courts has in effect suspended recovery action for unpaid bills and reduced cash receipts. The 2020/21 council tax collection rate for the year was 91.1% which is 5.6% lower than the previous year, which has been identified as higher reduction than other London boroughs when compared to the first half of the financial year. Collection rates for business rates and council tax, pre covid and post covid are shown in the table below:

	2019/20 Collection Rate	2020/21 Collection Rate	2021/22 Collection Rate
Ctax/NNDR			
Council Tax	96.7%	91.1%	91.5%
NNDR	97.6%	88.8%	91.9%

Expenditure 2020/21

3.15. As the Council redirected its services towards supporting the City during the pandemic, most expenditure variances were Covid-related. The key expenditure variances were:

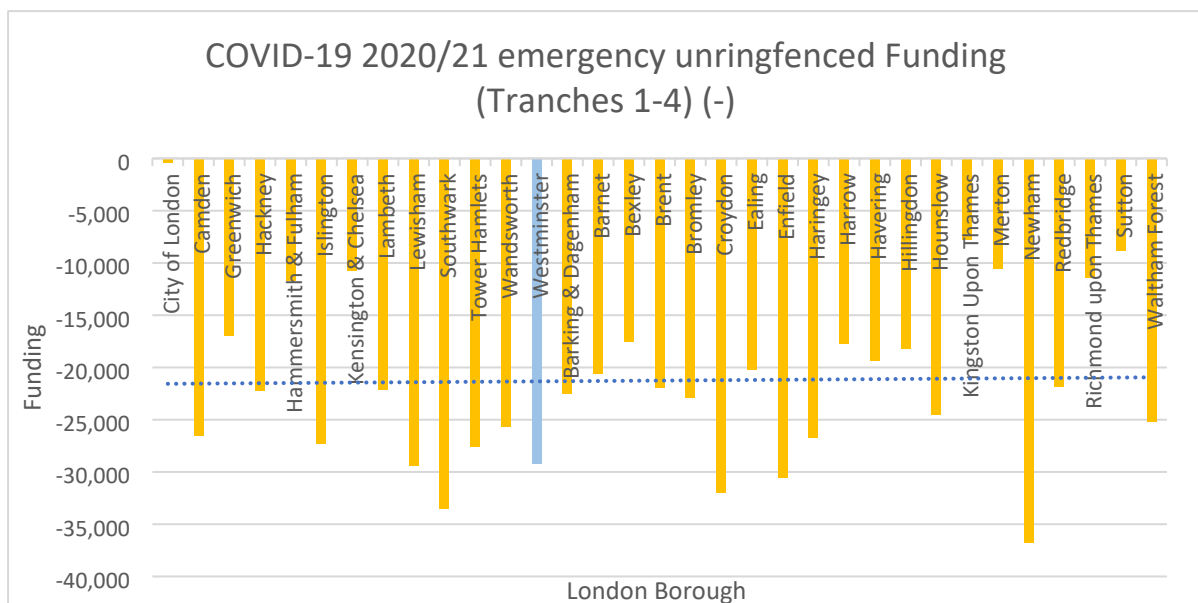
- In Adults Services, there was additional £1m spend mainly on PPE, increased staffing and support for the provider market. Furthermore, financial savings of £0.725m were deferred into financial year 2021/22.
- Children's Services experienced Covid-related additional expenditure regarding short breaks for children and social care across Families Services.
- Rough Sleeping incurred gross costs of £1.5m during the year supporting rough sleeps off the streets. However, this was largely offset by specific government grant funding.

2020/21 Savings

- 3.16. In March 2020 (prior to the pandemic) Full Council approved savings of £18.9m to be delivered in 2020/21. However, the impact of the pandemic meant that a number of these savings were delayed or were no longer considered deliverable.
- 3.17. A total of £5.6m of savings which were due in 2020/21 were not delivered due to the pandemic. This represents approximately a third of all savings – therefore two thirds of savings were still delivered.
- 3.18. Most of these undelivered savings were related to income from the Council's leisure management contract, growth in property income and outdoor media advertising.

Funding

- 3.19. The financial support the Government provided is summarised in appendix 1. The total general Covid-19 funding received by the Council in 2020/21 was £29.2m and £10m in 2021/22 excluding any amounts due from the income compensation scheme. In addition to various other grants there was also passported funding to support residents and businesses.
- 3.20. The table below summarises how the general covid grant funding the council received compares to other London Boroughs:



3.21. The Government's financial support covered the following areas:

- grant funding, both general and specific, for local authorities to cover expenditure and income losses arising from the pandemic;
- grant funding provided to local authorities as intermediary that then needs to be passed on to businesses and individuals;
- grants funding to help with Test & Trace, contain outbreak management and local enforcement, and;
- cashflow support for local authorities, including the deferral of certain payments to Government and the bringing forward of grants.

3.22. The level of Government support, as detailed in appendix 1 is summarised as follows:

- General support - £57m
- Support for businesses - £1.2bn
- Support for Test and Trace and Local Enforcement - £11m
- Other Specific Grants - £5.5m
- Support for Care Providers - £3.4m
- Support for residents - £2.7m

Reserves and Safety Net

3.23. Unanticipated expenditure and overspends reduce the Council's unallocated general fund reserve. Level of the general fund reserve is one measure of the Council's financial resilience. Pre covid this was £63m and has now reduced to £57m. Considering the impact of the pandemic, it is a small reduction in the reserve due to the funding received from the government. The movement in the unallocated general fund reserve is summarised below:

Year	General Fund Reserve £m
2019/20	63.3
2020/21	59.4
2021/22	57.4

- 3.24. As part of the Business Rates Retention system Westminster retains 5% of the total business rates it collects – c£90m of the £2.4bn that it bills. If Business Rates collection falls. The Council must fund the £7m of losses. Westminster have held a risk reserve for this scenario and that has been drawn down to cover the loss in 2021/22 and 2022/23.

On-going Impact – MTFP

- 3.25. The Covid-19 pandemic has led to a continued review of the Council's MTFP as new pressures emerge from reduced activity in the City, reducing fees and charges. It is estimated that the impact of the Pandemic on the Council's main income streams is a reduction of circa. £15-£20 million (adjusted for inflationary increases).
- 3.26. As part of the 2023/24 budget the following areas of pressures have been put forward, the roots for which go back to the pandemic:
- Planning income
 - Parking Income
- 3.27. Economic uncertainty – i.e. high inflation and increases in interest rates has also placed further pressure on council budgets. In 2023/24 the Council have had to make an inflationary allowance of £32m to 2026/27. Pre-pandemic this figure was closer to £5m.

Leisure Income

- 3.28. Prior to the pandemic the Council's leisure contract was based on a management fee structure. It meant that the Council received monthly income from its leisure provider SLM. The income was also subject to annual increases over the life of the contract. Effectively all demand and usage risk was held by SLM.
- 3.29. The onset of the pandemic and closure of leisure sites meant that income stopped overnight. This led to a renegotiation of the contract. Westminster agreed to waive the management during 2020/21 and then entered into a contract variation. The variation is based on a profit share model with a sharing of risk.

The leisure market has changed substantially since the pandemic and it is unlikely that the Council will be able to enter into another management fee

arrangement again – with its current provider or any other. Longer term the Council will have to accept that it is unlikely to receive as much income from its leisure as it did pre-covid.

Adult Social Care

- 3.30. A separate Covid Review report in respect of ASC will be taken to the Adult Social Care Policy and Scrutiny Committee.
- Social workers have left the practice since covid and that is putting huge strain on the services in terms of recruitment. A lot more social workers are now agency as opposed to perm and this is driving up employment costs in that sector; and
 - SEND – an increase in needs re mental health needs and some learning issues leading to increases in Education, Health and Care Plans.

Planning for Future “Black Swan” Events in terms of protecting its long-term financial health

- 3.31. The Civil Contingencies Act 2004 places a range of responsibilities on local authorities to work with other category 1 responders to be able to respond to and recover from major incidents and emergencies. This includes undertaking an assessment of the risks in relation to the major incidents and emergencies in the local authority area and using this to inform the development of proportionate emergency plans and preparations.
- 3.32. The Borough Resilience Forums are responsible for maintaining and updating the Borough Risk Registers, based on both the National and London Risk Registers. The resilience team produces, maintains, reviews and updates the councils’ generic contingency plan for major incidents and emergencies. These are based on standardised plans introduced across London.
- 3.33. There are a variety of other plans and frameworks at a borough or regional level, providing additional detail for specific risks. These include, for example, the Bi-Borough Humanitarian Assistance Plan and the Fuel Disruption Protocol. Humanitarian assistance arrangements are overseen by a bi-borough Humanitarian Assistance Board, reflecting the shared nature of Children’s and Adults’ social care services. Contingency plans are regularly reviewed, tested and exercised with any post-incident learning points applied to future plan updates.
- 3.34. While the very nature of “black swan” events are outliers, the Council and indeed the country, will not be able to mitigate every eventuality. However, from the experience of the Covid pandemic, while there was a significant degree of financial loss from key income streams, government intervention did protect much of the council’s financial position through its AFC compensation scheme.

- 3.35. The impact of Covid on the Council's general fund balances (after grant funding and compensation) was a reduction in general reserves from £63.3m in 2019/20 to £57.4m at the end of 2021/22. This demonstrates that the Council's general reserves can be considered robust as long as "black swan" events are aligned with national government intervention.
- 3.36. Every year, the s151 officer submits a s25 report which is part of the annual budget report. This s25 report considers the adequacy of reserve levels. The s151 officer does consider the Council to have robust reserve levels for the size and complexity of the Council's operations and to cover any risks that may become real.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Jake Bacchus, Director of Finance

Appendix 1 – Government Grants 2020/21

Scheme	National Funding	WCC Share	Purpose
General Support for Councils			
General Support	£4,600m	£29.3m	Un-ringfenced funding to help councils respond to the pandemic. Four tranches of payments have been made by Government.
New Burdens Grants	Unknown	£0.246m	New burdens funding to help with the administration cost of processing the grants
New Burdens Allocation	Unknown	£0.038m	New Burdens Payments for Council Tax Hardship Fund and Business Rate Reliefs.
High Street Funds	£50m	£0.233m	Reopening High Streets Safely Fund
Sales, Fees and charges scheme	Unknown	£28.007m	Councils may claim 75p in the pound after absorbing the first 5% of losses against budget on reduced income from sales, fees and charges.
Support for Test & Trace and Local Enforcement			
Local Authority compliance and enforcement grants	£30m	£0.192m	This is to support the council with the enforcement of Covid-19 restrictions or to encourage individuals within the borough to comply with the measures.
Contain Outbreak Management Fund	Unknown	£6.310m	Set of payments for local authorities to help support and maintain proactive containment and intervention measures. Circa £2m of funding will be used in 2021-22.
Track and Trace	£300m	£2.890m	Funding to support the test and trace service and to implement outbreak control plans.
Payments for Community Test Funding	Unknown	£1.737m	Funding to support asymptomatic community testing in the City. Rolling forward from previous year.
Other Specific Purpose Grants for Councils			
Support programme for extremely clinically vulnerable.	£32m	£0.309m	New guidance for clinically vulnerable residents at second lockdown has led Government to pledge over £32m funding for local councils in support.

Scheme	National Funding	WCC Share	Purpose
Covid Winter Grant Scheme	£170m	£0.776m	Covid Winter Grant Scheme used to support children, families and the most vulnerable over winter during the second wave of the pandemic.
Local authority Emergency Assistance Grant for Food and Essential Supplies	£63m	£0.284m	Help people struggling to afford food and other essentials
Emergency Support for Rough Sleepers	£3.2m	£0.250m	Funding to help rough sleepers self-isolate during the pandemic.
Next Steps Accommodation Programme	£105m	£1.721m	For interim accommodation and support for the 15,000 vulnerable people accommodated during the pandemic.
Protect Programme: the next step in winter rough sleeping plan	£15m	£1.000m	The £15 million funding is on top of the £91.5 million allocated to 274 councils in September to fund their individual plans for rough sleepers over the coming months.
Rough Sleeping Drug and Alcohol Treatment Grant Scheme 2020-21	Unknown	£1.125m	To provide additional support to people who are experiencing or have recently experienced rough sleeping. Rolling forward from previous year.
Support for Care Providers			
Infection Control (2 Tranches)	£1,146m	£2.576m	Infection Control in care homes. 75% of the funding must be passed straight to care homes within our geographical area – even if the Council does not have a contract with them. Councils can decide how to allocate the remaining 25% based on needs, but it must be used for infection control.
Social Care Funding - Increased Care Home Testing	£149m	£0.148m	To support increased care home testing of residents and staff.

Scheme	National Funding	WCC Share	Purpose
Social Care Funding - for local authorities to boost staffing levels	£120m	£0.662m	This funding has been provided for local authorities to boost staffing levels. In particular: <ul style="list-style-type: none"> - Provide additional care staff where shortages arise - Support administrative tasks so experienced and skilled staff can focus on providing care - Help existing staff to take additional hours as overtime or help with covering childcare costs.
Support for Businesses and Council Taxpayers (Council distributes)			
Council tax Hardship Fund	£500m	£2.2m	Help residents with council tax payments by £150. The council has supported 1,413 households so far and is considering other schemes to support residents and fully utilise the fund.
Test and Trace Support Grants	£70.53m	£0.538m	This is to be paid to residents who need financial support when self-isolating due to either being infected or potentially being infected.
Business Rates Retail Relief	£10,000m	£945m	Retail relief given to businesses and fully supported by the Government. The relief is expected to be more than the grant paid but more funding will be paid by central Government to recognise the additional relief.
Small Businesses	£12,000m	£98.555m	Grants paid to businesses of £10k or £25k each depending on their rateable value. The Council has paid out all the funding it has received and paid approximately 5,612 businesses.
Discretionary Local Authorities Grants	£617m	£4.840m	Additional to the above £12bn to help businesses who did not benefit from the first round of business grants.
Additional Restrictions Support Grant allocations	Unknown	£7.547m	Additional Grants to support local restrictions for lockdown period dating 5 th November to 2 nd December and a top-up to this fund for the national lockdown commencing 5 th January.

Scheme	National Funding	WCC Share	Purpose
Local Restrictions Support Grants (Open)	Unknown	£7.208m	Two Grants to support the nation's economy and its businesses in response to Coronavirus and specifically for businesses that were still open but have been severely impacted by Local Covid Alert Levels and restrictions during 1 st August to 4 th November 2020 and 2 nd December to 18 th December.
Local Restrictions Support Grants (Closed) Addendum	Unknown	£54.806m	Three Grants to support local businesses closed by restrictions for lockdown period dating 5 th November to 2 nd December, for tier restrictions entered into on 2 nd December and under the national lockdown from 5 th January onwards.
Closed Business Lockdown Grant (January)	Unknown	£65.565m	The Closed Businesses Lockdown Payment will be in addition to LRSG (Closed) Addendum: 5 th January onwards scheme payments. Funding to deliver a one-off payment for businesses that have been required to close from 5 th January 2021 due to the introduction of national restrictions. This funding is not retrospective.
Christmas Support Payment for wet-led pubs	Unknown	£0.250m	To support the nation's economy and its businesses in response to Covid-19.
Cashflow support			
Deferred Rates	£2,600m	£192m	The deferral of local authority Q1 payments of the Central Share of retained business rates until the second half of the financial year.
Advance payment of reliefs	£1,800m	£90m	Up-front payment of business rates reliefs



Finance, Planning and Economic Development Policy and Scrutiny Committee

Date:	9 March 2023
Classification:	General Release
Title:	Oxford Street (OS) Programme
Report of:	Bernie Flaherty, Deputy Chief Executive, Executive Director for Adult Social Care and Health Westminster City Council
Cabinet Member Portfolio	Cabinet Member for Planning and Economic Development
Wards Involved:	West End and Marylebone
Policy Context:	Fairer Economy – A reimagined and revived Oxford Street and West End that delivers a world class offer and experience to residents, businesses and visitors supporting a diverse, resilient, and successful economy that delivers growth in Westminster.
Report Author and Contact Details:	Manisha Patel, Director of Operations, Governance and Oxford Street mpatel@westminster.gov.uk

1. Executive Summary

The purpose of this report is to set out the status of the Oxford Street Programme, including planned milestones and approach to engagement, and provides an overview of the processes in place to ensure that a strong business case is developed for Spring 2023.

The Cabinet Member Report (CMR) of 1st November 2022 outlined a revised scope of works for the Oxford Street programme and gave approval for a revised business case to be developed. This scope prioritises public realm improvements along Oxford Street, and highway and traffic changes in the wider area to improve transport capacity and efficiency. Complementary schemes have been identified on James Street, Davies Street and Grosvenor Square.

To support the delivery of the Oxford Street Programme a new governance structure has been established. This structure is comprehensive and outlines various internal and external forums at both executive and projects levels.

An engagement strategy has been progressed, setting out the vision, framework and principles that will guide the consultation and engagement process for the programme. This will be supplemented by a project specific communication and engagement plan for Oxford Street to be finalised in the Spring 2023.

The programme aim is to complete construction work on Oxford Street in Spring 2026.

2. Key Matters for the Committee's Consideration

2.1 The Committee's input would be beneficial on the following aspects of the Oxford Street programme:

2.1.1 To consider and provide comment on the scope of works (the design is currently being progressed and more detail will be available in Spring 2023)

2.1.2 Review and provide comment on the revised governance structure

2.1.3 Review and provide comments on the engagement approach

The Committee's feedback is valued and any feedback on other aspects of the Oxford Street Programme is welcome.

3. Background

In 2019 the Council developed plans for a district-wide approach for the investment required to address public realm, safety, transport, and economic challenges faced by Oxford Street and the surrounding neighbourhoods. A Place Strategy and Delivery Plan and a business case approving £150 million capital funding from the Council were subsequently approved for the 'Oxford Street District' programme.

Following the local elections in May 2022 the new administration considered how best to proceed with the Oxford Street District programme. In accordance with the Fairer Westminster manifesto the decision was made to focus council funding on improvements required for Oxford Street itself, along with selected side streets, rather than a whole district approach. The programme was renamed the 'Oxford Street Programme.'

A Cabinet Member Report on 1st November 2022 set out the revised scope of the programme. Approval was given to progress the Oxford Street scheme design and to develop a new business case to reflect the change of programme scope.

Additional details on design, engagement and finance will be available in April and will accompany a Cabinet Report in May 2023.

4. Programme Scope

The revised scope focuses public realm improvements along the entire length of Oxford Street from Marble Arch to Tottenham Court Road, and short sections at the mouths of selected side roads that adjoin it, delivering an environment aligning with the international status and reputation of the street. Appendix A highlights the geographical extent of the revised Oxford Street Programme. The design will include a high quality and consistent palette of materials, increased pedestrian space, and improved lighting, greening, and seating.

The side road junction areas are considered a key element of the Oxford Street scheme and provide respite from the busy nature of the main thoroughfare and further unlocks the potential of Oxford Street.

Three complementary schemes on James Street, Davies Street, and Grosvenor Square are proposed, which will further support and enhance the experience on Oxford Street. Additionally, highways interventions are proposed on streets in the wider area to provide diversion routes and improve traffic movement and capacity. An overview of the key stakeholders involved and their interest in the complementary schemes can be found in Appendix B.

Previous proposals for Oxford Circus looked at pedestrianisation, piazzas and no east-west traffic movement through the Circus. However, the Oxford Street Programme will allow designated traffic to move east-west through the Circus and north-south up and down Regent Street. Proposals are in early stages of development and will be subject to engagement and stakeholder discussions.

5. Oxford Street Programme Business Case

A business case was prepared for the Oxford Street District programme in 2018 however given the notable change to the programme scope a revised business case was deemed necessary. The original business case provides a basis for determining the new programme case for change.

This revised business case outlines the proposed interventions and the economic, financial, commercial and management case for the revised programme scope within the relevant strategy and policy context. Essential to this process is a comprehensive risk assessment.

6. Engagement Overview

An engagement strategy has been prepared for the Oxford Street Programme based on four principles: to inform, to involve, to collaborate, and to empower stakeholders, residents, and businesses. This strategy is planned to be completed in April 2023.

In advance of the Oxford Street engagement strategy finalisation, it has been critical to liaise with various stakeholders commencing with the Living Room Session in December 2022 to gather post-pandemic views of the user experience of Oxford

Street. Almost 200 people were engaged at this event and feedback was gathered on what is liked and disliked about Oxford Street and suggested improvements for the street. The majority of respondents noted that:

- They like the shopping, transport and experiences offered on the Street;
- They dislike overcrowding, difficulty in moving on the Street, and litter; and
- Improvements could include more seating and planting, and creating a public realm that is cleaner and easier to move in.

Additionally, engagement with the Youth Council has taken place, and a site visit with differently abled groups to support considerate and accessible design is planned in February 2023. Residents' groups and associations along with ward councillors have also been briefed on the new programme scope and updated on specific proposals in the Oxford Street Area. This engagement is over and above the forums outlined in the new Oxford Street Programme governance structure and approach.

Using the engagement strategy as a framework, individual and detailed project-based engagement plans will be prepared. The engagement plans will seek to build trust through transparency and ongoing communication at every step of project delivery.

8. Programme Governance

A new governance structure has been designed and implemented for the programme. This structure has been agreed with a variety of stakeholders and developed in line with best practice and learning from previous schemes delivered by the Council. An organisational diagram illustrating how governance will operate is shown in Appendix C. The structure distinguishes between project and executive levels of governance and demonstrates how external stakeholders are accommodated.

While a budget has been allocated to the programme, approval for specific projects to enter the relevant design and delivery phase need to be approved via a Cabinet Member Report and signed off by the relevant Member. In some cases, where there is a significant strategic decision, a cabinet decision will be sought.

At project level a design group comprising of key partners meet regularly with the Oxford Street Programme team to share information and discuss aspects of the emerging designs, enabling an element of co-production to occur and to ensure that all needs are considered throughout the programme lifecycle.

At the executive level, an Advisory Board has been established to provide external challenge in ensuring that the programme is delivering on joint objectives, provide partner updates, acknowledge programme progress, and consider key upcoming milestones. The Board includes residents' groups, Ward Councillors, business and landowner representatives, Transport for London, the Greater London Authority, etc. The Advisory Board membership list can be found in Appendix D. To ensure transparency in decision making, records are made of key decisions and actions for all boards and forums identified in the structure. These are used to track programme progress, manage risk, and maximise efficiencies.

9. Finance/Budget Overview

The total budget for the Oxford Street programme is £120m.

In November 2022, a Cabinet Member decision approved the new approach to investing in the programme recommended by the Oxford Street programme review, and capital expenditure of £4.58m for the continuation of design and development work on the revised scope. To date £0.613m of spend has been incurred. A further Cabinet Report is to be submitted in Spring 2023 to recommend a drawdown of funds from the overall budget once the revised Business Case is approved and Stage 1 (feasibility) design for Oxford Street is completed.

The funding proposal for Oxford Street is for external third-party funders to match fund WCC capital funding as a minimum. To this end discussions are underway with the New West End Company (NWEC) regarding funding contributions.

10. Next Steps

1) Oxford Street Business Case

The Business Case for the revised Oxford Street programme is in development. The planned completion of the Business Case is Spring 2023. The Business Case will be submitted along with the planned, forthcoming Cabinet Report.

2) Design Development

The Oxford Street design and build contractor has been instructed to progress the feasibility design for Oxford Street. The information from this design will be used as a basis for engagement and communication before the scheme is progressed further.

In parallel with progressing the Oxford Street design, there is discussion with stakeholders and scoping taking place for the complementary schemes identified in the Oxford Street programme including James Street, Davies Street, and Grosvenor Square. Detailed programmes for these projects are to be elaborated on once the designs have been instructed.

3) Public Engagement and Consultation

An engagement strategy and detailed engagement plan for the Oxford Street project will be available before the end of March 2023.

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

APPENDICES:

Appendix A – Oxford Street Programme Area

Appendix B – Complementary Schemes Key Stakeholder Overview

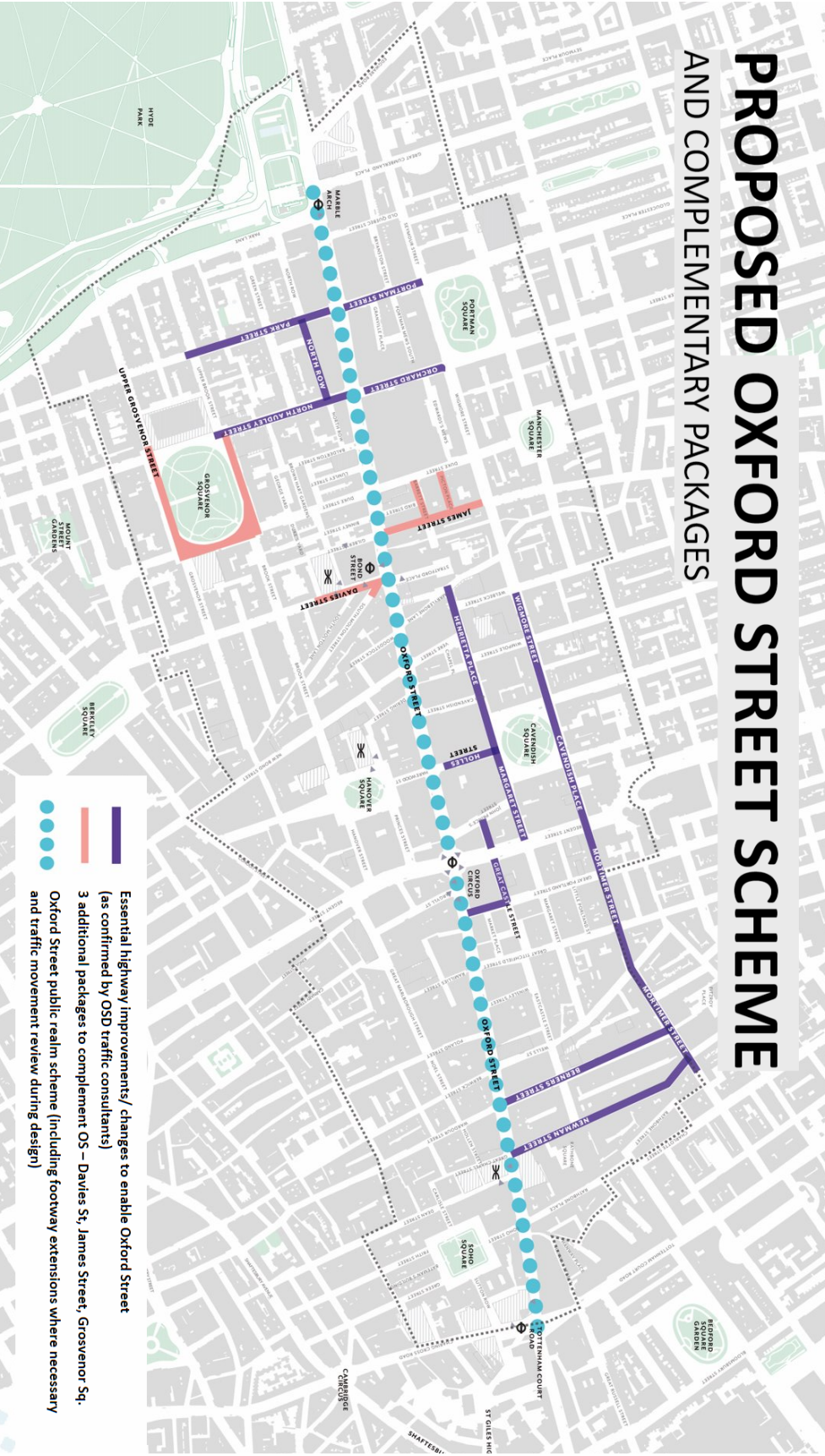
Appendix C – Oxford Street Programme Governance

Appendix D – Advisory Board Membership

BACKGROUND PAPERS

Cabinet Member Report November 2022

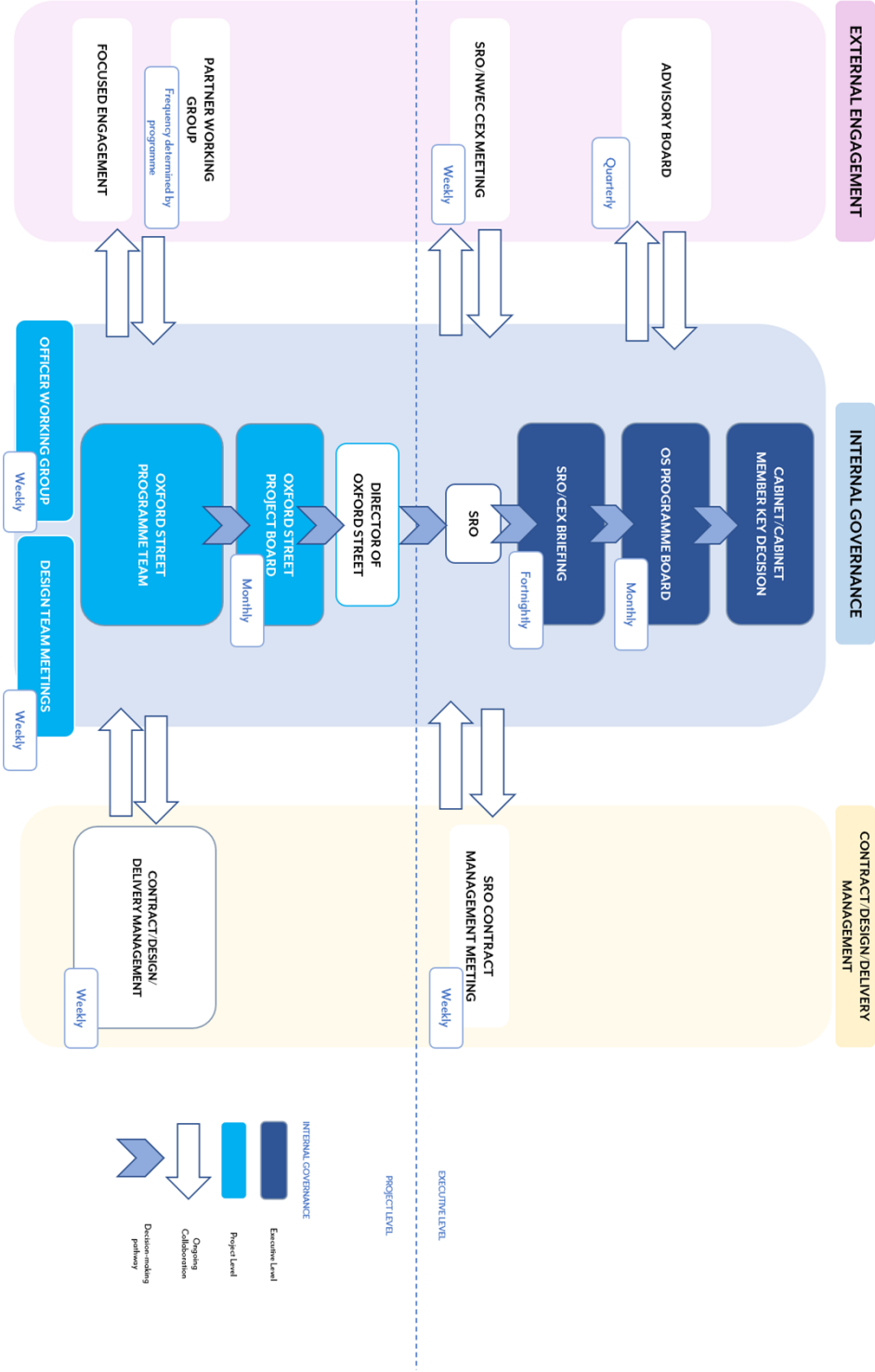
Appendix A – Oxford Street Programme Area



Appendix B – Complementary Schemes Key Stakeholder Overview

Scheme	Key Stakeholders	Interest
<p>James Street</p>	<p>BMO</p> <p>Redevco</p> <p>Reiss</p> <p>Selfridges</p>	<p>Local business owners and estate management</p>
	<p>Local residents' groups and associations</p>	<p>Representing local interests and concerns, contributing responses and solutions for proposed public realm changes.</p>
<p>Davies Street</p>	<p>The Grosvenor Estate</p> <p>Norges Bank Investment Management / British Land</p>	<p>Proposed scheme falls within The Grosvenor Estate boundary. Local building owners are to be consulted given servicing requirements and the impact on building redevelopment on the highway.</p>
	<p>Local residents' groups and associations</p>	<p>Representing local interests and concerns, contributing responses and solutions for proposed public realm changes.</p>
<p>Grosvenor Square</p>	<p>The Grosvenor Estate</p>	<p>Proposed scheme falls within The Grosvenor Estate boundary .</p>
	<p>Local residents' groups and associations</p>	<p>Representing local interests and concerns, contributing responses and solutions for proposed public realm changes.</p>

Appendix C - Oxford Street Programme Governance



Appendix D – Advisory Board Membership

Stakeholders	Members
Oxford Street Programme Representatives	<ul style="list-style-type: none"> - Cabinet Member for Planning and Economic Development (Cllr Geoff Barraclough) - Deputy Chief Executive of Westminster City Council - Director of Operations, Governance and Oxford Street
Business Improvement Districts	<ul style="list-style-type: none"> - Chief Executive, New West End Company - Chief Executive, Marble Arch BID - Chief Executive, Baker Street Quarter Partnership
Landowners	<ul style="list-style-type: none"> - Strategic Projects Director, The Portman Estate - Managing Director, The Crown Estate - Chief Executive Grosvenor Property UK, Grosvenor Estate
Transport for London	Director of Borough Planning
Residents' Groups	Fitzrovia Neighbourhood Association (FNA)
	Fitzrovia West Neighbourhood Forum (FitzWest)
	Marylebone Association
	Mayfair Neighbourhood Forum
	The Residents Society of Mayfair & St James's
Soho Society	
Murphy Careys Joint Venture	<ul style="list-style-type: none"> - Director of Operations, Careys - Director, Murphy
Ward Councillors	<p>Marylebone Ward</p> <ul style="list-style-type: none"> Cllr Barbara Arzymanow Cllr Ian Rowley Cllr Karen Scarborough <p>West End Ward</p> <ul style="list-style-type: none"> Cllr Paul Fisher, Deputy Cabinet Member - Licensing and Public Protection Cllr Patrick Lilley, Lead Member - Soho and LGBTQ+ Champion Cllr Jessica Toale, Deputy Cabinet Member - Culture, Heritage and the Arts and Lead Member - Animal Welfare Champion
Other Councillors	<ul style="list-style-type: none"> Cllr Cara Sanquest, Deputy Cabinet Member - Community Engagement and Consultation Reform Cllr Paul Dimoldenberg, Cabinet Member for City Management and Air Quality
Senior Council Officers	Director of Communities, Westminster City Council
Greater London Authority	Executive Director, Good Growth



Finance, Planning and Economic Development Policy & Scrutiny Committee

Date:	09 March 2023
Classification:	General Release
Title:	2022/2023 Work Programme
Report of:	Head of Governance and Councillor Liaison
Cabinet Member Portfolios:	Cabinet Member for Finance and Council Reform Cabinet Member for Planning and Economic Development
Wards Involved:	All
Policy Context:	All
Report Author and Contact Details:	Francis Dwan fdwan@westminster.gov.uk

1. Executive Summary

1. This report requests the committee members to consider the work programme for the 2022/2023 municipal year.

2. Meeting dates for the 2022/2023 year

- 2.1 The Committee is advised that the amended final scheduled meeting date for the 2022/2023 year is:

- Thursday 4th May 2023.

- 2.2 The Committee should have received diary holds for the scheduled meeting dates for the 2023/24 year which are as follows:

- Wednesday 7th June 2023
- Thursday 20th July 2023
- Tuesday 26th September 2023
- Tuesday 12th December 2023

- Monday 4th March 2024
- Thursday 2nd May 2024

3. Suggested topics

- 3.1 The Committee's agenda for the meeting on 6th March 2023 includes a look at the Oxford Street Programme as well as a report on the continued impact of Covid-19 on Council Finances.
- 3.2 The agenda for the 4th May is currently drafted to look at the responsible procurement strategy the Council is adopting as well as an update on the pros, cons and effectiveness of neighbourhood plans.

If you have any queries about this report or wish to inspect any of the background papers, please contact:

Francis Dwan

Fdwan@westminster.gov.uk

Appendix 1: Terms of Reference
Appendix 2: Work Programme
Appendix 3: Action Tracker

FINANCE, PLANNING AND ECONOMIC DEVELOPMENT POLICY AND SCRUTINY COMMITTEE

COMPOSITION

Seven (7) Members of the Council (four (4) Majority Party Members and three (3) Opposition Party Members).

TERMS OF REFERENCE

(a) To carry out the Policy and Scrutiny functions, as set out in Chapter 4 of the Constitution in respect of matters relating to all those duties within the terms of reference of the Cabinet Member for Planning and Economic Development and the Cabinet Member for Finance and Council Reform.

(b) To carry out the Policy and Scrutiny function in respect of matters within the remit of the Council's non-executive Committees and Sub-Committees, which are within the broad remit of the Committee, in accordance with paragraphs 18.2 and 18.3 as well as section 19 of Chapter 4 of the Constitution.

(c) Matters, within the broad remit of the Cabinet Members referred to in (a) above which are the responsibility of external agencies.

(d) Any other matter allocated by the Westminster Scrutiny Commission.

(e) To have the power to establish ad hoc or Standing Sub-Committees as Task Groups to carry out the Scrutiny of functions within these terms of reference.

(f) To scrutinise the duties of the Lead Members which fall within the remit of the Committee or as otherwise allocated by the Westminster Scrutiny Commission.

(g) To scrutinise any Bi-borough proposals which impact on service areas that fall within the Committee's terms of reference

(h) To oversee any issues relating to Performance that fall within the Committee's terms of reference.

(i) To have the power to scrutinise those partner organisations that are relevant to the remit of the Committee.

(j) To consider any Councillor Calls for Action referred by a Ward Member to the Committee.

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Finance, Planning and Economic Development Policy and Scrutiny Committee Work Programme

ROUND 5 9th March 2023		
Agenda item	Purpose	Responsible Cabinet Member and Executive Director
Cabinet Member Q&A	To update the committee on key areas of work within its remit and the Cabinet Member's priorities	Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development Debbie Jackson, Executive Director for Growth, Planning and Housing
Cabinet Member Q&A	To update the committee on key areas of work within its remit and the Cabinet Member's priorities	Councillor David Boothroyd, Cabinet Member for Finance and Council Reform Gerald Almeroth, Executive Director for Finance and Resources
Oxford Street Programme	To review the Oxford Street programme and proposals for its future.	Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development Bernie Flaherty, Deputy Chief Executive Westminster City Council
Effect of Covid-19 on Council Finances	To receive a report detailing the ongoing impact that Covid-19 still has on Council Finances and how the Council is managing these challenges.	Councillor David Boothroyd, Cabinet Member for Finance and Council Reform Gerald Almeroth, Executive Director for Finance and Resources
Work programme	To review the work programme considering events and recent discussions	n/a – report of Head of Governance and Councillor Liaison, drafted in conjunction with relevant senior officers

ROUND 6 4th May 2023		
Agenda item	Purpose	Responsible Cabinet Member and Executive Director
Cabinet Member Q&A	To update the committee on key areas of work within its remit and the Cabinet Member's priorities	Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development Debbie Jackson, Executive Director for Growth, Planning and Housing
Cabinet Member Q&A	To update the committee on key areas of work within its remit and the Cabinet Member's priorities	Councillor David Boothroyd, Cabinet Member for Finance and Council Reform

		Gerald Almeroth, Executive Director for Finance and Resources
Discussion Item – Budget Scrutiny task-groups	To review the impact of the Budget Scrutiny task-groups in February 2023 and how this can be improved.	Discussion piece led by Cllr Paul Fisher – Chair of the Budget Task-Groups
Responsible Procurement Strategy	To review the responsible procurement strategy the Council is taking up.	Councillor David Boothroyd, Cabinet Member for Finance and Council Reform Gerald Almeroth, Executive Director for Finance and Resources
Neighbourhood Plans	To consider the pros, cons and effectiveness of Neighbourhood Plans	Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development Debbie Jackson, Executive Director for Growth, Planning and Housing
Work programme	To review the work programme considering events and recent discussions	n/a – report of Head of Governance and Councillor Liaison, drafted in conjunction with relevant senior officers

UNALLOCATED ITEMS

Review of Westminster Investment Service
Enterprise Spaces and Meanwhile Activations
Westminster Employment Service
Evening and Night-Time Economy
Economic Development Strategy
Local Town Centres and High Streets
City Plan (previously scheduled for Round 2)
Corporate Property Portfolio Review

Appendix 3 - ACTION TRACKER

Finance, Planning and Economic Development Policy and Scrutiny Committee

ROUND 3 08 November 2022		
Agenda Item	Action	Status/Follow Up
Update from the Cabinet Member for Planning and Economic Development	Westminster Employment Services to be allocated to the list of unallocated items for consideration at future committees.	Done
Update from the Cabinet Member for Finance and Council Reform	Updating the committee on what methods are in place to identify where old boilers still exist and are yet to be updated/decarbonised.	An update explainer was provided 29/11/22
	To include an update on progress with the disaggregation of IT services from RBKC in the next update (or if appropriate in regular updates going forward)	Notable updates will be provided to the committee, it can also be considered as a substantive topic in future.
Smart City Programme	The committee can be provided local, ward maps of mobile phone service capacity on request.	Details were provided via email 29/11/22
	Details of how the 'permitting team' inform affected residents of technology infrastructure digs so that they understand exactly why the road might be being dug up and for how long.	Provided via email 29/11/22
	The committee recommended that notices in future are especially clear and have in bold a summary sentence to explain the purpose/duration of disturbances.	This was passed onto the relevant team for consideration
Work Programme	Determine what is appropriate for the 15 th December given the proximity between the two meetings. Cancellation of this meeting was suggested.	As updated by the chair on 11/08/22 the meeting was cancelled.

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