

Westminster Scrutiny Commission

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Title:	Chief Executive's Update
Wards Affected:	All
Cabinet Member portfolio:	Leader of the Council
Policy Context:	City for All
Financial Summary:	N/A
Report of:	Stuart Love, Chief Executive

1 Executive Summary

1.1 This report provides an update for the WSC on the following items:-

- Brexit
- CityWest Homes Transition
- Oxford Street District
- SAP/Hampshire
- Pay Gap Reports

2 Key Areas for the Commission's Consideration

2.1 The Commission is asked to note the report and provide feedback on this recent activity.

3 Brexit

3.1 The Council continues to work closely with national and regional partners to plan and prepare for Britain's exit of the European Union. A cross-council approach has been taken to identifying key issues for the council to consider in the short and medium terms. The highest risk areas identified relate to a possible economic downturn and the impact on council's budgets. The council is working to manage and mitigate risks where possible. We are also participating fully in the local authority response, both at a regional and national level.

3.2 A pan-London Strategic Co-ordination Group has been established in order to focus on London's preparedness and response to Brexit. A set of indicators has been developed which will assist with the ongoing monitoring of the medium and long-term impacts.

3.3 In addition to the risk of an economic downturn, key issues under consideration include:

- **Workforce:** some council services rely on EEA nationals and may therefore face substantial recruitment and retention issues. Recruitment across key low-wage sectors remains a concern, particularly within adult social care, highways maintenance and construction sectors.
- **Skills:** There are concerns about the loss of workers in key industries like construction and hospitality and the need to urgently boost skills provision.
- **Public Order:** Officers are working closely with the police and other partners to monitor potential community tensions, including hate crime. The council also has a significant role to play in managing protests and demonstrations taking place in Westminster.
- **EU Elections:** Following the delay to Brexit and the flexible extension to 31 October 2019, the Council is planning for the EU parliamentary elections on 23 May 2019.

3.4 It is important to note that a key element of the planning that local authorities have been asked to undertake is focused on the worst-case scenario in the event of a "no deal" Brexit.

3.5 ***EU Nationals***

Around 30,000 EU residents reside in Westminster. The Council has always been proud of Westminster's diversity and has been clear that it will do all it can to support EU nationals during the Brexit process. The Council has worked with the Home Office to hold two events for residents to find the latest information about their status in the UK and how to apply to the EU Settlement scheme. The Council also created and funded an advice service run by Citizens Advice Westminster to support EU nationals living in Westminster. Appropriate support will be provided to EU nationals who may receive additional support from the Council, for example, vulnerable adults, looked after children and care leavers.

3.6 The Council is following the Government's EU Exit Public Information Campaign which aims to inform residents and businesses about possible changes that will take effect following Brexit and encourage them to make any necessary preparations. An element of the campaign is a communications toolkit which the Council is using.

4 **CityWest Homes Transition**

4.1 Following a review of the arms-length management organisation, CityWest Homes (CWH), which had been responsible for the council's housing management services since 2002, the decision was made in autumn 2018 to bring this back under the council's control by the beginning of April 2019. We instigated a six-month listening programme to engage with residents; learn about and deal with directly the problems they had experienced in recent years; establish new processes and procedures; and rebuild their trust.

- 4.2 CWH staff were successfully TUPE'd across and integrated into a newly created Housing Services Department under the Growth, Planning & Housing (GPH) directorate. Ex-CityWest Homes staff from Grosvenor Place will be relocating to City Hall by the end of April 2019, whilst the contact/service centres will remain in situ.
- 4.3 The second phase of the transition will concentrate on service improvements, agreeing the shape and level of resident and Member scrutiny, as well as ensuring that housing services staff are fully inducted in to the council. A new Director of Housing, Neil Wightman, has been appointed and will join the council in June 2019.

5 Oxford Street District

- 5.1 Westminster City Council's Cabinet has approved an extensive Place Strategy and Delivery Plan to deliver much needed work to improve the Oxford Street District. The overall ambition is to strengthen the world-renowned status of the entire area to ensure it will be a great place to live, work and visit, securing and future proofing its long-term success. The Strategy promotes a set of 15 overarching place-based principles and 96 projects to help deliver the ambition for the district.
- 5.2 The decision to develop a fresh Place Strategy was taken in summer 2018 and 66% of overall respondents in the resulting consultation on the draft proposals said they supported the over-arching principles; and 73% of resident respondents said they supported them. In April 2019, the Cabinet approved the associated business case following the allocation of £150m of capital funds over three years to kickstart delivery of the project and is calling on partners to contribute funding.
- 5.3 There will be ongoing engagement with residents and businesses through new zonal working groups as the project is delivered in the spirit of collaboration that has shaped its development.

6 SAP /Hampshire

- 6.1 In November 2017 it was agreed that Westminster City Council, together with RBKC, should join the Hampshire Partnership as a replacement for BT Managed Services. The Partnership is known as the Integrated Business Centre or "IBC".
- 6.2 Implementation of the new solution was completed by 1 December 2018 and has been deemed a success based on the following criteria:-
- Programme implementation delivered on budget and to timetable
 - There were no significant issues reported as a result of the cut over from Agresso to SAP
 - Feedback from across the organisation has been very positive and there is high engagement with the new system and service
 - The payroll run is at 99.9% accuracy
 - Over 80% of the organisation has engaged with the self-service functionality
 - The IBC team is closing over 90% of requests within a week
 - The IBC call answer rate is at 96% and calls are answered within 40 seconds.

7 Pay Gaps

- 7.1 Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, employers with 250 or more employees are required to publish statutory calculations every year, showing how large the pay gap is between their male and female employees. For this year's report, the data is based on a snapshot from 31 March 2018 and the results were published on the council's website and on the gov.uk website, as required, by 30 March 2019.
- 7.2 After the publication of the first Westminster City Council (WCC) gender pay gap report in late March 2018, the Council has committed to close the pay gap with a number of key actions, the most notable of which was a desire to appoint more women into senior roles. As the data for this year's report was taken at 31 March 2018, the action plan to close the pay gap has had limited opportunity to take effect in this, our second report.
- 7.3 The headline for this year's report is that the council is still experiencing a gender pay gap. In 2018, the mean pay gap reduced to 8.6% (from 9.8% in 2017). This decrease was mainly due to an increase in women being appointed into senior roles. In 2017, two in 10 of the highest paid employees were female. In 2019 six of the 10 highest paid employees are female. This split reflects the gender balance in the organisation.
- 7.4 However, the median gender pay gap increased from 5.4% in 2017 to 8.5% in 2018. The main reasons for the increase in the year are that more women than men were hired in the lower pay bands, whilst at the same time there was a higher rate of staff turnover for senior women than senior men. Both these issues will continue to be a focus of attention.
- 7.5 We believe that our new flagship policy on maternity pay and shared parental leave will have a lasting impact on recruiting and retaining women at all levels in the organisation. This is a significant step towards making us the employer of choice of working parents. We have begun to market this proactively as we endeavour to be one of the most modern and progressive employers in London. The council has also embraced modern and agile working and as part of the move back to City Hall, we are better equipped than ever before - both from a leadership and technology perspective - to allow employees to work flexibly and proactively manage their work life balance. This is a key element of recruitment and retention.
- 7.6 In line with our commitment to increase transparency, we have also published our BAME (Black, Asian and Minority Ethnic) pay gap. The council has a mean BAME pay gap of 17.7% and a median gap of 17.6%. This is completely unacceptable.
- 7.7 The commitment from the Council to all its employees is that we will have a relentless focus on closing both the gender and BAME pay gaps. We have a detailed and ambitious inclusion and diversity action plan that we believe will not only address the pay gaps over time, but is already having a positive impact on the culture of the organisation. WCC's overall Employee Engagement Index for 2018 was 70%. This is an increase of 4% from the previous year (66%). In addition, this result is 4% above the local government average.