Meeting: Westminster Scrutiny Commission

Date: 10 July 2019

Classification: General Release

Title: Leader's Update

Wards Affected: All

1. Introduction

1.1. I last updated the Commission on 11th December 2018. Since then, there have been a number of changes across the Council with the establishment of Westminster Housing Services on 1st April 2019 and the introduction of public speaking at Planning committees. All such changes have been reported to the relevant Policy & Scrutiny Committee in recent weeks by the lead Cabinet Member and this report therefore focuses on those areas which are my responsibility as Leader of the Council.

2. Fair funding review

- 2.1. The Government is currently reviewing the formula by which funding is distributed to local authorities. The Fair Funding Review is looking at the formula introduced over ten years ago and which has not been updated since funding baselines were set at the start of the 50 per cent business rates retention scheme in 2013/14.
- 2.2. The current methodology involves 15 relative need formulas and several tailored distributions for services previously supported by specific grants. These formulas involve over 120 indicators of 'need', reflecting factors previously identified as driving the costs of service delivery. The funding structure is therefore extremely complex and there is a compelling case for review.
- 2.3. The Government intends to the needs formula and set new funding baselines for the start of the new 75 per cent business rates retention scheme, from April 2020.

- 2.4. The Fair Funding Review and Government Spending Review may have an adverse impact on the Council's resources. The outcome of this is still uncertain, but Council officers are proactively working with Central Government to ensure that the needs of Westminster and London are considered as part of both reviews.
- 2.5. I have publicly advocated for a delay to both the Fair Funding Review and the Spending Review in light of the uncertain national political context and to allow more time for a proper assessment of local needs.
- 2.6. I also continue to advocate for the introduction of additional fiscal freedoms and flexibilities for local government, including Council Tax reform and an introduction of an overnight stay levy, as part of these reviews in order to allow innovative Councils such as Westminster to better manage their own finances.

3. Inclusion and diversity

- 3.1. In my last update, I provided a briefing on the work the Council was doing to close our gender pay gap and support new parents through revised parental leave policies. In the last six months, we have accelerated our wider inclusion and diversity programme.
- 3.2. The Chief Executive has taken a lead in driving forward the inclusion and diversity agenda amongst staff, supported by the Director People Services. I am also pleased to report that I have agreed to act as the Member-level champion for inclusion and diversity.
- 3.3. As the Chief Executive reported to the last meeting of the Scrutiny Commission, last year, the Council published its first Gender Pay Gap report which showed that we had a mean pay gap of 9.8%. This has reduced to 8.6%, and yet the median gender pay gap increased from 5.4% in 2017 to 8.5% in 2018.
- 3.4. The mean decreased due to some high paid positions being taken on by women. In 2017, two in 10 of the highest paid employees were female and in 2018, five in 10 were female. The main reason for the increase in the median pay gap is 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 woman than senior men.
- 3.5. So whilst there are grounds for optimism, there remains a great deal of work still to be done to make the Council an equal gender pay organisation.
- 3.6. Whilst the publication of our gender pay data is a statutory requirement, we are not obliged to publish the same information on BAME pay. We have however, chosen to publish this information as part of our commitment to being a genuinely inclusive and diverse organisation. I am the Cabinet representative for BAME and have already had one constructive meeting with the BAME Steering Group with more planned.
- 3.7. Again, as reported to the Commission earlier in the year by the Chief Executive, the council has a mean BAME pay gap of 17.7% and a median gap of 17.6%. I support the Chief Executive's assessment that this is completely unacceptable.

- 3.8. We are however taking action to tackle this situation. From April. All roles at Band 4 and above will be subject to new recruitment rules. We will ask candidates to self-declare if they are from a BAME background on our applications forms in a desire to have at least one candidate from a BAME background on every shortlist for middle and senior manager roles. And all interview panels for roles at Band 4 and above must be gender diverse and include panellists from a BAME background. This is an important step to making interviewees both feel welcome and feel that Westminster is the type of organisation that people from all backgrounds can work for.
- 3.9. Although, no formal monitoring has yet been completed on the impact of these changes and this is a long-term project which will take some years to get right, reports from recruiting managers have been positive.
- 3.10. One manager has reported that "having a diverse interview panel was extremely helpful, adding a different perspective to the interview process and providing challenge to the usual way of doing things. I am confident that we tested candidates more and in different areas, and as a result we were able to take a better decision on who to offer the job to".
- 3.11. Work is also ongoing to strengthen our support to LGBT+ staff members. The LGBT+ network now meets regularly to discuss and provide feedback how the organisation can become a more open and welcoming place for LGBT+ members of staff. I met with the network during June and we talked about a number of issues where we can jointly take action to improve the working environment for LGBT+ staff.
- 3.12. An early achievement of the network has been to support the development and launch of the transitioning and intersex at work policy as part of the International Day Against Homophobia, Transphobia and Biphobia.
- 3.13. Finally I am also incredible proud of the support that the Council has given as part of Pride month. We have flown the Pride flag outside City Hall for the entire month, we have held events for staff and we entered our float in the Pride parade for the second year in a row.

4. Westminster BIDs

- 4.1. I have taken responsibility for the strategic relationship with Westminster's BIDs. Individual Cabinet Members will continue to engage with BIDs on individual projects or operational issues where they cut across different portfolios within the strategic framework I have set.
- 4.2. I will chair a bi-annual meeting with BID Chairmen and Chief Executives, which will also be attended by Westminster's Chief Executive and supported by senior officers. The purpose of this meeting will be to discuss the strategic partnership between the Council and the BIDs and agree

5. Westminster Amenity Society Forum (WASF)

5.1. Last month I met with the Westminster Amenity Society Forum (WASF) for one of our bi-annual meetings. We discussed CIL, with a focus on the

neighbourhood portion, Oxford Street and enforcement. In light of this meeting I have asked the Cabinet Member and Chief Executive to undertake a full review of our CIL strategy.

- 5.2. We have also agreed new terms of reference for the WASF, which is supported and administered by the Council.
- 5.3. The WASF will:
 - Focus on strategic matters common to all, or most amenity societies.
 - Address technical, location specific concerns affecting individual societies to relevant council officers on a day-to-day basis.
- 5.4. The Council will:
 - Provide and maintain a programme of regular forum meetings
 - Provide appropriate responses and updates to all agreed agenda items
 - Escalate any matters members of the forum do not feel they have received adequate response
- 5.5. This revised approach is designed to enable a focus on the big, cross-cutting issues which affect all areas of the city and where a partnership approach with the Council would help resolve such issues. It also makes clear the Council's commitment to engage with and feedback to amenity societies on operational issues or areas of concern outside of a regular cycle of meetings.

6. West End LIVE

- 6.1. On the 22/23 June, the Council once again produced West End LIVE in Trafalgar Square.
- 6.2. Hundreds of thousands of people attended the event over the course of the weekend to enjoy over 40 performances from the West End's most famous musicals.
- 6.3. This event has grown to become an annual highlight in London's event calendar. This popularity shows no sign of waning as on the Saturday there were two queues over 1km long full of people waiting to get into the event, despite Trafalgar Square already being at capacity.
- 6.4. The event offers a unique opportunity for people to experience London theatre for free at a time when the price of theatre tickets is prohibitive, providing access to the arts and a key element of London's cultural offer for those who ordinarily find themselves priced out of a trip to see a play or a musical.
- 6.5. Over 40 of our looked after children and their carers attended the event, with a number of our City Lions also coming down to Trafalgar Square over the course of the weekend.
- 6.6. I was delighted that the Lord Mayor was able to come down on Sunday and that a number of other Cllrs made the effort to come and witness this hugely important event.