

Finance, Smart City and City Management Policy and Scrutiny Committee

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Report of:	Councillor Paul Swaddle OBE
Cabinet Member Portfolio	Cabinet Member for Finance and Smart City
Report Author and Contact Details:	Gemma Stanton, Cabinet Officer gstanton@westminster.gov.uk

Overview of Portfolio

Finance and Smart City is a new Cabinet portfolio responsible for:

- financial management (strategic finance)
- financial asset administration;
- corporate property and major projects within council-owned buildings;
- procurement and contract management;
- legal services;
- customer services;
- smart city and digital transformation;
- broadband and connectivity;
- culture and tourism; and
- public art and city of sculpture.

Financial Management (Strategic Finance)

The 2020/21 financial year has been extremely challenging for the Council, both operationally and financially. The global COVID-19 pandemic has put considerable strain on the Council's finances and it is forecast that there will be a gross budget variance of between £55-65million for 2020/21. The primary reason for this large variance is due to reduced income from sales, fees and charges following various government restrictions which has led to a significant drop of activity in the city. However, the Council has been compensated for a large proportion of income losses through the Government's income reimbursement scheme and has also received nearly £30million in general COVID-19 grant funding.

We are working towards a combination of savings, pressures and additional funding which will contribute towards a balanced budget for 2021/22. The week commencing the 25 January 2021, the Budget Task Group meetings will take place to review the Council's proposed medium-term financial plan and capital strategy. The capital

strategy will deliver a range of benefits which aim to achieve the Council's City for All objectives, including:

- New and replacement affordable homes;
- Improvements to existing housing stock;
- Improved public realm, transport and pedestrian environment;
- Green initiatives in line with the Council's Climate Emergency programme; and
- Well maintained and efficiently managed operational property.

The Council's budget for 2021/22 will be announced at the Council meeting on Wednesday 3 March 2021.

Financial Asset Administration

As part of the Government's national response to COVID-19, the Council implemented financial assistance to the Borough's claimants with their rent, as well as increasing Council Tax Support awards by up to £150 (applicable in scenarios where a resident was already in receipt of this support but had a remaining Council Tax balance to pay) to schedule.

The Revenue and Benefits team have also set-up a new scheme to make payments to residents that had lost income through having to isolate. This was required in a very short timescale. This was achieved and has successfully operated on a daily basis since implementation. The Council has to date made 294 payments to residents that would lose money through having to isolate.

For businesses, the government has asked local authorities to introduce nine different complex grant schemes. The Council is currently paying grants to businesses as part of the second round of grants made available for the period of the November national lockdown. To date, 3,000 grants have been paid to businesses as part of the second round. The second stage of grant administration for the Council, will be to use the data from the first grant scheme to calculate the eligibility for each business under each scheme for each period (i.e. Tier 2, Tier 3, Tier 4 and national lockdowns). This will include the new top-up grant recently announced by the Chancellor of the Exchequer.

Corporate Property and Major Projects within Council-owned Buildings

At Lisson Grove, the completely refreshed public meeting room suite is nearing completion. This is the final phase of the refurbishment project that has seen large areas of Lisson Grove brought up City Hall standards. The meeting room suite will be a showcase for the council and feature advanced venue management for staff and clients with accessibility needs, specialist autism-friendly rooms, hearing loops and advanced meeting room technology for conferencing and remote working. The facility is expected to be open for use for council-staff from the beginning of March 2021.

The Council's Climate Emergency Declaration reflects the importance of tackling the rising impact and cost of carbon emissions. Public buildings are a significant contributor to the UK's carbon emissions; coupled with estimates that up to eighty percent of existing buildings are likely to be in use in 2030, means retrofitting the

current building stock is a vital part of meeting our emissions reduction targets. The Property Energy Team, have commenced engagement with the Greater London Authority's 'RE:FIT Procurement Framework' to deliver what will be an extensive programme of energy efficiency retrofit projects across our built estate. The programme of works will contribute to the Council's Climate Emergency response and our pathway to net-zero carbon emissions by 2030.

The Corporate Property team also continue to progress projects across the Council's estate:

- The Portman Children's Hub
The extension and refurbishment works are progressing as planned and due to be complete by June 2021.
- Seymour Leisure Centre
Fire safety works were completed in December as planned, and will now be followed with further enhancements to the fire alarm system.
- East Finchley Cemetery
Tender documents for the boundary wall work (demolition and rebuild) will be issued in January 2021.
- St John's Gardens
Demolition and rebuild of the boundary wall on Page Street is required due to structural issues. Construction commenced on-site in December and is expected to complete in March 2021.
- Old Marylebone Town Hall
The refurbishment of the Registrars area within the Town Hall commenced in early January and is expected to be complete at the end of February 2021.

The Huguenot House options consultation ended on 15 January 2021 and sought comments on a range of options from significant refurbishment through to demolition and redevelopment. The feedback received from the consultation is now being assessed to determine the way forward for the project.

Procurement and Contract Management

The new Procurement and Commercial Service 'centre of expertise' is now established and following an extensive recruitment process the leadership team and most of the specialist posts have been appointed. With the new 'Business Partner' led operating model in place the focus is now on building strong relationships internally and with the market to create a clear forward program of initiatives and priorities to maximise our contribution to City for All priorities and help mitigate the economic impact of the COVID-19 pandemic.

In the coming months the key priorities are to;

- Enhance the early visibility of new commissioning and change initiatives, as well as maintaining support for over 300 active procurement projects;
- Replace our procurement and contract management systems;
- Bring forward plans to promote and embed 'net zero carbon' and 'diversity and inclusion' across our supply chains;
- Continue to monitor the economic impact of Brexit and COVID-19 and work to improve the resilience of key suppliers and supply chains that provide essential public services.

Customer Services

A key commitment within our City for All Vision and Strategy for 2020/21 is to create a best-in-class council website making it easy to find information and complete online transactions. Soon we will be launching our new and improved council website which puts users first, providing an intuitive online experience. Visitors will be able to find exactly what they need, faster, and enjoy a bright, seamless, and contemporary design. When our new council website launches, redirects will be put in place to ensure anyone using expired links will be sent to the most appropriate place on the new council website to aid a smooth transition.

In December 2020, our contact centres experienced a lower volume of calls compared to November 2020 with data comparable to the same period for previous years. We therefore anticipate this reduction to be a result of the holidays.

Smart City and Digital Transformation

As highlighted in my previous report to the Community Services, Business and Planning Policy and Scrutiny Committee, with the events of 2020, recognition emerged that there were gaps in our overall smart vision and strategy that needed to be addressed at pace to deliver and maximise customer benefits long term. In November last year, I reported that we have procured PwC as a consultant for six months until March 2021 to support the Council on a new smart vision, smart roadmap and capturing early wins. We have worked with PwC to identify and outline four thematic smart city programmes:

- 1) Extraordinary experiences;
- 2) Innovative Economy;
- 3) Empowering People; and
- 4) CleanTech City.

These four thematic smart city programmes are underpinned by three guiding principles: inclusive, innovative and participatory. Once our work with PwC concludes, we plan to share our smart city vision and roadmap widely to demonstrate our commitment and ambition to delivering a world-class city.

In parallel with this, as part of our City for All Vision and Strategy for 2020/21 we have been exploring options for enabling responsive technology to transform the future of care and support in Westminster. Discovery work is underway to inform a roadmap for delivery of early adoption pilots.

In addition, officers across the Council have been working with our Library Service to explore new ways to bring experiences to library users through our council website and creating touch points between the physical and the digital libraries services with the expansion on events, communities and more.

Broadband and Connectivity

Our City for All Vision and Strategy for 2020/21 set out our mission for Westminster to be one of the best connected cities on the planet.

Westminster has the highest full-fibre availability in London and the thirteenth highest borough in the United Kingdom. In the recent Connected Nations report dated December 2020, Westminster was reported to have connected 56.1% of properties to full-fibre broadband.

In the Connected Nations report dated December 2019, Westminster had connected 31.8% of properties to full-fibre broadband, meaning an additional 40,334 properties have been connected in 2020 despite the global COVID-19 pandemic. This constituted to the fastest deployment rate in London.

This rapid rate of deployment over the past year is due in part to our providers' commitment to the Council's City-wide Wayleave Agreement to deploy full-fibre to the Council's housing stock by the end of 2021. Currently we have 65% of our housing stock connected, equating to 12,291 properties. We have providers on site now working to connect a further 656 properties connected by the end of the month.

As the national lockdown has meant more people are remote-working, accessing online learning, and adopting digital technologies, we have worked with our partners to both offer and signpost residents and businesses to the many offers available to ensure our communities are able to access broadband or mobile networks to get online.

Culture and Tourism

The global COVID-19 pandemic has only reinforced the need for cultural engagement. It has shown us how in difficult times our common humanity and its creative expression through the arts can be a vital source of inspiration, resilience and healing. The Council is, now, more than ever, committed to doing all we can to enable Westminster's world class cultural and creative sector to prosper.

Throughout the pandemic, the Leader of the Council, Cabinet Member for Business, Licensing and Planning, Councillor Angela Harvey and I have held regular conference calls with key cultural institutions to hear first-hand their concerns to help us to lobby the Government and to work together to support the sector reopening.

In early February, we plan to launch our Cultural Strategy 2021-2025 with a virtual event with our Cultural Network. The strategy has been developed in consultation with over 100 stakeholders across the sector and communities across the city. In launching

the strategy, we are aiming to empower the sector to rise to the challenges that the global COVID-19 pandemic has unexpectedly placed at our door step and use arts and culture to leverage the creative expression, healing and sharing of common humanity that is so vital in these times.

Our Cultural Strategy 2021-2025 set out four key priorities:

- 1) Culture for All;
- 2) Resilient Communities;
- 3) Open for Business; and
- 4) Creative Placemaking.

We look forward to launching our Cultural Strategy for 2021-2025 in the coming weeks and hope that you will take the time to digest our commitment to culture.

Public Art and City of Sculpture

As part of the City of Sculpture, we have recently commissioned an independent advisory board to review sculpture submissions before planning application is sought in April ahead of the installation of new sculptures at locations across the city in Summer 2020.

Our green plaque scheme currently has one approved green plaque awaiting installation. Once lockdown is lifted, we plan to install the green plaque commemorating polish artist and owner of Drian Galleries, Halima Nałęcz.