



City of Westminster

Shareholder Committee Report

Decision Maker:	Shareholder Committee
Date:	17 th March 2022
Classification:	For General Release
Title:	Westminster Community Homes – Operational and Financial update 2021/22
Wards Affected:	All
City for All Summary:	Delivering more affordable housing
Key Decision:	No
Report of:	WCH Chief Executive and WCH Chairman

1. Executive Summary

- 1.1 This report set out the current progress being made by Westminster Community Homes (WCH). Details are provided on WCH Core Programme for 2021/22 and the latest financial position as at the end of January (Period 10). The full monthly accounts are attached as Appendix A.

2. Recommendations

- 2.1 The Shareholder Committee are asked to note this report.

3. WCH work programme 2021/22

- 3.1 WCH current work programme comprises of the following core activities:
 - continue to negotiate the acquisition of leasehold interests in the Ebury and Church Street Regenerations Areas to deliver vacant possession of blocks identified for demolition

- complete the current WCH Development programme of 50 affordable units comprising of 45 units for Intermediate Rent and 5 units for Shared Ownership.
- commence the “Refresh” project to ensure all WCH meets new legislative requirements concerning fire safety and energy efficiency and continue to meet WCH letting standard
- deliver WCH “Social Value” programme

The following is the progress made to date on the 2021/22 WCH work programme:

3.2 Acquisition of leasehold interests in the Ebury and Church Street Renewal Areas

WCH, function as the City Councils agent, to negotiate the acquisition of leasehold interests in the City Council’s Renewal Areas. It successfully delivered the required acquisitions on the Tollgate estate and is now actively working on Ebury and Church Street.

3.2.1 Ebury

The regeneration of Ebury estate is taking place in three phases (1, 2a and 2b). Originally there were 140 leasehold interests and to date a total of 115 units have been acquired following negotiation by WCH.

All the lessee interests were voluntarily acquired in Phase 1 without the City Council having to use Compulsory Purchase Powers. The blocks concerned have been demolished with construction now underway. Of the remaining 25 cases, terms have been agreed in respect of 5 cases and these are now with solicitors.

3.2.2 Church Street

Although leasehold interests across Sites B, C and Gayhurst House are still being acquired wherever possible, once they come onto the market, priority is currently being given to Site A.

On Site A, there were originally 47 lessees and to date 35 units have been acquired through negotiation by WCH.

Across Sites B, C and Gayhurst House there were originally a total of 114 lessee units and to date 32 units have been acquired.

3.3 WCH Development programme

3.3.1 Victoria Wharf (Phase 2)

Following the completion of WCH award winning scheme at Victoria Wharf, WCH were able to acquire the adjoining land and obtain planning permission for a new development which, when completed, will be linked to the first phase to create a

42-unit scheme. Construction work on phase 2 is progressing well with a completion date of August 2022 to deliver these 20 Intermediate Rented units

3.3.2 581-587 Harrow Road W10

The Planning Application for this scheme was submitted in December 2021 and it is due to go to the Planning Committee for determination on 8th March. If approved, this scheme will provide 25 Intermediate Rented units with start on site scheduled for summer 2022.

3.3.3 Pilot Low-Cost Shared Ownership scheme

WCH are currently piloting a low-cost share ownership scheme. Low-cost home ownership opportunities for first time buyers in Westminster are principally restricted to shared ownership. However, the most recent shared ownership units coming through have been as Section 106 affordable housing provision on new build schemes with higher-than-average values.

WCH pilot scheme looks to bring forward existing street properties into shared ownership thereby creating a small but useful low-cost opportunity for aspiring homeowners. This pilot scheme of 5 units will test the appetite of the Westminster Home Ownership waiting list. The first three units are currently being converted in Bravington Road W9 with completion scheduled for early April 2022. A further unit in Saltram Crescent W9 is currently being acquired and WCH are actively looking for a final unit to complete this pilot programme.

Once these have been completed WCH will report back to the City Council on the popularity of this programme with hopefully a proposal for a further programme.

3.4 “Refresh” programme

3.4.1 This programme looks to ensure that all WCH individual units are inspected internally and works undertaken to ensure they meet emerging fire regulations (front doors, smoke, heat, and carbon monoxide alarms), have a minimum EPC rating of C, and have any further works conducted to ensure they continue to meet WCH letting standard.

All WCH tenants have been advised about this project and provided with a home fire safety kit. Surveyors have now been put in place and surveys commenced. Once sufficient surveys have been completed, these will be evaluated, and contracts let for the works phase.

3.5 Social Value programme

3.5.1 WCH provides funding for a small annual programme of activities which deliver “social value”. The current programme provides the following activities:

- Homework/Breakfast Clubs at six Westminster Primary Schools
- Girls Youth Club in Church Street
- Football coaching at Churchill Gardens
- Farm trips for primary school children
- Funding for “Westminster Wheels”

Because of Covid the farm trips and one primary school has been unable to run their breakfast club. The rest of the programme is being successfully delivered.

4. Financial update

4.1 The City Council provide, through the Finance Team, the day-to-day accounting services for WCH on a contractual basis including the provision of monthly management accounts, cash flows, preparation of accounts for annual audit and assisting with the provision of budgets. The monthly accounts are presented at each WCH Board meeting.

4.2 The latest monthly accounts report has been attached to this report as Appendix A. These show that as at Period 10 (end of January 2022) the year-to-date position is a surplus of £485k which is £355k favourable to budget. This is mainly because of the sale of a long held WCH unit which produced a significant surplus of £252k. When units are sold the receipts are reinvested into replacement affordable homes. Without this one-off item the year-to-date position would still be £103k favourable to budget.

5. WCH recruitment

5.1 WCH Board met on the 8th February to consider the options for the replacement of the current CEX who will be retiring later this year. The Board agreed to proceed with the recruitment of a new postholder who will, in consultation with the City Council, review WCH current core objectives. Further updates will be provided to this Committee at future meetings.

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

Steve Moore, CEX Westminster Community Homes Tel: 07971626389

Email: smoore@westminster.gov.uk