

Date of meeting:	Wednesday 13 March 2024
Classification:	General Release
Title:	Leader's Update
Report of:	Councillor Adam Hug, Leader of the Council
Cabinet Member Portfolio	Leader of the Council
Wards Involved:	All
Policy Context:	Fairer Westminster
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1. Budget

Council tax

- 1.1. On 19 February, the Cabinet agreed details of its proposed budget for 2024/25 that will be voted on at Full Council on 6 March
- 1.2. In recognition of challenging financial circumstances, the Council is proposing a 2.99% increase in the general element of the council tax and a 2% increase ringfenced to support adult social care, which will provide £3.3m of additional funding for the council year on year.
- 1.3. For residents in Band D, this would result in a weekly increase of 46p, or £23.85 a year for the Westminster Element, excluding the Greater London Authority precept.
- 1.4. Cabinet also recently approved continuation of the council's 100% Council Tax Support scheme for 2024/25 which means households that are most in need can apply for full relief. 13,000 households accessed the scheme in 2023/24.

Temporary Accommodation

- 1.5. The demand for temporary accommodation (TA) in Westminster has risen by 24% since 2022/23, and the Council will need to find an additional £38m in the next financial year to prevent an increasing number of households becoming homeless. The provision of TA is a significant financial risk for council, because of the gap between the costs of TA currently and the income received through the government's TA subsidy regime.
- 1.6. Since April 2022, there has been an over 40% increase in approaches due to homelessness, applications for support and placements in TA. The total number of households in TA has risen from 2699 in April 2022 to 3347 in December 2023 with 39% placed in borough, and 61% out of borough. 86 households have been placed outside of London.
- 1.7. In the absence of central government funding, the Council has already invested an additional £85m to purchase an additional 270 properties for temporary accommodation, with over 65 properties purchased this financial year (2023/24).
- 1.8. This year's budget will invest a further £1.4m to expand the council's capacity to tackle homelessness, which includes resource towards administering the Temporary Accommodation acquisitions programme.
- 1.9. The Council is also concentrating additional effort on alleviating the spend, by finding alternative suitable accommodation to replace the most expensive nightly booked units and finding more cost-effective private sector homes.

Investments and Delivery Plan

- 1.10. As part of the proposed budget of 2024/25, the Cabinet agreed upon the following investments:
 - an additional £1m in financial aid to foodbanks, charities and residents struggling with high costs of food and accommodation, and a £1.05m top-up to the Rent Support Fund for Housing tenants, bringing the Council's Cost of Living Support Fund to £21m.
 - £450k to tackle the ecological emergency in Westminster.
 - £1.2m to increase the hourly rate for social care staff by an additional £1.50 per hour
 - £1m to establish a new mobile CCTV network to address anti-social behaviour, waste and nuisance noise.
- 1.11. The Council published its first Fairer Westminster Delivery Plan in March 2023, and following the Budget a revised version will be published, with a focus on the delivery of affordable housing, support for vulnerable residents, building a strong and sustainable economy, and protecting the environment.

- 1.12. The Delivery Plan for 2024/2025 will build upon the successes of the first year's 2023/24 plan while recognising the need to do more in light of challenges continuing to face the City, such as the climate emergency, housing pressures and inequality.

2. Public Affairs

Household Support Fund

- 2.1. The Council is concerned about the future of the Household Support Fund (HSF) which has been vital in supporting Westminster residents during the cost-of-living crisis, with 31,000 households in the City classed as vulnerable.
- 2.2. In 2023/24 the funding was allocated towards the following:
 - £2.1m towards food for free school meals for eligible pupils during school holidays
 - £1.3m in supermarket food vouchers for residents in difficulty but not qualifying for the government's £900 support
 - £0.5m - other support through a hardship fund, food charities and advice
 - Direct funds for over 1,000 households through partners, and supermarket voucher support to 2,4000 low-income households including 1,000 pensioners and 700 people with disabilities.
- 2.3. The end to the HSF will result in families having a direct reduction to their food budget of £238 per year, per child; for an unemployed person over 25, an annual reduction of 15% of entitlements or around £853 per year; and for a couple with three children this will mean a 6.1% reduction of around £932 per year.
- 2.4. The Council wrote to the Chancellor on 28 February 2024 in a letter co-signed by Abbey Centre, Citizens Advice Westminster, and Age UK to set out the risks in the event that the HSF is not continued.
- 2.5. At the time of publication, the government had not made any announcements on the future of the HSF.

Short term lets

- 2.6. Westminster has the highest number of short term lets in the country – around 12,000 which has continued to climb following the end of the pandemic.
- 2.7. The Council is currently receiving an unprecedented 30 complaints a week relating to short term lets, with 86 planning contravention notices recently served on houses and flats suspected to have operated a short term let for

more than 90 nights in a year, and 500 active investigations Housing officers.

- 2.8. Details of the mandatory registration scheme, to make sure hosts are accountable for any illegal activity from excessive noise to dumping waste, are yet to be shared by the Department for Levelling Up, Housing and Communities (DLUHC) but the proposal that properties which are already used for short-term letting will be automatically exempt from the need for planning permission is extremely concerning.
- 2.9. Council data suggests that at least 10,500 homes would meet the proposed definition of short-term letting and would be permanently removed from the residential market, should the proposal be brought forward in their current form.
- 2.10. It is crucial that the new powers for councils exercise planning controls via an Article 4 Direction, as well as the new registration scheme, and can come into effect before the introduction of any new permitted development rights.

3. Future of the Gordon Hospital

- 3.1. Consultation ended on 16 February following a three week extension. A further extension requested by Westminster (WCC) and Royal Borough of Kensington and Chelsea (RBKC) was refused by Central North West London NHS Foundation Trust (CNWL).
- 3.2. Throughout, the Council sought additional consultation events, in particular in the area around the Gordon, as well as encourage wider participation.
- 3.3. The consultation did not include an option for the Council's preferred option (restoration of acute beds at the Gordon and/or an alternative site in South Westminster) and concerns were raised about some of the wording of the consultation e.g. an inference that care in the Gordon didn't meet national standards or was inadequate.
- 3.4. The Joint Health Overview and Scrutiny Committee, formed of WCC and RBKC councillors, has been leading on much of the investigative work, and held its last meeting on 26 February. A formal response with recommendations has been issued to CNWL and ICB to form part of their decision-making.
- 3.5. Cabinet Members and officers have continued to meet and engage with CNWL throughout the consultation process, with Cllr Butler-Thalassis writing to the Secretary of State and Mayor of London to express concerns about the consultation.
- 3.6. A decision is expected from CNWL in the summer, delayed due to pre-election period, and the JHOSC will then have another opportunity to meet and make recommendations. Therefore, a final decision is likely in late 2024.