



CITY OF WESTMINSTER

MINUTES

Housing, Finance and Corporate Services Policy and Scrutiny Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Housing, Finance and Corporate Services Policy and Scrutiny Committee** held on **Monday 10th April, 2017**, Rooms 5, 6 & 7 - 17th Floor, Westminster City Hall, 64 Victoria Street, London, SW1E 6 QP.

Members Present: Councillors Brian Connell (Chairman), Paul Church, Nick Evans, Peter Freeman, Adnan Mohammed, Jacqui Wilkinson, Adam Hug and Roca

Also Present: Councillor Tim Mitchell (Cabinet Member for Finance, Property & Corporate Services), Steve Mair (City Treasurer), Phil Black (Head of Revenues and Benefits Contracts), Barbara Brownlee (Director of Housing & Regeneration), Ian Copeman (Housing LIN), Neil Revely (Kings Fund), Cecily Herdman (Principal Policy Officer), Martyn Jones (Head of Asset Strategy and Regeneration, CityWest Homes), Steve Falvey (Commissioning Manager for Carers), Muge Djinder (Scrutiny Manager), Tara Murphy (Scrutiny Officer) and Reuben Segal (Senior Committee & Governance Services Officer)

1 MEMBERSHIP

- 1.1 It was noted that there were no changes to the membership.
- 1.2 **RESOLVED:** That until the arrival of the chairman Councillor Peter Freeman be appointed to chair the meeting (items 1-4).

2 DECLARATIONS OF INTEREST

- 2.1 Councillor Church declared that he is a board Member of Westminster Community Homes.
- 2.2 Councillor Jacqui Wilkinson declared in relation to the procurement update on the management and maintenance of parks, open spaces and cemeteries (Item 5 – Cabinet Member Update - Cabinet Member for Finance, Property & Corporate Services) that she is the Deputy Cabinet Member for Environment, Sports and Community.

3 MINUTES

- 3.1 **RESOLVED:** That the minutes of the meeting held on 6 March 2017 be signed by the Chairman as a correct record of proceedings.

4 WORK PROGRAMME 2016/17 AND ACTION TRACKER

- 4.1 **RESOLVED:** That the responses to actions and recommendations as set out in the tracker be noted.

5 UPDATE FROM CABINET MEMBERS

- 5.1 The Committee received written updates from the Cabinet Member for Finance, Property and Corporate Services and the Cabinet Member for Housing on the key issues within their portfolios.
- 5.2 Councillor Tim Mitchell, Cabinet Member for Finance, Property & Corporate Services informed the committee that the Council had prepared its accounts for 2016-17 and submitted them to the Council's external auditors, Grant Thornton, for audit on 6 April. This places Westminster in the top 5% of accounting bodies both in the public and private sector.
- 5.3 The Cabinet Member informed the committee that the review of the Garden Bridge project undertaken by Dame Margaret Hodge on behalf of the Mayor of London had been published last week. One of the review's recommendations to the Mayor is that he should not sign any guarantees until it is confirmed that the private capital and revenue monies have been secured by the Garden Bridge Trust. The Council is taking measures to protect its position until it has guarantees that sufficient finances are in place for the project to proceed.
- 5.4 The Cabinet Member then responded to questions on the following issues:
- 5.4.1 Business Rates - the Cabinet Member was asked for details of the number of public houses in Westminster with a rateable value below £100,000 that may be eligible for the £1000 allowance announced in the March budget. The Cabinet Member advised that around 300 National Non-domestic Rates accounts potentially affected by the budget announcements were extracted from the annual billing process while the Council awaited further information from the government on the legislative changes. The Council was writing to each of the 300 ratepayers in the interim. He believed that there were some Public Houses outside the West End which would meet the criteria. Phil Black, Head of Revenues and Benefits Contracts, informed members that around 100 Public Houses would potentially be eligible for the allowance. However this figure would reduce as some of the Public Houses are owned by larger chains which would not be eligible. Public Houses would need to submit an application for the allowance which would be assessed by Council officers.
- 5.4.2 Sundry Debtors – The Cabinet Member was asked for an update on the pilot exercise with a third party provider to take further action on a small number of unpaid debts. The City Treasurer informed members that arrangements were

still being finalised. The focus would not be limited to debts of a particular value but would also consider other factors including the age of the debt and provider.

- 5.4.3 City Hall Refurbishment – Members asked for an update on the decant from City Hall. The Cabinet Member informed the committee that 400 members of staff had moved to Portland House over the previous weekend. Water damage, following a flood from higher floors, had briefly affected the programme of works preparing the office space for use by the Council. In addition to this, the lifts servicing Portland House had briefly broken down earlier in the day. He explained that the Council has little control over the building as it is managed by Land Securities. However the offices at 5 Strand will be managed by the Council. The chairman suggested that if there were no other major decant issues the City Hall Task Group would conclude its work and provide a written update to the next committee meeting. The Cabinet Member advised that tenders for the refurbishment of City Hall were received the previous week and he suggested that the Task Group may wish to see these to understand the rationale for a future award which would be made in the next couple of months.
- 5.4.4 Legal Services - The Committee noted that the Legal Service is seeking to build capacity to undertake more of the outsourced large-scale and complex matters in-house, which will help to further reduce external spend. The Cabinet Member was asked about the timeframe for this and whether there was sufficient fluidity in the labour market to achieve this. He advised that identified savings on external legal spend were included in the legal services budget for the current financial year. Legal Services have been contacting other local authority legal services and were examining alternative business structures to explore opportunities of sharing or trading legal work which would result in benefits from economies of scale.
- 5.4.5 Bond Street Public Realm Improvement Scheme - The Cabinet Member was asked for details of other public realm improvement schemes that will likely come forward in the West End using the Tax Increment Finance (Tif) package. Councillor Mitchell explained that each package has its own project team where it would be important to attract partners and work hand-in-hand with local stakeholders. He suggested that a similar investment around Oxford Street East will be particularly important given the significant additional footfall expected in the area following the opening of Crossrail.
- 5.4.6 Changes to Tri-Borough Shared Services Arrangements - Members asked about the current senior management arrangements across Tri-Borough and whether the Council had undertaken an analysis of the transition costs to Bi-borough services following the decision by the Council to terminate the s113 agreements for Adult Social Care, Children Services and Public Health. The Cabinet Member advised in respect of Legal Services, which fell within his portfolio, that the London Borough of Hammersmith and Fulham had for some time tried to recruit its own borough solicitor. With regards to transition costs, he advised that the City Treasurer and the finance team were working with service departments to establish the costs of moving to Bi-Borough arrangements. These details will become clearer over the next 3 to 6 months.

5.5 ACTIONS:

1. Provide Councillor Roca with details of Westminster's external legal spend. **(Action for: Tasnim Shawkat, Director of Law)**
2. How will the Council identify the skills gap in each directorate to determine how they should spend their 0.5% contribution on apprenticeships? **(Action for: Lee Whitham, Director of People Services)**
3. The committee requested an assessment of the likely impact of the Homelessness Reduction Bill on the Council. **(Action for: Barbara Brownlee, Director of Housing & Regeneration)**

6 COMMUNITY SUPPORTED HOUSING REVIEW

- 6.1 The Committee received a report that provided a background to a review of the Council's Community Supportive Housing (CSH) also commonly known as sheltered housing. The Council had commissioned the Housing Learning and Information Network (LIN) and Arcadia Architects to complete a review of the Council's 1000 units of CSH.
- 6.2 The review was commissioned in response to: uncertainty over future demand for CSH and declining demand from council tenants, who might free up family sized housing if they chose to move into CSH; an aging stock, some of which needs investment and doesn't meet modern requirements; and the need to ensure the council is making the best use of this asset and that it is aligned to wider council objectives.
- 6.3 Overall the study aims to assess if the Council is making the best use of its CSH asset and to make any recommendations for change.
- 6.4 Consultant Ian Copeman, Housing LIN presented the emerging findings from work done so far on the review.
- 6.5 Members were asked to comment on the emerging findings and evidence gathered to help develop clear and feasible recommendations, which will be presented in a final report which is due in May/June 2017.
- 6.6 The emerging findings were structured around three core questions:
 - i. How well is CSH meeting current demand and how well will it meet future demand?
 - ii. How does it contribute to meeting the Council's key priorities and objectives?
 - iii. What changes are needed (for the stock to better meet current and future demand and the Council's priorities) and how can they be made?

How well is CSH meeting current demand and how well will it meet future demand?

- 6.7 Mr Copeman outlined the demographic context which revealed that in the next 13 years there would be a 42% increase in residents aged over 60 and a 52% increase in the number of Westminster residents aged over 75. Moreover there would be an increase of 56% between 2013 and 2033 in the long term conditions associated with ageing, such as dementia.
- 6.8 To estimate the future demand for CSH, the Council had applied the CSH waiting list to population projections and other external factors. The review revealed that across all years to 2030 demand for CSH exceeds supply. Mr Copeman advised that in the UK less than 0.5% of accommodation is suitable for over 60s compared with 5% in Australia and some other European countries.
- 6.9 Mr Copeman informed the committee that the bulk of residents looking for CSH are people currently residing in the private rented sector (PRS). A small but growing number of applicants have a rough sleeping background. Some are in general needs social housing while there is also an element who do not fit into any of these categories.
- 6.10 In response to questions about the accuracy of the projections Barbara Brownlee, Director of Housing and Regeneration, explained that the unique complexities and characteristics of Westminster present challenges in estimating future demand. She explained that there is a growing cohort of men living independently in Houses of Multiple Occupation (HMOs) which skew calculations. As the Council has no control of the PRS the Council will not be aware of their requirements until they present themselves.
- 6.11 Members asked whether there is a substantial number of single ex-servicemen living in HMO accommodation. Barbara Brownlee stated that she was not aware whether this is the case. However, she advised that ex-service personnel receive priority for general needs housing. Members suggested that given the number of barracks situated in Westminster it would be advisable for the Council to liaise with related charities such as the British Legion, to understand if this is the case.
- 6.12 The Committee asked whether CSH was being delivered through section 106 obligations as part of the planning process. Members also asked what discussions the Council's housing service was having with Registered Social Landlords (RSLs) about such provision. Barbara Brownlee advised that extra care and sheltered housing provision had been included as part of the affordable housing provision within the Chelsea Barracks redevelopment. However, she explained that the Council was not yet able to accurately identify where the inclusion of CSH in individual schemes would be appropriate.
- 6.13 The Committee asked about the opportunities for including CSH in the Council's programme of housing renewal. Stephen Falvey, Commissioning Manager for Carers, advised that some of the housing to be delivered at Lisson Arches will allow for additional, extra adaptations to be included at a later date if required. Barbara Brownlee explained that other than at Lisson Arches CSH provision had not been incorporated as part of the programme of

housing renewal. This was now changing and officers were looking at different options across the sites.

- 6.14 Members asked how purpose-built CSH differs from the aim to future proof general needs homes so that residents can remain in their homes for as long as possible as they become older. Barbara Brownlee explained that the latter do not include substantive interventions.

How well does it contribute to meeting the Council's key priorities and objectives?

- 6.15 Mr Copeman then highlighted how CSH aligned with wider Council priorities and objectives. The key objectives included:
- Providing homes for those in need and improving quality of life, protecting vulnerable people and supporting people to make their own life choices;
 - Addressing homelessness;
 - Supporting people to remain in their homes and communities, maintaining their maximum level of independence and community engagement, avoiding residential and nursing placement if possible;
 - Helping people to prevent the onset of long-term health conditions such as dementia and heart disease.
- 6.16 Neil Revely, Kings Fund, which is acting as a critical friend to the project, provided the context for reviews of sheltered housing undertaken by other local authorities. Some of the common factors prompting reviews included a projected increase in older people population and low demand and poor standards for existing sheltered housing. The committee noted that some other local authorities have a surplus of CSH.
- 6.17 The Committee asked whether the existing CSH stock enabled couples to stay together. Mr Revely outlined the importance and benefits of enabling couples to stay together. One person for instance may provide informal care. Barbara Brownlee explained that while the Council now has some CSH accommodation that is suitable for couples these are all 1 bed units. The Council was looking at developing 1.5 bed CSH units for couples where living rooms can be split off to provide additional sleeping space where circumstances required.
- 6.18 Members discussed how CSH can help people to remain independent and avoid residential and nursing placements which would also benefit the NHS by reducing care costs.
- 6.19 The Committee noted that under occupying Council tenants willing to transfer to CSH are eligible for a cash incentive payment and they have the highest priority to be rehoused. Members asked how the Council can better incentivise under occupying tenants to downsize to contribute to the council's objectives of providing homes for those in need and addressing

homelessness. Barbara Brownlee explained that some under occupying Council tenants will not consider moving to alternative accommodation no matter how large the financial incentive due to a number of reasons including the enviable location of their homes. She also explained that the Council would need to have suitable CSH accommodation to offer residents to transfer to which it currently does not have.

What changes are needed (for the stock to better meet current and future demand and the Council's priorities) and how can they be made?

6.20 Mr Copeman then outlined the emerging findings of the assessment of the CSH stock. These were as follows:

- There are limited opportunities for remodelling bedsits without losing social units
- Some schemes operate as community hubs with varied success
- Telecare and Assistive Technology is limited to pull cords
- Many bathrooms still have baths with showers installed
- Security issues in particular around main entrance is a theme across the stock

6.21 **RESOLVED:**

1. How well is CSH meeting current demand and how well will it meet future demand?

The committee noted that while there were difficulties in accurately calculating future demand for CSH, due to the unique circumstances and characteristics associated with Westminster, there was robust evidence to indicate that current and future demand for CSH exceeds supply.

2. How well does (CSH) contribute to meeting the council's key priorities and objectives?
 - (i) The committee noted that the majority of CSH was built in the 1970s. Despite a programme of upgrading and improvement during 2008-10, some schemes now need further investment as standards for CSH have moved on since the stock was developed. Therefore, some of the accommodation does not fully contribute to the objective of supporting people to remain in their homes and communities, maintaining their maximum level of independence.
 - (ii) The committee noted that other local authorities have a surplus of CSH. It therefore recommends that the Cabinet Member for Housing consider opportunities for providing out of borough CSH provision to meet demand which will in turn assist with wider Council priorities of providing homes for those in need and addressing homelessness.

- (iii) The committee recognised the importance and benefits of enabling older couples to remain together in purpose-built, self-contained sheltered housing. However, the committee noted that although the Council has some CSH accommodation that is suitable for couples these are limited to 1 bed units. The committee supported the development of 1.5 bed CSH units for couples where living rooms can be split off to provide additional sleeping space where required.
 - (iv) Members noted that the NHS would be one of the main beneficiaries of new additional CSH as enabling people to remain in their homes and communities as they grow older can reduce the cost of Adult Social Care and avoid residential and nursing placements. The committee therefore stressed the importance of the Council involving the NHS in any future discussions on CSH.
 - (v) The committee noted that under occupying Council tenants willing to transfer to CSH are eligible for a cash incentive payment. However, demand from Council tenants for CSH has been falling. Members considered that the Council should consider how it can further encourage older residents to downsize to free up much-needed larger properties. It should also engage with RSLs on how they can encourage their older under occupying tenants to transfer to CSH where appropriate.
3. What changes are needed (for the stock to better meet current and future demand and the council's priorities) and how can they be made?
- (i) The committee noted current residents' views on CSH and stressed the importance of the Council understanding what older people want from CSH.
 - (ii) The committee considered that the Council should make better use of its powers as a planning authority to increase the provision of CSH in the city - either through bringing about its own developments or by obtaining, where appropriate, section 106 obligations on relevant planning applications.

7 2017-2018 WORK PROGRAMME DEVELOPMENT

- 7.1 The committee received a report that included a draft list of items that it may wish to include in its work programme for 2017/18.
- 7.2 Members reviewed the list of suggested items and discussed any additional areas of interest for inclusion in the work programme.
- 7.3 The committee reiterated its preference to focus on one main item per meeting so that it could give appropriate consideration to the issues being scrutinised. Members also supported the idea of holding one meeting off-site, in the community, with the location being relevant to the item being scrutinised.

7.4 RESOLVED:

1. That the agenda for the next meeting on 12 June should include items on the Digital Programme Strategy and CityWest Homes Transformation.
2. The Council's trading company, Westco, should be included as an agenda item at an appropriate future meeting.

The Meeting ended at 9.07 pm

CHAIRMAN: _____

DATE _____