



City of Westminster

Committee Agenda

Title: **Housing, Finance and Corporate Services Policy and Scrutiny Committee**

Meeting Date: **Monday 6th November, 2017**

Time: **7.00 pm**

Venue: **Room 3.1, 3rd Floor, 5 Strand, London, WC2 5HR**

Members: **Councillors:**

Brian Connell (Chairman)	Adnan Mohammed
Paul Church	Jacqui Wilkinson
Nick Evans	Roca
Peter Freeman	Guthrie McKie

Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda.

Admission to the public gallery is by ticket, issued from the ground floor reception. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.



An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact the Committee Officer, Reuben Segal; Senior Committee and Governance Officer.

**Tel: 020 7641 3160; email: rsegal@westminster.gov.uk
Corporate Website: www.westminster.gov.uk**

Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Head of Committee and Governance Services in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

The Head of Legal and Democratic Services to report any changes to the membership.

2. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any personal or prejudicial interests in matters on this agenda.

3. MINUTES

To sign the minutes of the previous meeting as a correct record of proceedings.

(Pages 1 - 12)

4. WORK PROGRAMME

(Pages 13 - 24)

5. UPDATE FROM CABINET MEMBERS

An update from the Cabinet Members on key areas within their portfolios are attached.

The Cabinet Member for Finance, Property and Corporate Services will be in attendance to answer questions from the Committee.

(Pages 25 - 44)

6. WESTCO

Report of the Director of Policy, Performance and Communications

(Pages 45 - 58)

7. UPDATE ON CHURCH STREET MASTERPLAN

Report of the Interim Director for Growth, Planning & Housing

(Pages 59 - 102)

**8. TREASURY PERFORMANCE HALF YEAR STATUTORY
REVIEW**

Report of the City Treasurer

**(Pages 103 -
114)**

**Charlie Parker
Chief Executive
27 October 2017**

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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 11th September, 2017**, Grosvenor Hall Grosvenor Hall, Vincent St, Westminster, London SW1P 4HB.

Members Present: Councillors Brian Connell (Chairman), Paul Church, Adnan Mohammed, Jacqui Wilkinson, Tim Roca and Jason Williams

Also Present: Steve Mair (City Treasurer), Jonathan Cowie (CEO, CityWest Homes), Martyn Jones (Executive Director for Asset Strategy and Development, CWH), Sarah Stevenson Jones (CWH Head of Health, Safety and Wellbeing), Brian Robinson CBE, Alan Brinson, Greg Roberts (Head of Supporting People and Temporary Accommodation), Aaron Hardy (Scrutiny Officer) and Reuben Segal (Committee and Governance Services)

Apologies for Absence: Councillor Peter Freeman

1 MEMBERSHIP

- 1.1 It was noted that Councillor Jason Williams had replaced Councillor Adam Hug.

2 DECLARATIONS OF INTEREST

- 2.1 Councillor Church declared that he is a board member of Westminster Community Homes.

3 MINUTES

- 3.1 **RESOLVED:** That the minutes of the meeting held on 12 June 2017 be signed by the Chairman as a correct record of proceedings.

4 WORK PROGRAMME AND ACTION TRACKER

- 4.1 **RESOLVED:**

1. That reports on WestCo and Treasury Performance Half Year Statutory Review be included on the agenda for the next meeting on the 6 November
 2. That the responses to actions and recommendations as set out in the tracker be noted.
- 4.2 **ACTIONS:** Provide the committee with a note on where the responsibilities for scrutinising rough sleeping lie. (**Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing**)

5 UPDATE FROM CABINET MEMBERS

- 5.1 The Committee received written updates from the Cabinet Member for Housing and the Cabinet Member for Finance, Property & Corporate Services on the key issues within their portfolios.
- 5.2 In the absence of the Cabinet Member for Housing CityWest Homes (CWH) officers responded to questions on the following issue:
- 5.2.1 The performance of the new CWH Multi Channel Service Centre (MCSC) - Mr Cowie was referred to the fact that a resident in William Blake House had phoned the CWH service centre to enquire about a maintenance issue but was unable to get through. Mr Cowie was asked about the alternative options in such circumstances. Mr Cowie advised that the MCSC was launched at the same time as the Grenfell Tower fire. CWH had anticipated receiving c. 4500 thousand calls per week. However, there were unprecedented call volumes following the Grenfell Tower fire and at its peak, call volumes reached c 7500 calls per week. Additional resources were put in place to deal with the increased call volumes. Mr Cowie advised that it would take between 3 to 6 months for the new MCSC to “bed in”. However, initial performance monitoring has revealed that there is a higher resolution of queries at the first point of contact than previously, although the aim is to improve upon this. Mr Cowie explained that residents who have an emergency can call the emergency phone number. These calls are prioritised by the contact centre. Residents can also email the MCSC if phone lines are busy. CWH would in the next two weeks, be installing a call-back function so that if there is a wait to speak to a customer services operator residents can hang up but their place in the queue would be saved.
- 5.3 In the absence of the Cabinet Member for Finance, Property & Corporate Services, the Committee submitted questions to the City Treasurer on the following:
- 5.3.1 Business Rate Reform – the City Treasurer was asked when any significant changes were likely to take place. He advised that a London wide pilot could potentially begin in April 2018 for a two year period. This was due to be debated at a meeting of London Councils. Westminster does not currently benefit from the current Business Rate Retention System. Of the £1.8 billion collected the Council should retain £83 million according to its Baseline

Funding Assessment, but in fact retains just £77 million, due to Business Rate Retention appeals forcing the authority to access the Safety Net. As a result, the Council has been at the Safety Net level every year, to date, that the localised NNDR system has operated, which has resulted in the Council losing £6m per annum. Therefore, any reform may benefit the Council.

- 5.3.2 Objections received in relation to the Council's 2016/17 Accounts - Mr Mair explained that the two objections made during the public inspection period related to lender's option borrower's option (LOBO) transactions taken out many years previously. He explained that these are technical means of financing capital expenditure. He advised that similar objections had been submitted to a number of local authorities in the previous year which had been dismissed by external auditors.

5.4 **ACTIONS:**

Housing

1. Provide the committee with an update on the current position regarding the regeneration of Ebury Bridge. (**Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing**)
2. Provide Councillor Church with confirmation of when a new fire safe door will be replaced in a tenant's residence at Kemp House. (**Action for: Sarah Stevenson Jones, CWH Head of Health, Safety and Wellbeing**)
3. Provide Councillor Roca with an update on the consultation programme for the Church Street Masterplan. (**Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing**)

Finance

4. How many applications have been received for funds from the small business rate relief scheme and for the £1000 allowance for public houses with a rateable value below £100,000? (**Action for: Martin Hinckley, Head of Revenue and Benefits**)

Corporate Services

5. What is the difference in staffing levels at the Council compared to the previous year? (**Action for: Lee Witham, Director of People Services**)
6. Provide Councillor Williams with further details regarding the property management contract to GVA. (**Action for: Guy Slocombe, Director of Property, Investments and Estates**)

6 CITY WEST HOMES AND WESTMINSTER CITY COUNCIL'S RESPONSE TO FIRE SAFETY WITHIN COUNCIL HOUSING STOCK IN LIGHT OF THE GRENFELL DISASTER

- 6.1 The Committee received a report on the work undertaken by CityWest Homes (CWH) and Westminster City Council (the Council) in light of the Grenfell Tower fire on 14/15 June 2017. The paper focused on the work associated with maintaining and enhancing the safety of the Council's housing stock, as opposed to the wider work undertaken by the Council and CWH supporting the Royal Borough of Kensington and Chelsea (RBKC).
- 6.2 Prior to the meeting the committee had an opportunity to visit Hide Tower, a 22 Storey TMO managed residential block in Pimlico, to see first-hand some of the fire-safety related issues raised in the committee report.
- 6.3 The report was supplemented by a PowerPoint presentation from CWH that covered i) fire management pre-Grenfell, ii) the immediate response following the fire and iii) on-going fire safety response.
- 6.4 CWH and the Council had engaged fully with the Government in response to various requests for information and tests.
- 6.5 Following the Grenfell Tower fire, significant engagement with residents by CWH and the Council had been undertaken. Information regarding CWH's regime for maintaining fire safety of the housing stock was shared with and explained to residents, to provide reassurance. The tower blocks at Little Venice on the Warwick and Brindley estates have cladding similar to that at Grenfell Tower and a bespoke communications plan was put in place for those residents.
- 6.6 All tower blocks over ten stories were visited within the first few days following the fire, to carry out visual checks and to ensure all fire related signs and guidance was up to date and appropriate. Independent and/or scheduled Fire Risk Assessments with London Fire Brigade (LFB) have been put into place. CWH' fire safety team are working closely with LFB to ensure the safety of the stock.
- 6.7 CWH had identified 22 initial projects covering all aspects of fire safety. Some of the resulting recommendations will be considered by CWH Executive and Board, whilst others will be referred to the Council for policy decisions.
- 6.8 The committee heard from Brian Robinson CBE, President of the Fire Sector Federation and Alan Brinson, Executive Director of the European Fire Sprinkler Network, who had been invited to the meeting as expert witnesses.
- 6.9 Brian Robinson addressed the committee. He explained that he had held the post of London Fire Commissioner for 12 years and was currently the Chairman of the Fire Sector Federation, which has 65 member organisations from across the whole of the fire sector. He advised that he had recently met with Dame Judith Hackitt, who is due to lead the independent review of building regulations and fire safety, to discuss the review's Terms of Reference. He offered to share with the City Council two documents that he had submitted to the review.
- 6.10 Mr Robinson provided the following thoughts in response to the presentation:

- That the Council may wish to consider adopting a policy on using non-combustible products within its housing stock until experts have come to an agreement on this particular issue. He commented that whilst the Council has reconfirmed its plan to remove the existing category 3 cladding at Little Venice Tower (LVT) and replace it with Category 1 cladding (the highest safety rated version) that is classed as of limited combustability.
- He suggested that the Council commissions a report on limited combustable cladding before taking a final decision on replacing any existing cladding in order to understand the risks and to determine what type of cladding system is best for each block. He believed the building regulations would be reviewed and changes made from current standards.
- That the Council should put in place mechanisms for monitoring fire safety compliance within its housing stock. This should cover both the products installed, competence of contractors and the professional certification held by risk assessors.
- The Council needs to be assured that leasehold properties within the Council's housing stock are as fire safe as tenanted properties.
- That the Council needs to consider whether alarms should be installed in communal areas within residential blocks and not just in individual flats.

6.11 Alan Brinson then addressed the committee. The European Fire Sprinkler Network was established in 2003 and is a fire safety coalition whose members wish to see an improvement in fire safety through the widespread use of fire sprinkler systems. Mr Brinson explained how sprinkler systems work whilst dispelling some common misconceptions. He informed the committee that:

- Sprinklers are installed at intervals along the length of the room.
- They are activated by heat at high levels such as from a fire
- They are not triggered by smoke from burning toast.
- They are triggered one sprinkler head at a time rather than all at once. If they did no one would install them.
- All large supermarkets and department stores have fire sprinkler systems.
- It is feasible to retrofit them in existing buildings as well as in the new builds.
- They have demonstrated that they are an extremely effective fire safety measure and where installed have significantly, if not entirely, eliminated deaths in building fires.

- He considered their installation to be particularly important in high-rise buildings given the challenges of evacuating large numbers of people from such buildings.
- An activated sprinkler will help put out a fire before firefighters arrive at a scene and/or have an opportunity to reach the affected dwelling.
- They are a more economic measure than many other fire safety solutions costing approximately £2,000 to £2,400 per flat.

6.12 The committee was asked to consider the following issues:

- 1) How effective had WCC/CWH been in responding to the concerns raised by tenants about fire safety.
- 2) What approach should be taken with regard to ensuring leaseholder compliance with legal and contractual responsibilities.
- 3) Any further actions that WCC/CWH should take.

6.13 The Committee discussed the issues raised and asked questions and expressed comments on them.

Cladding

6.14 Members expressed concern over the uncertainty of using limited combustible cladding and wanted assurances that the cladding that is to be replaced at LVT will not need to be changed a further time if regulations are updated in a few months-time. Mr Cowie advised that the City Council and CWH have raised these questions with the LFB and the Permanent Secretary at DCLG. Mr Robinson stated that the Fire Sector Federation have raised the same concerns regarding the replacement of cladding on hospitals and schools. He advised that Dame Judith Hackitt has indicated that she intends to publish interim guidance on building regulations in November.

Sprinklers

6.15 The Committee asked about the reliability of sprinkler systems, their on-going maintenance and whether performance would be impacted by low water pressure which affected some Council blocks within the Borough. Mr Brinson advised that he was only aware of about five instances per year where sprinklers had accidentally gone off while many millions have been sold. He stated that they were no more likely to break than mains plumbing within a household. With regards to replacement and maintenance, he advised that sprinklers in domestic settings have a 50 year lifespan and that all the moving parts which need checking would not be installed in residents' flats. He stated that sprinklers would ordinarily run off the water main in a block and need a minimum of 1 to 1.5 bar pressure. A dedicated tank, pump and riser can be installed in a block where existing pressure is low. Mr Cowie advised that each block over 30m will be assessed individually to determine the appropriate design and solution for retrospectively fitting sprinklers. CWH

would await the publication of guidance following the review on building regulations before making any final decisions. He anticipated a two year installation programme.

- 6.16 Councillor Church stated that Kemp House on Berwick Street had no secondary fire escape staircase and that fire engines had struggled to get to a recent fire below the building. He requested that the installation of sprinklers in the building be prioritised. Mr Cowie confirmed that CWH had a number of blocks which had already been prioritised and the sequencing of Kemp House for installation would be considered.

Fire Alarms

- 6.17 Members asked about the location of fire alarms within the Council's blocks. They were informed that fire alarms and smoke detectors are installed in individual flats. There are no alarms installed in communal areas. This is to avoid a mass evacuation which is particularly difficult to do in high-rise residential blocks especially where there are single staircases. Where a flat is affected by fire the occupier should leave. The fire service should be alerted and will attend and put out the fire. Fire protection provided in the building should protect other flats for at least 60 minutes.

Fire Risk Assessments

- 6.18 Officers were informed that many residents want the independent assessors to undertake Fire Risk Assessments (FRA's) due to a perceived lack of confidence in councils which is greater following the Grenfell Tower fire. Mr Cowie advised that the LFB have jointly reviewed a number of fire risk assessments in Council's blocks over 10 Storeys since Grenfell and their findings have been shared with residents. The LFB's central task force have accompanied CWH fire risk assessors to review fire safety at LVT, given the presence of ACM cladding. For transparency information on what has been disclosed and the action to be taken will be provided to residents in writing before any works take place. This has already been undertaken for Parsons House and LVT. An independent fire consultancy has been appointed to undertake intrusive (type 4 risk assessments) across a number of high rise blocks over 10 storeys with enclosed communal parts. The results of these assessments are due before Christmas.

Leaseholder Compliance

- 6.19 The Committee expressed concern regarding the ability of freeholders to monitor and enforce fire safety responsibilities with leaseholders. Mr Cowie stated that this was a hugely important issue as 40% of residents within the Council's housing stock are leaseholders. Whilst CWH installs smoke detectors in all tenanted properties and is required by law to provide annual gas safety checks for tenants there is no legal requirement for leaseholders to install or undertake the same checks within their properties. He considered that parity was required in order to properly manage fire safety within a block and that this needed to be included as part of the national debate. Mr Robinson informed members that he is an adviser to the all-party group within Parliament and advised that he was not aware that this was such a difficult issue for local government.

- 6.20 Sarah Stevenson-Jones, CWH Head of Health and Safety, informed the committee that she chairs the London South and SE region of the National Social Housing Fire Strategy Group (NSHSFG), a national body representing the housing sector, which was enacted by social housing providers following the Lakanal House fire. The NSHSFG are members of the Fire Sector Federation. She explained that she and her peers were working with the Chief Fire Officers Association (CFOH) to raise and highlight these particular issues. There are several different approaches that the Council and CWH can take to ensure leaseholder compliance with fire safety. The Fire Service can serve a notice on CWH as the responsible person under the Regulatory Reform (Fire Safety) Order to take certain action. CWH can in turn require leaseholders under their lease covenants to meet these requirements. CWH was also in early discussions with the Council's Environmental Health Service about whether the former can serve notice on individual leaseholders to comply with fire safety measures under the Housing Act.

Impact on the HRA Business Plan

- 6.21 The committee asked about the costs of the additional fire safety projects and what implications this would have on the HRA Business Plan. Mr Cowie advised that the additional costs which would include cladding, sprinklers and other enhanced fire safety arrangements would cost c. £25m. The HRA Business Plan will need to be amended to reflect this. Martyn Jones, Executive Director for Asset Strategy and Development, CWH, explained that the Council may as a consequence need to make choices between its ambition to deliver more housing compared with accelerating its existing planned maintenance programme. He advised that officers are approaching Government on the possibility of raising the HRA cap in a prudent way.

Tenant Management Organisations (TMOs) and Private High-Rise Blocks

- 6.22 Grenfell Tower was managed under a TMO. Members were conscious that there are a number of TMOs within Westminster where there is the potential for similar type of management issues to arise. The committee asked about the inspection process for such blocks and private high-rise residential buildings. Members were informed that CWH undertakes the FRA's on behalf of all the TMOs except MEMO (Millbank), albeit CWH is currently engaging with MEMO about potentially undertaking its FRA's. Registered Providers were undertaking FRA's of their stock and the Council's City Management and Communities Department was leading on the inspection of cladding on private high-rise residential buildings.

Capturing Resident's Fire-Related Concerns

- 6.23 The Committee asked officers how they could be confident that residents' concerns regarding fire safety would be captured and responded to. Mr Cowie advised that many questions can be raised following the reviews of FRA's, especially where follow on actions are recommended. Concerns will also be captured through the complaints system. CWH also encourages its Residents Associations and TMOs to engage with them on estate issues.

- 6.24 **RESOLVED:**

1. The Committee recognises and thanks officers both at the Council and CWH for their work in supporting affected residents and other public sector bodies in the immediate aftermath of the Grenfell Tower fire.
2. The committee is substantially assured over the fire safety management review undertaken by CWH following the Grenfell Tower Fire and the fire safety projects and solutions being progressed to maintain and enhance the safety of the Council's housing stock.
3. The committee noted the regulatory limitations of freeholders to monitor and enforce fire safety reviews with leaseholders which can lead to issues of compartmentalisation within mixed blocks which has implications for the overall successful fire safety management within blocks. This is particularly likely to impact Westminster given the large number of leasehold properties within the Council's housing estates.
4. The committee is significantly reassured regarding the working and reliability of sprinklers and the benefits that they afford.
5. The committee noted a potential conflict between the additional costs of fire safety works and the Council's ambitions of delivering more housing and the consequent impact that this may have on the HRA Business Plan where other capital projects may need to be deferred.
6. The Council's regeneration programme has necessitated decanting residents from the Ebury Bridge and Church Street estates. The committee has asked CWH to ensure that updated fire plans are put in place to reflect that many of the homes are currently empty.
7. The committee wishes to review on an annual basis the concerns that residents have raised regarding fire safety in the Council's housing stock and how these have been investigated and responded to.

6.25 **ACTIONS:** That a letter be sent from the committee to the Leader of the Council and the Cabinet Member for Housing expressing its concerns over the regulatory limitations of freeholders to monitor and enforce fire safety reviews with leaseholders and TMOs and suggest that the City Council lobbies government to amend legislation to redress this problem as part of the wider national fire safety debate. The note to also highlight the impact of the additional fire safety costs on the HRA Business Plan and suggest that the Council also lobby the Minister of State on raising the borrowing cap in a prudent manner. (**Action for: Aaron Hardy, Scrutiny Officer**)

7 SUPPLY AND ALLOCATION OF SOCIAL HOUSING 2017-18

- 7.1 The Committee received a report on the issues that will influence the allocation of social housing in 2017/18.

- 7.2 Members were informed that the social housing allocations during 2016/17 showed high levels of homeless re-housings reflecting the demand from this group. Total social housing lettings for 2017/18 (including tenants' transfers) are estimated to be 770 compared to 701 in 2016/17.
- 7.3 The committee was further informed that the principal factor that is driving the high levels of homelessness continues to be the availability of private sector housing for households on benefits. Homeless acceptances during 2017/18 are forecast to continue at the same level as 2016/17 at approximately 500 and the total requirement for TA will remain between 2300-2650 during the year.
- 7.4 The implementation of the TA commissioning strategy had succeeded in ending the use of Bed and Breakfast accommodation for families over 6 weeks, reduced unit costs and increased supply and made best use of Council resources. However, the challenges of sourcing sufficient private sector accommodation suitable and affordable for households in housing need continue.
- 7.5 The committee noted the steps taken to procure the necessary amount of housing to meet its statutory duty to support vulnerable households in housing need. In response to questions, Greg Roberts, Head of Supporting People and Temporary Accommodation, advised that the Council has developed a wide variety of housing related support services for people who experience severe and enduring mental health issues. The schemes and units are located across the Borough. The service are seeking to increase the range of high level support to best meet demand through investing in good quality accommodation as the alternative to out of Borough care.

8 DEPUTATION FROM THE 'SAVE OUR EBURY' GROUP

- 8.1 The Committee agreed to receive a deputation from some residents of the Ebury Bridge Estate regarding their concerns over the regeneration of the estate.
- 8.2 'Save Our Ebury' is a group comprising of some leaseholders, tenants and retailers on the Ebury Bridge Estate. The council, including the Leader and Cabinet Member for Housing, met residents at the end of June to inform them that the planned renewal scheme for the estate was not commercially viable and could not be delivered. They pledged to listen to the local community through the summer and then co-create with new, viable scheme options.
- 8.3 Rachel Reilly addressed the committee on behalf of the group. She stated that:
- A poll of residents has revealed that a significant majority have no idea about the current position regarding the estate's regeneration.
 - The information and engagement events held over the summer were inadequate and not well-publicised. Detailed information on the new proposals was lacking and questions submitted at events could not be

answered. Some residents had come across a report online that set out options for the estate which had not been shared with them by the Council. Residents would like clarity and honesty regarding new options and for the consultation to be extended until the end of the year.

- The Ebury Bridge Futures Group has been formed as a consultation vehicle with residents, however, no one has been able to tell residents how it will operate and when it is due to meet.
- The decant of residents from the estate to facilitate the regeneration was due to be undertaken in a phased approach. Tenants living in blocks by the railway had recently received letters from the Council about bringing forward the decant. Residents questioned the haste to move people when no new, viable scheme options existed.
- Residents are disappointed that there is no intention to hold a referendum on any new options.
- Residents do not wish to see the estate redeveloped but would like a meaningful refurbishment.

8.4 **ACTIONS:** That a record of the deputation be forwarded to the Cabinet Member for Housing and the Interim Executive Director for Growth, Planning & Housing with a request that they provide an update to the committee on their plans to meet and engage with stakeholders. (**Aaron Hardy, Scrutiny Officer**)

The Meeting ended at 9.10 pm

CHAIRMAN: _____

DATE _____

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Housing, Finance and Corporate Services Policy & Scrutiny Committee

Date:	06 November 2017
Classification:	General Release
Title:	2017/18 Work Programme and Action Tracker
Report of:	Director of Policy, Performance & Communications
Cabinet Member Portfolio	Cabinet Member for Housing Cabinet Member for Finance and Corporate Services
Wards Involved:	All
Policy Context:	All
Report Author and Contact Details:	Aaron Hardy x 2894 ahardy1@westminster.gov.uk

1. Executive Summary

- 1.1 This report presents the current work programme for approval based on discussion at the last meeting and with senior officers. It also presents an update on the action tracker.

2. Key Matters for the Committee's Consideration

- 2.1 The Committee is asked to:
- Review and approve the draft list of suggested items and prioritise where required
 - Note the action tracker at Appendix 2

3. Current Work Programme

- 3.1 This work programme takes from work programme agreed at the Committee's last meeting and incorporates changes based on the modified agenda for this meeting. It is presented here for Committee to review and amend as appropriate.

- 3.2 The Budget and Performance Task Group met three times in October 2017 to scrutinise the 2018/19 budget. The Task Group's deliberations and findings were reported to the Cabinet on 30th October 2017.¹
- 3.3 A joint Task Group with the Audit and Performance Committee to review the City Council's approach to investments took place on 13th September.
- 3.4 A joint Task Group with the Royal Borough of Kensington and Chelsea (RBKC) was planned but did not take place because it was not possible to agree a time and date with members from RBKC in time. The re-procurement will continue to be the subject of member oversight by the Audit & Performance Committee.

**If you have any queries about this Report or wish to inspect any of the
Background Papers please Aaron Hardy**

ahardy1@westminster.gov.uk

APPENDICES:

Appendix 1- Suggested work programme

Appendix 2- Action Tracker

¹ <http://committees.westminster.gov.uk/documents/s24371/2018-19%20Budget%20Proposals%20Report%20FINAL.pdf> (p50)

Work Programme



Housing, Finance and Corporate Services Committee

ROUND ONE – 12 June 2017

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A	A Q&A session	
Digital Transformation Programme	To receive an update on current delivery via digital channels and review progress on the Council's digital transformation programme (including website and Report It)	Robin Campbell Maria Benbow
CityWest Homes Transformation	To review the assessment of demand and consultation methodology for estate office closures	Jonathan Cowie Martin Edgerton

ROUND TWO – 11 September 2017

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A	A Q&A session	Cabinet Member for Housing
Supply and Allocation of Affordable and Social Housing		Barbara Brownlee
The Fire Safety of CityWest Homes Housing Stock	To ascertain the position of our stock and ensure that CWH complies with legislative and best practice requirements	Barbara Brownlee Jonathan Cowie

ROUND THREE – 6 November 2017

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A	A Q&A session	Cabinet Member for Finance, Property and Corporate Services
WESTCO	To understand the activities of Westco and their impact on Westminster City Council	Ian Farrow

Work Programme



Housing, Finance and Corporate Services Committee

Church Street Master Plan	An update on the Church Street regeneration programme.	Eleanor Hoyle
Treasury Performance Half Year Statutory Review	A statutory review of treasury performance	Steve Mair

ROUND FOUR – 15 January 2017

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A	A Q&A session	Cabinet Member for Housing
Draft Treasury Management Strategy	A statutory assessment of the draft treasury management strategy prior to submission to Council for approval.	Steve Mair
Housing Regeneration programme Progress-report/site visit		Barbara Brownlee

ROUND FIVE – 26 March 2017

Agenda Item	Reasons & objective for item	Represented by:
Cabinet Member Q&A	A Q&A session	Cabinet Member for Finance, Property and Corporate Services
Homelessness Prevention Trailblazer Pilots		

Unallocated Items

Agenda Item	Reasons & objective for item	Represented by:
CityWest Homes-Transformation Programme	The committee would like to receive regular updates on the performance of and resident satisfaction with the new operating model and new repairs/major works contracts.	Martin Edgerton

Work Programme

Housing, Finance and Corporate Services Committee



Other Committee Events & Task Groups

Briefings	Reason	Date
Managed Services Re-procurement T/G	Joint task group with members of the Audit & Performance Committee to contribute to the re-procurement process for the managed services contract.	September 2017
Budget T/G	Standing task Group to consider the budget of Council	October 2017

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ROUND TWO 11th SEPTEMBER 2017

Agenda Item	Action and responsible officer	Update
Item 4 – Work Programme and Action Tracker	Provide the committee with a note on where the responsibilities for scrutinising rough sleeping lie. (Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing)	Response e-mailed on 3 rd October 2017
Item 5 – Cabinet Member Update	Provide the committee with an update on the current position regarding the regeneration of Ebury Bridge. (Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing)	
	Provide Councillor Church with confirmation of when a new fire safe door will be replaced in a tenant’s residence at Kemp House. (Action for: Sarah Stevenson Jones, CWH Head of Health and Safety)	Response e-mailed w/c 9 th October.
	Provide Councillor Roca with an update on the consultation programme for the Church Street Masterplan. (Action for: Barbara Brownlee, Interim Executive Director for Growth, Planning & Housing)	Response e-mailed on 5 th October 2017
	How many applications have been received for funds from the small business rate relief scheme and for the £1000 allowance for public houses with a rateable value below £100,000? (Action for: Martin Hinckley, Head of Revenue and Benefits)	Response e-mailed on 14 th September 2017
	What is the difference in staffing levels at the Council compared to the previous year? (Action for: Lee Witham, Director of People Services)	Response e-mailed on 3 rd October 2017

Action Tracker



Housing, Finance and Corporate Services Committee

	Provide Councillor Williams with further details regarding the property management contract to GVA. (Action for: Guy Slocombe, Director of Property, Investments and Estates)	
Item 6 - City West Homes and Westminster City Council's Response to Fire Safety Within Council Housing Stock in Light of The Grenfell Disaster	The committee wishes to review on an annual basis the concerns that residents have raised regarding fire safety in the Council's housing stock and how these have been investigated and responded to.	
	That a letter be sent to the Leader of the Council and the Cabinet Member for Housing expressing concerns over the regulatory limitations of freeholders to monitor and enforce fire safety reviews. The note to also highlight the impact of the additional fire safety costs on the HRA Business Plan (Aaron Hardy, Policy and Scrutiny Manager)	Completed – 13 th October.
Item 8 - Deputation From the 'Save Our Ebury' Group	That a record of the deputation be forwarded to the Cabinet Member for Housing and the Interim Executive Director for Growth, Planning & Housing with a request that they provide an update to the committee on their plans to meet and engage with stakeholders(Aaron Hardy, Policy and Scrutiny Manager)	Record sent (09/10/17) and response requested

ROUND ONE 12th JUNE 2017

Agenda Item	Action and responsible officer	Update
Item 5 – Cabinet Member Update	<u>High Value Voids Levy</u> - Inform Members when the government consultation on the formula to determine the payment will take place	Officer advice is that this is now likely to be quietly dropped as there has been a change of Housing Minister.

Action Tracker



Housing, Finance and Corporate Services Committee

	<p><u>Shared Ownership Sales at North Wharf Road</u> - the committee would like to know how many of the shared ownership properties have been sold. (Action for: Barbara Brownlee, Director of Housing & Regeneration)</p>	<p>Response emailed to Members on 31/7/2017</p>
<p>Item 6- Update on the Digital Service and Future Plans</p>	<p>Provide the committee with the plan for the delivery of the 'My Account' programme including key milestones. (Action for: Maria Benbow, Commercial and Digital Transformation Director)</p>	<p>Response emailed to Members on 1/9/2017</p>
	<p>Following the completion of the feasibility phase of the programme in the Committee would like to consider and provide feedback on the outline business case and design solutions prior to these being considered by Cabinet. (Action for: Maria Benbow, Commercial and Digital Transformation Director/Aaron Hardy, Scrutiny Manager)</p>	<p>Ongoing. The feasibility study continues until the end of December. A workshop with members of the Committee can be organized to review some of the findings. The suggested timing for this is Autumn.</p>
<p>Item 7-CityWest Homes-Transformation Programme</p>	<p>The committee would like to receive regular updates on the performance of and resident satisfaction with the new operating model and new repairs/major works contracts. (Action for: Jonathan Cowie/Martin Edgerton, CWH)</p>	<p>This item has been placed on the Committee's work program</p>
	<p>Provide Councillor Church with a note on actions that CWH and the Council are undertaking to protect the residents of Kemp House on Berwick Street from the impact of building works being undertaken beneath the building by a private sector developer. (Action for: Jonathan Cowie/Martin Edgerton, CWH)</p>	<p>Response emailed to members on 17/08/18</p>

Action Tracker



Housing, Finance and Corporate Services Committee

Agenda Item	Action and responsible officer	Update
Item 5 – Cabinet Member Update	<i>Provide Councillor Roca with details of Westminster's external legal spend. (Action for: Tasmin Shawkat)</i>	Response requested
	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 Witham, Director of People Services)	Response emailed to Members on 27/4/2017
Item 5- Cabinet Member Update	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)	Response e-mailed on 24 th October 2017

ROUND FIVE (6 MARCH 2017)

Agenda Item	Action and responsible officer	Update
Item 5 – Cabinet Member Update	The committee would like details about the Council's IT security strategy to mitigate the threats to the organisation. Members wanted to know whether cloud computing provides the same security as the existing server infrastructure. Action for: Ben Goward, Head of Digital Information)	Awaiting response
	Members would like a note on any changes to business rates and any impact on the Council following an amendment on transitional relief expected to be announced by the Chancellor in tomorrow's spring budget. (Action for: Steve Mair, City Treasurer)	Emailed to members on 13 March 2017

Action Tracker



Housing, Finance and Corporate Services Committee

<p>Item - Estate Regeneration Review</p>	<p>Councillor Roca asked about how many homes (social/affordable) the Council will have delivered between 2014 and 2018, i.e. Between the last and next local election. (Action for: Barbara Brownlee, Director of Housing and Regeneration)</p>	<p>Emailed to Cllr Roca by BB on 14.03.2017</p>
<p>Item – HRA Business Plan Review</p>	<p>As the 2017/18 Plan anticipates borrowing to peak in year 7 to £334 m which is equal to the HRA debt cap and reserves reducing to around a minimum level of c £11m for 20 years the committee would like to include a regular update on the HRA Business Plan to its work programme. (Action for: Tara Murphy, Policy & Scrutiny Officer)</p>	<p>Considered as part of 2018/19 budget task group</p>

ROUND FOUR (9 JANUARY 2017)

Agenda Item	Action and responsible officer	Update
<p>Item 5 – Cabinet Member Update</p>	<p>Provide Members with details of the current and projected year-end underspend in the Council budget and the reasons for this (Action for: Steve Mair, City Treasurer/Martin Hinckley, Head of Revenue and Benefits)</p>	<p>Response emailed to members on 17/08/18</p>
	<p>Provide an analysis of the likely impact of the new business rateable values for West End businesses. Will this require any changes to the Council’s Discretionary Rating Appeals scheme and what changes are anticipated in the number of hardship applications this year? (Action for: Steve Mair, City Treasurer/ Martin Hinckley, Head of Revenue and Benefits)</p>	<p>Emailed to Members 06.03.17</p>

Action Tracker



Housing, Finance and Corporate Services Committee

Item 6 – Luxborough Street Development	The Committee has requested information on whether any other schemes with similar sized costs have been aborted in the last 4-5 years. (Action for: Guy Slocombe, Director of Property, Investment and Estates)	Sent to Members on 02.03.17
	Subject to his views, Members would like sight of the Programme Management report commissioned by the Chief Executive. (Action for: Guy Slocombe, Director of Property, Investment and Estates)	Sent to Members on 02.03.17 (confidential paper)
Item 7 – Treasury Performance Half Year Review	That a task group should be established to consider the previously specified Treasury opportunities. Other Treasury opportunities not covered in the TMSS should also be presented for consideration as well as a review of the policy on the countries in which deposits/investments can be invested. (Action for: Tara Murphy, Scrutiny Officer)	Confirming appropriate timescale with officers

ROUND THREE (7 NOVEMBER 16)

Agenda Item	Action and responsible officer	Update
Item 7 – Re-commissioning the housing options service	<p>RESOLVED: Following careful consideration, the Committee endorsed the overall strategic approach to the reshaping and procurement of the Housing Options Service. It has requested that a further update be provided to the committee as the procurement moves forward.</p> <p>(Tara Murphy identify suitable time for an update to be received by committee)</p>	Listed on 2017/2018 work programme



City of Westminster

Housing, Finance & Corporate Services Policy and
Scrutiny Committee Briefing

Date: Monday 6th November 2017

Author: Cllr Tim Mitchell

Portfolio: Cabinet Member for Finance & Corporate
Services

Please contact: Sarah Rudeforth
srudeforth@westminster.gov.uk

1. Corporate Finance

Business Rates

- 1.1 In the Spring Budget, the Government announced several changes to Business Rates, including:
- A Supporting Small Business Rate Relief scheme;
 - A £1000 allowance for public houses with a rateable value below £100,000;
 - A Discretionary Fund for local authorities to assist businesses adversely affected by the Revaluation rateable increases.
- 1.2 The City Council has implemented all 3 schemes and was quoted as best practice in a recent Ministerial statement.
- 1.3 It was expected that the Queen's Speech would contain the Government's intentions to amend Business Rates legislation in relation to the Business Rates Retention scheme. However no announcement was made and the original draft bill fell. DCLG have subsequently issued a statement confirming that the government is still committed to Business Rate reform, although it is understood that Ministers are still considering the future direction of travel.

Discretionary Housing Payment Funding

- 1.4 The Government previously announced the Council's Discretionary Housing Payment funding for 2017/18. The funding of £1.4M represented a 47% reduction on our

2016/17 funding. However, an additional £1m has been allocated from the Council's General Reserves to fund DHP payments in 2017/18.

- 1.5 The Council's revised Discretionary Housing Payment policy has been formally approved and implemented.

Sundry Debtors

- 1.6 The direct contact project, whereby we are supporting service areas to follow-up unpaid invoices by contacting the largest value (non Adult Social Care) debtors (exceeding £20k), continues. Approximately £35m has been received/or corrected to date.
- 1.7 A pilot exercise with a third party provider to take further action on a small number of lower value debts from across a number of service areas has commenced with letters being issued in the week commencing 16/10/2017. The results will inform our future strategy on debt recovery.
- 1.8 The route to County Court, which is a last resort action against unresponsive debtors, has been established and will be co-ordinated and managed centrally.
- 1.9 A suite of data cleansing activities will commence as part of the preparations for data migration to a new provider finance system. This will include focussing activity on legacy debt and reviewing/ rationalising and updating customer accounts.

Accounts Payable

- 1.10 Service area compliance with the Council's No PO No Pay policy, which became compulsory from 1st June 2017 (with a few exceptions, which are paid manually), is showing significant improvement with some service areas achieving full compliance for all invoices paid during Period 6 (up to 30/9/17). Efforts are continuing by the Accounts Payable Team to assist service areas to achieve full compliance.
- 1.11 A suite of data cleansing activities will commence as part of the preparations for data migration to a new provider finance system. This will include focussing on outstanding credit notes and reviewing / rationalising and updating supplier accounts.

Financial Planning 2018/19 and Beyond

- 1.12 The Council has put forward a comprehensive suite of financial reports for Cabinet and Council's consideration.
- 1.13 These cover:
- Revenue budget proposals
 - Capital programme
 - Housing revenue account

- Integrated investment strategy
 - Treasury management strategy
 - Half year treasury management review 2017/18
 - Final accounts 2016/17
- 1.14 Providing a comprehensive package of financial information this early in the financial year provides the Council with a platform of financial certainty, the budget proposals - revenue and capital - have been subject to rigorous scrutiny and the Council will build on this for the March 2018 Council meeting.

2. Corporate Property

Investment

- 2.1 The new property management specification and form of contract is currently being finalised with re-procurement to be undertaken using the CCS RM3816 Estates Professional Services (Lot 1) Framework. The intention is to have selected the new Agent by early February 2018.
- 2.2 Asset management of the investment portfolio continues. As at the end of September 2017, the portfolio consisted of 362 assets - 20 are vacant, representing 1.76% of the estimated rental value of the portfolio. This continues to be well within acceptable limits. 12 of these vacant units are not being actively marketed since they are earmarked for redevelopment or form part of regeneration schemes.
- 2.3 Since the start of the financial year an additional annual income of £532,000 has been secured by way of completing rent reviews and lease renewals.
- 2.4 No further acquisitions have been made pending completion and ratification of the Council's overarching investment strategy.

Operational Property

- 2.5 The Medium Term Plan savings target for 17/18 of £597,000 from rationalisation of the corporate estate has been met. Further "one-off" savings delivered have generated additional in-year revenue savings of £382,154, giving a total forecast to date for 17/18 of £979,379.

Major & Corporate Projects

- 2.6 The Major Projects team has made encouraging progress with several projects now complete, onsite or under construction, as follows:
- The first phase of the Sir Simon Milton UTC is complete with the college now open to students for the new academic year;
 - Phase one of Jubilee sports centre redevelopment is complete with the Moberly phase to complete in May 2018;

- The contractors on site and construction of Dudley House is progressing well – completion is due in May 2019, delivering 198 intermediate rent flats to Westminster;
- Marylebone Boys School is due to complete in September 2018;
- Seymour Leisure Centre, which will include the new Marylebone Library, has been approved;
- The new interim library has been completed at New Cavendish St. Old Marylebone;
- The Town Hall/Council House lease to the London Business School has been completed, triggering a new initial rent to the Council of £1.2m per annum for a 35 year term;
- The LBS new auditorium, which will house the new Council Chamber, is complete and will host the meeting of Full Council on 8th November;
- The Registrars' suite of rooms is nearing completion and the Registrars have begun taking bookings from January 2018.

3. Corporate Services

People Services

- 3.1 The new and refreshed “Our Voice Survey” closed on 6th October. The overall response rate for WCC is 62% and the engagement index is 66%. ORC International (a third party independent market research company) are currently undertaking a detailed analysis of our results and will present their findings to the EMT on 7th November, followed by action workshops for the Corporate Leadership Team (CLT) in November. This is a key opportunity to help shape the future of Westminster City Council.
- 3.2 Consultation for changes to current Tri-borough arrangements began on 3rd October and will end in early November. Public Health, Adult Social Care and Children's services are holding engagement/ Q&A sessions with staff throughout the consultation period. A final structure and implementation plan will be released following the consultation close.
- 3.3 Following a comprehensive review of apprentice pay, the Cabinet has agreed to increase the pay rate to our apprentices. This increase will ensure Westminster can compete with other employers in our local area for the best apprentice talent. Westminster is committed to improving the quality of our apprenticeship programmes and creating sustainable employment, and we recognise that the level of apprentice pay matters in attracting and retaining quality candidates. The creation of long term careers (where appropriate) is a key element of our People Plan.
- 3.4 The Local Government Pension Scheme (LGPS) 2016-17 Annual Benefit Statement (ABS) was made available online to current members on the 31st August 2017 from the pension administration system which is run on Westminster's behalf by Surrey County Council. Online access to the ABS using the “My Pension” system is a more efficient, secure and cost-effective process.

- 3.5 Westminster City Council have now achieved a TimeWise council status, this shows we encourage flexible, part time working.

Procurement

- 3.6 Procurement Services has aided in the urgent appointment of a contractor for the removal of cladding for Little Venice Towers. Following Member approval, Wates Living has ordered materials and plant, thereby enabling a quick start on site. Further procurements may follow to support the work at Little Venice Towers.
- 3.7 Our trading company, Westminster Procurement Services (WPS) commenced its engagement with Belfast City Council on Monday 4th September 2017. The initial phase includes a review of the Councils operating model for procurement and contracts management. WPS have also appointed a Senior Manager who is managing the local team in Belfast for the next six months. Work will also commence on agreeing the scope for a phase of sourcing activity led by Westminster Procurement Services on behalf of Belfast City Council.

ICT

- 3.8 Consultation on the revised ICT leadership team structure commenced on 4th October and will be followed by a recruitment campaign. An interim Head of IT Business Solutions has been appointed to accelerate the alignment of IT with Council Services.
- 3.9 Engagement with Ericsson and Virgin Media Business (VMB) has commenced to negotiate extensions of services currently expiring April 2018. With the extensions, we are targeting greater contractual flexibility to allow gradual transitions from legacy systems to virtual/cloud platforms, and to integrate these with Office365 for further cost reductions. A Cabinet paper is planned for Nov/Dec 2017 for approval to proceed with the Bi-borough Windows 10 desktop and a refresh of devices.
- 3.10 The General Data Protection Regulations (GDPR) will apply in the UK from 25th May 2018. An approach has been agreed by WCC Executive Management Team (EMT) and a project commenced to assess personal data and implement remedial actions across the Council.
- 3.11 Agreement has been reached on the transfer of the Children's ICT team to Shared ICT Services, as part of the wider Tri to Bi-Borough exit, on 1st April 2018 and staff consultation has started. The future Bi-borough Children's ICT service will be cost-neutral, in line with current Bi-borough spend. Agreement on the transfer of Adults' ICT has also been agreed to commence during 2018 and complete by 1st April 2019.

Legal Services

- 3.12 Legal Services is progressing the alternative business structure proposal which went to Kensington & Chelsea's Cabinet on 19th October and is due to go to WCC on 30th

October.

- 3.13 Despite an increased workload as a result of Grenfell, services to clients are being delivered in a timely fashion through active management of the caseload across the Tri-borough service.

Digital

- 3.14 Mobilisation of the Digital Programme was completed during this quarter, with roles in the team filled by appropriately skilled resources, both secondees from other directorates and external resources with specific skill sets.
- 3.15 We have adjusted the approach to developing phase 2 projects to accommodate Adult Social Care (ASC), where a Working Group has been established with representation across the Directorate. As a result of this approach only being agreed last month the start of the ASC feasibility review has been delayed, resulting in a significant impact on the scope and/or timescales of delivery. A contingency plan is currently being agreed to address this issue.
- 3.16 The development of the “Report It” reports is well underway, with the first phase developed and out for testing and the 2nd phase under development. 12 Journeys will Go Live by the end of the calendar year.
- 3.17 The launch plan for My Account is being developed. This will include an engagement plan covering members, citizens and other stakeholders with plans also being developed to engage CLT during this phase to further develop solutions.
- 3.18 A Contact Strategy workstream has been created. This stream incorporates the development of our Web Strategy and also defines the approach, governance and structure to manage the organisations contact volumes, across all channels including voice, online, offline and face-to-face.

Managed Services

- 3.19 A Change Control Notice (CCN) covering the negotiated commercial settlement and recovery activity at Framework and Westminster City Council Call Off level are all now complete. Formal governance meetings will be restored in November. The target exit date from the BT Managed Service contract is the end of September 2018.
- 3.20 BT have continued to work on some recovery activity throughout the negotiations, for example robust processes are now agreed to establish the historic position on under/over payments, although this work has only progressed with significant input and oversight from our payroll Subject Matter Experts (SMEs).
- 3.21 Following the engagement of the services of Deloitte to support soft market testing against our criteria for the replacement of the BT Managed Services, a short list identifying three potential providers was developed.

- 3.22 It is planned that papers will be submitted to RBKC/WCC Cabinets for consideration at their meetings in late November and early December, to seek agreement to progress with Public to Public partnership and will include outline arrangements for those areas not provided by the Partnership.
- 3.23 Work is underway to plan for On-boarding with to the Partnership and for the exit from BT. Much of the work required for a smooth transition will rely on the effective management of both on-boarding and exit processes.
- 3.24 Appropriate governance at officer and member level is now in place.

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Committee date: Monday 6th November 2017

Author: Cllr Rachael Robathan

Portfolio: Cabinet Member for Housing

Please contact: Sarah Rudeforth
srudeforth@westminster.gov.uk

1. Fire & Gas Safety

Fire risk assessments

- 1.1 CityWest Homes (CWH) is required to perform fire risk assessments (FRAs) on all buildings that have communal areas. An independent fire consultancy has been commissioned to carry out level 4 risk assessments on all tower blocks over 10 floors with enclosed communal parts, which are already underway. This is the highest level of assessment and includes a detailed in-flat inspection of 10% of all properties per block. As a result they are taking three to five days per block to inspect and will continue through until the end of the year.
- 1.2 In addition, London Fire Brigade (LFB) has carried out joint inspections with the in-house team on 10 storey blocks with open deck access. LFB, as part of the central task force, has also carried out detailed inspections of the six Little Venice tower blocks and Parsons House, which has wrap around cladding but not ACM. Whilst there are a number of follow-on actions from these assessments, LFB have given their assurance that the buildings are safe. As these reports are received from LFB, an update will be provided to residents from each tower to provide reassurance.

- 1.3 A full inspection of all fire doors will also be taking place independently, starting with all blocks over 6 storeys. This is likely to take 6-9 months to complete.

Sprinklers

- 1.4 Following the council's commitment to retrofit sprinklers in blocks of flats over 30 metres in height, CWH has appointed an external consultancy to undertake a feasibility study in each block. The findings of these reports should be available by December 2017, after which CWH will consult with residents and leaseholders on the proposals specific to their block.
- 1.5 A feasibility study has already taken place in Little Venice tower blocks and a summary report with recommendations is being produced.

Fire safety regulations

- 1.6 CWH continue to monitor and review sector best practice working closely with the DCLG and London Fire Brigade, whilst lobbying government to increase the regulation and responsibilities of leaseholders.

Large Panel System construction

- 1.7 Following reports that Southwark Council disconnected the gas supply to some of their Large Panel System buildings in August, CWH commissioned checks on Little Venice tower blocks and Lisson Green buildings which are of a similar structural design. The structural engineers who carried out the checks have confirmed the original report that the buildings are safe, structurally sound and able to withstand abnormal pressure from a gas blast and that no further action is required. Whilst all the buildings are constructed in the same way, CWH are carrying out checks on the remaining buildings on these estates, which will be complete this month.
- 1.8 Inspections were carried out on three buildings at Lisson Green (Kimble House, Penn House and Chequers House) and Little Venice (Gaydon House, Wilmcote House and Princethorpe House). Further checks are being carried on the remaining buildings.
- 1.9 All the blocks and flats managed by CityWest Homes have current gas compliance certificates in place.

Little Venice towers

- 1.10 Post failing DCLG tests, the decision was made to remove the cladding at Little Venice as quickly as possible. This work started mid-September and is expected to be complete by the end of November.
- 1.11 A category one ACM cladding, which passed the DCLG tests, is being proposed as a replacement. Clarity is being sought with the DCLG of any proposed changes to building regulations to confirm this type of panel's future suitability. The overall programme to replace cladding is likely to take until Spring 2018.
- 1.12 We continue to keep residents and leaseholders updated via regular fire safety and cladding work letters, alongside an on-site presence at Little Venice estate office and in-block surgeries taking place every week.
- 1.13 On Monday 16 October, following new guidance from London Fire Brigade, the fire evacuation procedure for Little Venice towers temporarily changed from 'stay put' for floors 10 and above to full evacuation. This is a temporary measure until the cladding is completely removed. Twelve fire wardens, two per block, are now onsite 24 hours a day to manage this temporary change. Fire wardens are trained to assist with detecting a fire. In the event of a fire, the fire wardens will summon the emergency services and ensure residents on floors 10 and above are alerted to begin a full evacuation. Letters have been delivered to all residents, two information sessions have been held, evacuation signage changed and vulnerable residents identified and contacted. Very few residents have expressed concern about this change to date. The majority of the feedback has been positive as residents feel comforted by the presence of fire wardens.

Communications

- 1.14 General fire safety updates and copies of the latest communications sent to residents are available on the CWH website.

2. Regeneration

Church Street

- 2.1 Consultation on the masterplan concluded on 29 October. A wide range of residents, local community groups, businesses and other stakeholders have responded and this information is being collated into a consultation report to accompany a Cabinet report for December. It will also be utilised to ensure additional information is added into the masterplan document.
- 2.2 The Regeneration Base at 99 Church Street has been the main exhibition venue and has had a steady flow of visitors asking questions and making comments about the proposals. In addition, the exhibition has 'popped up' at venues including Church Street library, Church Street market, City of Westminster College, Greenside Community Centre and Westminster Adult Education. Members of the masterplan team have attended school coffee mornings and parent events, workshops, Health Centre patient committees and resident meetings.
- 2.3 The masterplan document will lay out the Council's on-going commitment to engaging with the community as sites within the masterplan, if approved, come forward for development.
- 2.4 Scheme specific consultation on Ashbridge and Cosway was carried out in October and further meetings with community led working groups have also been held. The feedback from these is being considered and the proposal is for planning to be submitted at the end of November.

Ebury Bridge

- 2.5 Phase two of the community engagement programme will come to a close at the end of the month. This listening period included 169 individual conversations with families on the estate, a figure of 77% of all current households. These discussions will be used to inform the way engagement and communication activities are coordinated with residents in the weeks to come. Two interactive consultation events have also been held with specific user groups including those tenants who have temporarily moved off the estate and overcrowded families. There have also been meetings with leaseholders and retailers.

- 2.6 The Ebury Bridge project team has now been expanded to incorporate the design element of the programme. Arup have been appointed to work closely with residents on proposals for renewal of the estate.
- 2.7 A resident advisory group, the Community Futures Group (CFG), is being formed to provide a sounding board during the development of options for the estate. A good representation of residents across the estate expressed an interest in joining the group and initial informal conversations have been held. It is anticipated that the group will meet regularly throughout the pre- and post-planning stages. The group will be supported by WCC officers and will look to recruit an independent Chair.

Infill Programme

- 2.8 The first disposal sales have been concluded, achieving levels in excess of the valuations. Construction of the first new homes has commenced with additional properties entering into the design phase.
- 2.9 The Ward Councillor tours are underway, invitations having been issued to 10 of the 20 wards and identified opportunities are being submitted for feasibility assessment.
- 2.10 Following the outcome of the accelerated delivery review, the first scheme using Modern Methods of Construction is nearing completion of the design phase. Options to streamline delivery and further encourage take up from Small to Medium Enterprises and local businesses are being reviewed.

3. Affordable Housing

- 3.1 A total of 50 new build affordable homes have been delivered in Westminster since 31 March 2017, including the 12 new affordable homes recently delivered at the Jubilee regeneration scheme in September. In addition, 17 homes have been purchased on the open market for use as affordable housing and works are currently being carried out on these properties to bring them up to letting standard.
- 3.2 Demolition works have recently completed on a site at Lanark Road, Maida Vale in advance of the commencement of building works to create 67 new homes, including 44 affordable housing units together with a sizeable community space (2,400 m²). This new scheme, on the site of the former North Paddington Boys Club and Maida

Community Centre, is expected to complete within 18 months and is being delivered by Dolphin Living, one of the Council's housing partners. The City Council will have 100% nominations to the affordable homes there.

- 3.3 Topping out on a new development at Westbourne Grove (Westbourne Baptist Church Scheme) being delivered by Dolphin Living has recently been achieved. The scheme, once complete, will provide 32 intermediate affordable homes, a new church and new library. The Council will have 100% nominations to the completed affordable homes there.

4 New Housing Options Service (HOS)

- 4.1 A Cabinet Member report on 4th October set out detail of the mobilisation of the new Housing Options service led by Places for People, who will work in partnership with Shelter and The Passage. The new way of working will enable the necessary channel shift of clients to the new arrangements for accessing more refined pathways depending on their individual needs. A 'soft' launch of the new contract on 1st October started the transformation work.
- 4.2 The formal launch of the service on 1st April 2018 is proposed to coincide with the introduction of the Homelessness Reduction Act; demonstrating Westminster's commitment to the new Act.

5. Housing Policy

Supplementary Planning Guidance (SPG)

- 5.1 In August 2017, the Mayor formally published his supplementary planning guidance relating to affordable housing and viability, setting out the approach that he will take to deliver affordable housing through the planning system. The SPG includes a new approach to viability based on a 35% "threshold". Developments providing this level of affordable housing or more will have less rigorous requirements in demonstrating viability. Those providing less will be required to produce viability assessments and will be subject to scrutiny by the Mayor.
- 5.2 The SPG makes clear the Mayor's ambition to move towards delivery of 50% affordable housing on all schemes in the long-term. This is likely to be reflected in the new

London Plan, which is being consulted on in the autumn. The SPG also gives guidance on intermediate housing and “build to rent”.

5.4 Officers are going through the detail of the SPG and will look at possible changes to City Plan policies as part of the current revision.

Homelessness Reduction Act

5.6 This Bill was given Royal Assent in April 2017 and will be implemented from April 2018. DCLG has announced the new burdens funding each local authority will receive to implement the Act and Westminster will receive £980k over three years.

Higher Value Voids Levy

5.7 The Government has announced that they will still go ahead with the policy, but that the first payment will be postponed until at least 2018. A consultation on the formula to determine the payment is expected. In May, the Government announced a regional pilot for the housing association right to buy extension until 2021 (the higher value voids levy is intended to fund the housing association right to buy extension).

Draft Homelessness Code of Guidance for Local Authorities

5.8 DCLG is consulting on this new guide until 11 December. It is being updated in view of councils having new responsibilities under the Homelessness Act 2017. The document provides guidance on how local authorities should exercise their homelessness functions and councils are required to have due regard to it. Officers are working on a response.

London Housing Strategy draft for public consultation

5.9 The Mayor is consulting on a new strategy until 7 December. There are five priorities:

- Building homes for Londoners;
- Delivering genuinely affordable homes;
- High quality homes and inclusive neighbourhoods;
- A fairer deal for private renters and leaseholders; and
- Tackling homelessness and helping rough sleepers.

5.10 Key proposals include supporting more intensive use of London's available land, protecting the Green Belt and prioritising higher density schemes and development on brownfield sites. Officers are working on a response.

5.11 The new draft London Plan for consultation will be published at the end of November and will be accompanied by a new Strategic Housing Market Assessment for London. The latter will set out the number of homes needed in London and the proportion which should be affordable. Westminster has received its delivery target which will be set out in the London Plan.

DCLG Consultation: Planning for the Right Homes in the Right Location

5.12 The consultation runs until 9 November and officers are working on a response. It seeks comments on changes to national policy including:

- A proposed standard methodology for calculating local housing need to inform local plan preparation;
- Proposals for improving the use of section 106 agreements by making the use of viability assessments simpler, quicker and more transparent – and to encourage greater transparency about how section 106 resources are used.

Social Housing Green Paper announcement

5.13 The Secretary of State for CLG has announced that there is to be a green paper on social housing in England. He says that this will be a “wide-ranging, top-to-bottom review of the issues facing the sector” intended to “kick off a nationwide conversation on social housing.”

6. Community Supported Housing (CSH) Review

6.1 A review of our community supportive housing stock is underway and is nearly complete. The review will respond to a number of factors, including the following issues:

- The future demand for CSH is uncertain;
- Some stock is of poor quality and needs investment;

- There are high numbers of studio's and properties which are not wheelchair accessible;
- Demand from older council tenants in General Needs housing is relatively low.

8. Homelessness and Rough Sleeping

Rough Sleeping

- 8.1 The continued reductions in rough sleeping figures across Westminster are encouraging. The September street count gave the lowest overall figures since February 2015 and there is confidence this will continue. A combination of impressive partnership work, dedication from our outreach services and the opening of the Westminster Assessment Centre and Green Room 'Safe Space' have ensured that every person met can be offered a route off the street.
- 8.2 New literature, with clear routes and plain speaking text, is being finalised that can be used by rough sleepers to understand what services are available to them and what they should expect if they sleep rough in the City.
- 8.3 In the last few months we have re-tendered and remodelled our service provision on Vauxhall Bridge Road and in Covent Garden, welcoming Mayday Trust into London to offer their unique way of supporting rough sleepers to live independent and prosperous lives.
- 8.4 With funding from the CLG, a dedicated women only safe space opened on 1st September 2017 for female rough sleepers who have experienced domestic and sexual violence. The service, called 'The Green Room' and run by St Mungo's, has been well used over the first 6 weeks, helping a number of women as a stepping stone off the street. Feedback from clients and referring agencies has been excellent, with one comment *"your service is literally a lifesaver, we have no idea what we would've done without you"*.

Improving the quality of life for individuals

- 8.5 Officers have been working with Nacro and Genesis Housing to improve the quality and fabric of the internal shared communal facilities for homeless individuals who are

supported to reduce offending behaviour and re-integrate them back into the community.

8.6 Work has now been completed; these works represent the completion of what has been the very significant improvement of Westminster's supported housing provision over the last 10 years and the feedback from both staff and service users has been extremely positive.

Introducing the Independent toolkit

8.7 The Young Persons Supported Housing Pathway continues to be an effective means of support and housing provision for young people up to the age of 25. In collaboration with service providers and Children Services, officers have recently launched an Independent Toolkit across the housing pathway.

8.8 The Toolkit is being launched as a pilot for 6 months and young people will continue to be consulted directly, identifying what works for them in the process to help shape the final document.

8.9 For residents who live in our mental health supported housing pathway, the implementation of an Engagement Agreement for clients who are assessed and deemed appropriate to move into general needs housing began on 1st October. The 'move on' quota applies to a small cohort of clients who continue to be care managed by the Community Mental Health Teams but are ready to make positive steps in their lives.

9. CityWest Homes (CWH)

Performance

9.1 CWH performed well against its Management Agreement targets for quarter 2 and is on track to meet the end of year targets.

Service Transformation

9.2 A separate report is provided on CWH service transformation.

- 9.3 The new CWH website has had more than 24,200 hits in the last month. A Chat BOT function has been launched to assist residents locate relevant information quickly and easily. More than 200 “conversations” took place with the BOT within the first month of going live. Resident testing of secure online services is due to commence later this autumn, before being rolled out citywide in 2018.

Major Works contract re-let update

- 9.6 Leaseholder consultation on the proposed providers for the two new major works contracts for the north and south areas respectively has now completed and will be awarded November 2017 subject to final approval of the procurement. In total they have received 68 observations from leaseholders, all of which will be responded to.

The appointed contractors will carry out all major works to properties over the next 10 years, with the exception of a small number of schemes procured in the last year that are yet to complete. The new contracts are forecast to deliver an estimated £28m of savings, which will be passed on to both the HRA and leaseholders.

10. SHSOP

- 10.1 The City Council has appointed a contractor to complete the design of the Beachcroft scheme and carry out the demolition and construction work. Onsite works are due to commence this year.
- 10.2 The City Council will hold a ‘Meet the Contractor’ event where residents will be able to find out more about the works and ask any questions they may have.
- 10.3 Following agreement on the preferred scheme option for the Carlton Deane and Westmead sites, a procurement and delivery strategy will be developed and an outline business case recommending approval of the preferred development option.

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Policy and Scrutiny Committee

Date:	6 November 2017
Classification:	General Release
Title:	Westco update
Report of:	Tony Devenish, Westco Chairman
Cabinet Member Portfolio	Portfolio (as listed at www.westminster.gov.uk/cabinet)
Wards Involved:	All
Policy Context:	City for All
Report Author and Contact Details:	Ian Farrow MD <u>ifarrow@westminster.gov.uk</u>

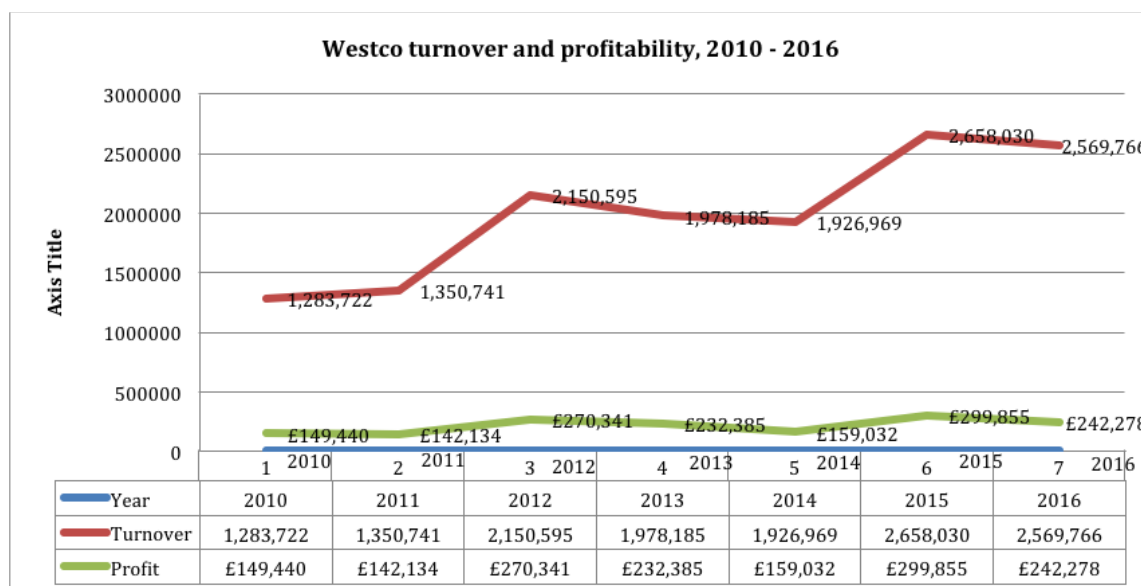
1. Executive Summary

- 1.1 This note provides the Policy and Scrutiny Committee with an update on Westco Trading Ltd, a trading arm providing external clients with Marketing, Research and Studio Design services, owned by the City Council.
- 1.2 The purpose of this report is to ensure that the Committee is aware of and engaged with Westco's work and the derived benefits for the Council from its operation.
- 1.3 This report follows an update to Audit and Performance Committee on commercial revenue performance, which highlighted Council subsidiary company performance and control mechanisms in place to manage the Council's interests.
- 1.4 **Questions to consider:**
 - 1.4.1 Does the decision making process for Westco meet good governance standards and how does it fit with the decision making of the council?
 - 1.4.2 What is the impact of Westco on the functioning of the City Council?
 - 1.4.3 How can Westco help the City Council to deliver its aspirations over the next three years?

2. **Summary**

- 2.1 Westco is the independent trading arm of Westminster City Council; a limited company wholly owned by WCC delivering communications, research and strategy services to external clients, predominantly in local government.
- 2.2 The agency was set up in 2007 as a way to trade the best local government communications practices with other Local Authorities and by doing so, provide WCC employees with professional development opportunities and develop new innovation for use within WCC.
- 2.3 Westco is a limited company selling services to external clients as a commercial venture, generating a financial contribution to the Council in the form of an annual payment back to Westminster at the end of every financial year. Westco has traded successfully since its inception, providing services to over 75 clients mainly in marketing and communication specialisms.
- 2.4 There is a growing trend in Local Government to progress with establishing trading companies as budgetary pressures grow with alternative service delivery models and property being the two key areas of commercial focus within the sector.
- 2.5 Local authorities that trade communications services include London Borough of Hackney (creative services) and Lambeth (marketing and communications).
- 2.6 After 10 years and significant change within the public sector Westco continues to tell a positive story with increasing turnover and constant profitability. The agency is forecast to exceed a £3.3m turnover this year – an increase from previous years even with the local government market making significant efficiency savings. Westco has a target net profitability of £200,000 for this financial year and is currently forecast to achieve £179,000.

2.7 Table 1: Westco financial trends



2.8 Since its inception in 2007/08 Westco has provided £1,257,389 (up to latest figures 2015/16) in profit contributions to Westminster City Council. It has developed 10 WCC employees into Heads of Communications, helped to raise the standards of communications professionals across the sector and introduced new thinking and innovation to the sector and to WCC. Westco has helped horizon scan to identify emerging needs for local government communications and is shaping the sector's response.

2.9 In the past 3 years Westco has been at the forefront of innovation both helping Westminster deliver innovative solutions to strategic priorities (e.g. using inbound marketing to help improve the take-up of commercial waste services) and leading discourse on the future of public sector communications. More information on our innovation work can be seen in paragraph 6 of this report.

2.10 Westco won the coveted Chartered Institute of Marketing (CIM) Agency of the Year in 2016.

3. Westco services

3.1 Westco provides services primarily to other local authorities and to a lesser extent, central government and the third sector in the following areas:

3.1.1 Marketing and Communications including: reviews of communication functions for councils, media training, place marketing, inbound marketing, social media, public relations, copywriting, behaviour change campaigns and the deployment of entire teams at client sites to help organisations deliver

best in class communications services to their residents (internal and external communications).

- 3.1.2 Research and insight including: quantitative (e.g. reputation trackers, media consumption surveys, consultation surveys and resident surveys) and qualitative services (e.g. focus groups and online resident panels).
- 3.1.3 Design and creative including: graphic design, animation, branding, campaign concepts, content strategy and web design services.
- 3.1.4 Strategy and campaigns including: government relations and event management.

4. Westco clients

- 4.1 Since its inception Westco has focused on the delivery of services to the local government sector. Recently it has also supported central government clients (e.g. DEFRA, Health and Safety Executive and the Cabinet Office), third sector organisations (e.g. the Social Research Unit at Dartington and the Sir Simon Milton Foundation) and other organisations (e.g. Prospects, Oxygen Finance)
- 4.2 Westco currently works with the following clients:
 - 4.2.1 London Local Authorities: Sutton, Richmond, Wandsworth, Southwark, Tower Hamlets, Barnet and Waltham Forest
 - 4.2.2 CityWest Homes
 - 4.2.3 Watford Borough Council
 - 4.2.4 Wolverhampton City Council
 - 4.2.5 Tameside Council
 - 4.2.6 Ayrshire Growth Deal (North Ayrshire Council)
 - 4.2.7 Wakefield

5. People & Governance

- 5.1 Westco is led by a Managing Director who reports to the agency's board of Directors. The board is comprised of WCC employees including two executive Directors and led by an elected WCC Councillor. The current composition of the board is outlined below:
 - 5.1.1 Chairman: Cllr Tony Devenish
 - 5.1.2 Directors: Ian Farrow (MD Westco), Dai Williams (Strategic Finance Manager WCC) and Julia Corkey (Director Policy Performance and Communications)

WCC). Non Executive Director, Stuart Love Executive Director of Growth Planning and Housing WCC and Deputy CEX WCC.

5.2 Westco delivers its services through 36 employees working in the above areas in the following roles:

5.2.1 Chairman (1) unpaid

5.2.2 Managing Director (1)

5.2.3 Board Members (3 excluding MD and Chairman) unpaid

5.2.4 Account Directors (4)

5.2.5 Account Executives (31)

5.2.6 Westminster City Council provides financial management support to Westco and is responsible for quarterly reporting, financial forecasting, contract performance, P&L, and end of year accounts. A member of the WCC financial management team sits on the Westco board.

5.2.7 Westco as part of its workplace pension scheme requirement has developed a matched contribution pension scheme for its employees as well as offering healthcare and other benefits to employees. Westco is supported with its pension and benefits package by independent financial advisers Music Media with the pension scheme administered through Royal London.

5.3 The performance of Westco in addition to the other companies owned by the Council is reviewed by the Council's Executive Management Team (EMT) through financial updates on a monthly basis.

5.4 All Westco staff are trained in the vision and values of the organisation in their induction. These include a value to 'Adhere to the highest professional standards' and staff have objectives set against this.

6. Westco innovation

6.1 Westco has developed innovative propositions to both support WCC and to provide a point of thought leadership on public sector communications across the industry. Westco initiatives include:

6.1.1 Westco Commission: a rolling thought leadership panel looking at the future of public service communications including a range of industry experts such as Rory Sutherland, Vice Chair Ogilvy and Mather Group UK and founder of OgilvyChange; Eddie Copeland, Director of Government Innovation, Nesta Innovation Lab; Dr Robin Pharoah, Director of Future Agenda; Tiffany St James, Transmute digital experts; Francis Ingham, Director General PRCA (Public Relations and Communications Association).

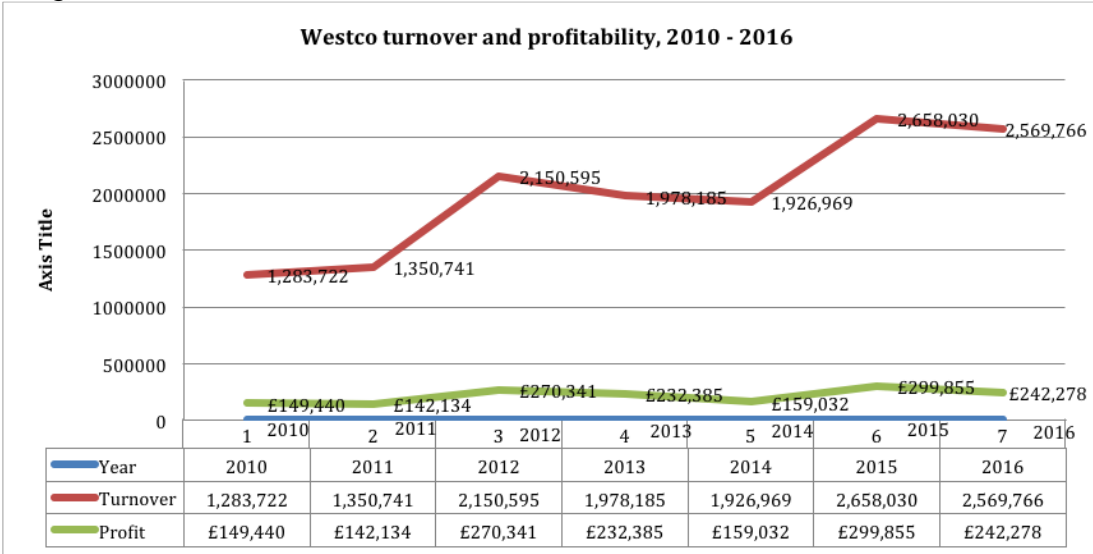
- 6.1.2 Westco Academy: a points based learning framework developed with the PRCA and Westco Commission partners to train and develop communications professionals with new skills and techniques. To date all Westco employees are engaged in the Academy and we have held training weeks covering digital engagement, campaigning and evaluation, behaviour change, performance management and leadership. The Westco Academy model has also been developed into a WCC Academy for communications professionals within the City Council.
- 6.1.3 Westco Professional Assessment Centre: senior Westco resources provide both clients and the wider sector with recruitment support and professional assessment services. To date Westco has provided the senior technical support to Hays Recruitment for two Heads of Communication posts to London authorities and full assessment tests and interviews for other local authorities.
- 6.1.4 Westco partnerships: a series of strategic partnerships with leading private sector agencies to improve capability including:
 - 6.1.4.1. #OgilvyChange introducing improved behavioural science into Westco campaigns and training for over 50 local government communications professionals across the sector through the Westco Academy. OgilvyChange also tested a Randomised Control Trial for WCC council tax direct debits as a free trial.
 - 6.1.4.2. Transmute digital engagement experts to introduce social media strategy and campaigning to WCC and Westco clients and training for staff through the Westco Academy. A six-month digital and social media implementation plan has been agreed and will be rolled out embedding capability to WCC in this area.
 - 6.1.4.3. Toast inbound marketing that has introduced the latest online marketing techniques to WCC commercial waste service resulting in 84% increase in website traffic, 2,000 leads generated, 200 sales ready enquiries which will help the council turn leads into new contracts. We will now look at other services within the council such as Registrars that could benefit from this innovation.
 - 6.1.4.4. C_Space to introduce online collaborative engagement with residents in Sutton and Richmond to help improve community engagement and the design of services and communications.
- 6.2 Westco has held thought leadership events to share best practice across the sector on:

- 6.2.1 Future of residents surveys
- 6.2.2 Police and Crime Commissioners communications and positioning at Conservative Party Conference
- 6.2.3 Place marketing for economic growth workshops with clients
- 6.2.4 Digital engagement and campaigning
- 6.2.5 Behaviour change campaigns
- 6.2.6 Asset focused community engagement
- 6.3 Westco was awarded Agency of the Year by the Chartered Institute of Marketing in 2017.

7. Summary of benefits to WCC

- 7.1 Westco has delivered a wide range of benefits to WCC including:
 - 7.1.1 Generating a profit for WCC – in excess of £1.25million in contributions cumulatively. Diagram 1 below provides a turnover and profitability performance trend graph between 2010 and 2016
 - 7.1.2 It should be noted that while turnover has increased significantly, profitability has remained steady due to the increase of work done for WCC by Westco resources at no profit – for example, increase in research work to support key consultations in Westminster, graphic design services to support major Council projects and providing support for Grenfell Tower recovery programme.

Diagram 1



- 7.1.3 Raising the profile of Westminster City Council – e.g. Westco Academy training events across the sector, thought leadership events and publications

and helping raise industry standards through communications reviews and professional assessments and recruitment. e

- 7.1.4 Providing unique opportunities for the professional development of WCC employees – e.g. developing the careers of 10 WCC employees into Heads of Communications for external clients and through training and development as part of the Westco Academy. Providing capacity and resilience to WCC in times of need – e.g. Westco’s deployment of resources from across its client sites to support the Grenfell Fire response team.
- 7.1.5 Introduction of innovation in the development of products and services through the Westco Commission and through use of partnerships with private sector leading agencies.

8. Future challenges

- 8.1 Westco is a successful marketing and communications agency in the public sector but the market in which it operates is going through extremely difficult financial times. The agency is positioning itself to help councils to meet emerging needs and challenges that result from the changing nature of public service.
- 8.2 As Revenue Support Grant (RSG) is phased out and new economic growth incentive funding mechanisms replace it, Westco needs to help councils drive economic growth through place marketing and improve community engagement to ensure this aspiration is shared and supported by communities.
- 8.3 As local government scarce resources need to become more effective Westco will help councils to improve demand management for services through better use of behavioural science and service design. Early success in this area has been seen in Sutton where a Westco campaign in partnership with OgilvyChange has delivered significant improvement to recycling rates.
- 8.4 As technology changes with the increasing dominance of Artificial Intelligence (AI) and the spread of digital, Westco must help clients horizon scan and develop the skills and disciplines to make the most use of this and mitigate any emerging risks. The annual LGA Conference is an opportunity to showcase WCC innovation, what we may see as the operational norm is often 'best practice' elsewhere.
- 8.5 Managing reputation through significant change in service provision and in the context of a changing society also requires Westco to be ahead of the game in terms of its professional advice and guidance.

9. **Westco case studies**

- 9.1 Appendix 1 lists Westco case studies for the purposes of describing the agency's work to the committee.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact Ian Farrow, Westco MD at ifarrow@westminster.gov.uk

APPENDICES:

- 1) Westco case studies

BACKGROUND PAPERS

This section is for any background papers used to formulate the report or referred to in the body of the report.

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Appendix 1, Westco case studies

Communications as a managed service: London borough of Richmond

Since 2003, our agency has been delivering an outsourced communications function on behalf of the London borough of Richmond. We are responsible for:

- Maintaining the percentage of residents that feel satisfied with how the council runs services
- Increasing the percentage of residents that feel they can influence council-run services by 5% within one year from contract award.
- Increasing the percentage of residents who feel the council offers value for money by 2% in two years from contract award.
- Implementing and facilitating “Talk Richmond” – a resident collaboration community with more than 500 users used to co-create campaigns with residents.

Westco has a team of seven Communications professionals in Richmond led by an experienced on-site Account Director. We work closely with the Council’s elected and executive management teams, all council services, partners and residents. Our strategy for delivering an effective end-to-end communications function is based on:

- Supporting all our interventions with robust and appropriate evidence through reputation trackers, dashboards and digital analytics,
- Bringing residents into the heart of behaviour campaign conceptualization and delivery,
- Reviewing the local media consumption and supply landscape regularly to ensure our interventions are effective,
- Developing effective relationships with residents to ensure establishment of non-transactional, authentic relationships,
- Working to an agreed, annual communications strategy owned by our Account Director, covering the activities needed for our team to deliver against the Council’s aspirations and corporate plans.

Positioning amongst key stakeholders: Opportunity Sutton

Opportunity Sutton is an organisation that was established by Sutton Council to attract inward investment and increase employment in the area. The Opportunity Sutton Vision is built upon an integrated and mutually supporting set of priorities: Prosperity, People and Place. Westco were appointed in 2013 to support this vision by providing public affairs services, stakeholder analysis, parliamentary events, briefings and visits to raise the profile of a specific element of the Opportunity Sutton Economic Growth Programme: to communicate to local and national stakeholders the benefits of extending the Tramlink service to Sutton Town Centre.

The Tramlink project was seen as a powerful catalyst for the long term growth of business, whilst improving links to central and west London. Westco first assisted the London Borough

of Sutton in 2013 to help raise the profile of the Tramlink project with key influencers, including then Business Secretary Vince Cable, the Chair of the London Transport Committee Valerie Shawcross CBE and Deputy Mayor for Transport Isabel Dedring.

Through a strategic stakeholder engagement plan coordinated by Westco and in partnership with Opportunity Sutton, the development of the Tramlink bid culminated in a formal launch of the bid held on Sutton High Street with local MPs, councillors (of Sutton and neighbouring boroughs), local businesses, journalists and key partners, including Willmott Dixon attending to formally 'Back the Bid', welcomed with an endorsing speech from then Transport Minister Norman Baker MP.

The approach led to a direct mention of the Sutton Tramlink in the Mayor of London's Vision 2020 report, which set out his ambition for London during his mayoralty and beyond.

Coordinating activity into a cohesive strategy: Belfast City Council

Westco were appointed by the City of Belfast in 2014 to conduct a review of their marketing outputs intended to help the area improve visitor numbers to key assets and areas through strategic marketing services.

To capitalise on the growing reputation as a top cultural and tourism destination and location of choice for foreign investment, the City Council had been working to an Investment Programme 2012-15 worth over £200 million to maintain a skilled workforce and sustain regeneration in the city. The second phase of the Investment Programme was launched in March 2014 outlining the specific projects to be delivered up until April 2015. Our review sought to align marketing activity across all these priorities in order to deliver a coordinated and powerful contribution to the City's growth and reputation.

Westco delivered a review of the strategic marketing outputs and function in the City which sought to provide the City Council with a best in class marketing solution that reflected the ambitions of the City, was professional and fit for purpose now and for the future. Through a series of meetings and interviews conducted by a senior Westco team and a detailed review of the marketing outputs, including publications and advertising, the team was able to produce key recommendations to bring together the Council's place marketing, service marketing and commercial marketing activity under one corporate brief and narrative. The City Council welcomed the report findings and are implementing the recommendations, including evaluation activity to prove success in the long term.

Supporting place-based reform: A City Deal for Stoke-on-Trent and Staffordshire

In 2011, Westco supported Stoke-on-Trent and Staffordshire in their bid to secure a City Deal. Westco advised a flexible approach to place leadership, spanning competing politics and bordering authorities. Westco helped to position Staffordshire as a leading council to do business with, gaining advocates within government through hosting a local business roundtable with a DCLG Minister and a leading fringe event on growth and place leadership at the Local Government Association Annual Conference. This was complemented by local MP briefings and a series of speaking opportunities for the Leader and Chief Executives of Staffordshire and Stoke-On-Trent to help raise awareness of the City Deal and partnership more broadly.

Westco also launched, designed and produced a report that set out clearly to ministers the impact that achieving a City Deal in the area could have for local growth, jobs and prosperity. The targeted stakeholder engagement campaign helped to raise the profile within government of the Powerhouse Central proposal over competing bids.

Stoke-on-Trent and Staffordshire were granted government backing for their City Deal in March 2014. The deal is worth £113 million and will support up to 23,000 jobs for local people over the next decade.

Westco also successfully delivered a range of set piece events at the Conservative Party Conference and Ideas Exchange discussion events in Whitehall to effectively position the client as a credible applicant and leader in the sector. The campaign was also promoted through a trade day in London for the area's major employers such as Jaguar Land Rover, JCB, Alstom, Wedgwood and Michelin which showcased the business benefits of a Deal.

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City of Westminster

Policy and Scrutiny Committee

Date: 6 November 2017

Classification: General Release

Title: Church Street Masterplan Consultation Update

Report of: Barbara Brownlee

Cabinet Member Portfolio: Housing and Regeneration

Wards Involved: Church Street

Policy Context: City for Choice

Report Author: **Eleanor Hoyle**
Contact Details: **ehoyle@westminster.gov.uk**

1. Executive Summary

1.1 The purpose of this report is to update the Committee on the public consultation on the draft Church Street Masterplan, which took place between 7 September and 29 October and to inform the Committee about proposed next steps.

2. Key Matters for the Committee's Consideration

- a. Are there any areas not currently covered in the draft Church Street Masterplan that the Committee would like to see addressed?
- b. Are there other consultation approaches that the Committee would like to see taken in future, site specific consultation activities?

3. Background

3.1 The Futures Plan was published in 2012 and formed the first delivery proposal for the Church Street programme. It was subject to resident vote and proposed more and better homes, better parks and open spaces, improved retail and community facilities. These themes have been built upon in the development of the draft Church Street Masterplan, which was started in Autumn 2016 and sought to consider how to develop the Futures Plan proposals, particularly the proposed second phase, into deliverable proposals in the context of the creation of the Edgware Road Housing Zone. This Housing Zone is part of the GLA programme and covers the Church Street ward and a small section of Little Venice ward. It provides initial grant funding to support the delivery of 1113 homes in the area. In addition to this, the new

City for All aims talk about the need to increase the supply of affordable housing and associated opportunities in the borough and as such the masterplan team was tasked with considering how the regeneration in Church Street could be utilised to help deliver on those city wide aims. A number of sites proposed for development in the Futures Plan are already in development as 'phase 1' of the regeneration programme. These include;

- Luton Street; submitted for planning, due on site Spring 2018
- Ashbridge/Cosway; due for planning submission end of November 2017, due on site Summer 2018
- Parsons North; submitted for planning, due on site Spring 2018
- Green Spine phase 1; submitted for planning, due on site Summer 2018
- Lisson Arches; enabling works on site, due for completion 2019/20

3.2 The draft Church Street masterplan is laid out around 4 themes and what they have the potential to deliver. The masterplan covers the whole of Church Street ward. The key elements of the four themes (covered in more detail on pages 10-11 and 34-41 in the draft masterplan at appendix A) are as follows;

- Health & Wellbeing; 40% increase in publically accessible open space, new Health and Wellbeing Hub and new Community Hub
- Homes; around 1750 new homes
- Market and Enterprise; improved market provision including storage and parking and affordable workspace
- Making Connections; a new 20mph zone, improved pedestrian links throughout and beyond the ward

3.3 Consultation materials for the masterplan have been structured around these themes and around the proposed development sites. The exhibition boards and summary document are attached as appendices D & E.

3.4 The Council's consultation team has been led by Regeneration and Communications team officers, supported by the appointed masterplan consultants LDA Design, Local Dialogue and Peter Brett Associates and staff from across the Church Street programme team and CityWest Homes development team.

3.5 Consultation on the draft masterplan (attached as appendix A) concluded on 29 October. A wide range of residents, local community groups, businesses and other stakeholders have responded and this information is all being collated into a consultation report to accompany a Cabinet report for December and will also be utilised to ensure additional information is added into the masterplan document. The Regeneration Base at 99 Church Street has been the main exhibition venue and has had a steady flow of visitors asking questions and making comments about the proposals. In addition the exhibition has 'popped up' at venues including Church Street library, Church Street market, City of Westminster College, Greenside Community Centre and Westminster Adult Education. Members of the masterplan team have attended

school coffee mornings and parent events, workshops, Health Centre patient committees and resident meetings. A full schedule of masterplan events is attached as appendix B.

- 3.6 Responses were collected quantitatively via questionnaires (attached as appendix C) and comments cards and qualitatively at events and meetings. The quantitative response levels will be shared as a verbal update at the meeting.
- 3.7 In addition to these the masterplan consultation team has spoken to around another 250 residents at various meetings and events to gather feedback and answer questions.
- 3.8 Officers are now proposing refinements to the masterplan proposals on the basis of consultation responses and feedback from potential development partners, viability considerations and the approach to delivery including CPO and rehousing options. The final masterplan proposals will be presented to Cabinet for approval on 4 December 2017. It will also lay out the Council's on-going commitment to engaging with the community as sites within the masterplan, if approved, come forward for development. This will constitute the Council's adoption of the masterplan as its delivery position for Church Street. There will however be a full programme of site specific consultation on each set of site proposals as these are developed.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact Report Author

Eleanor Hoyle ehoyle@westminster.gov.uk

APPENDICES:

A - Church Street Masterplan Draft report (can be found at www.churchstreetmasterplan.org.uk)

B - Church Street Masterplan consultation schedule

C – Church Street Masterplan questionnaire

D – Church Street Masterplan exhibition boards

E – Church Street Masterplan Summary Document

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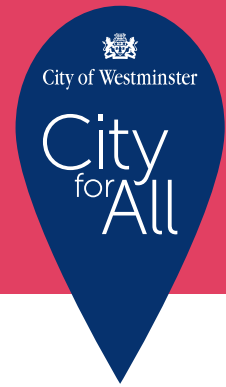
LAUNCH WEEK				
Wednesday	6 Sept		Launch consultation page on Openforum website	
Thursday	7 Sept		99 Church St closed in morning; exhibition installed	
Thursday	7 Sept	12pm-1pm	Ward member briefing	99 Church St
Thursday	7 Sept	1pm-2.30pm	Launch event	99 Church St
Thursday	7 Sept	2.30pm-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	7 Sept	5pm-8pm	Exhibition open at 99 Church St	99 Church St
Thursday	7 Sept		Consultation information emailed out to contacts	
Friday	8 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Week 1:	9-15 Sept			
Saturday	9 Sept		99 Church St closed	
Sunday	10 Sept		99 Church St closed	
Monday	11 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Monday	11 Sept	6pm-8pm	FSG Place working group meeting	Penfold Community Hub
Tuesday	12 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Wednesday	13 Sept		Flyering around Church Street development sites A, B and C	
Tuesday	12 Sept	6pm-8pm	FSG Operations working group meeting	Penfold Community Hub
Wednesday	13 Sept	9am	Gateway School coffee morning	Gateway School
Wednesday	13 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	14 Sept		99 Church St closed	
Thursday	14 Sept		Flyering near St. Joseph's Catholic Primary School	St. Joseph's School
Thursday	14 Sept	6pm-8pm	FSG People working group meeting	Penfold Community Hub
Friday	15 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Week 2:	16-22 Sept		THEME: HOMES	
Saturday	16 Sept		99 Church St closed	
Sunday	17 Sept		99 Church St closed	
Monday	18 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Monday	18 Sept	6pm-8pm	FSG meeting	City Westminster College
Tuesday	19 Sept	9am	St. Joseph's Catholic Primary School coffee morning	St. Joseph's School
Tuesday	19 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Tuesday	19 Sept	5pm	Westminster Academy Parents meeting	
Tuesday	19 Sept	5pm-8pm	Exhibition open at 99 Church St	99 Church St
Wednesday	20 Sept		99 Church St closed	
Thursday	21 Sept	TBC	Flyering at Christ Church Bentinck Church of England Primary School (subject to permission)	Christ Church Bentinck
Thursday	21 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Friday	22 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Week 3:	23-29 Sept		THEME: ENTERPRISE AND MARKET WEEK	
Saturday	23 Sept		99 Church St closed	
Sunday	24 Sept	11am-5pm	Antiques Anonymous flea market	31-33 Church St
Monday	25 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Tuesday	26 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Wednesday	27 Sept	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	28 Sept	9am	Christ Church Bentinck Church of England Primary School coffee morning	Christ Church Bentinck
Thursday	28 Sept	11am-4pm	Pop-up exhibition on market	Triangle at Salisbury Street
Thursday	28 Sept		99 Church St closed	
Friday	29 Sept	9.30am-4.30pm	Exhibition open at Church St Library	Church St Library
Friday	29 Sept		99 Church St closed	

Week 4:	30 Sept – 6 Oct		THEME: HEALTH & WELLBEING	
Saturday	30 Sept	11am-4pm	Exhibition open at Church St Library	Church St Library
Sunday	1 Oct		99 Church St closed	
Monday	2 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Monday	2 Oct	3.00pm-4.30pm	Schools flyering and coffee morning reminders	KSA St Marys Bryanston
Tuesday	3 Oct	3.00pm-4.30pm	Schools flyering and coffee morning reminders	KSA St Marys Bryanston
Tuesday	3 Oct		99 Church St closed	
Tuesday	3 Oct	9.30am-4.30pm	Exhibition open at Paddington Green Health Centre exhibition	Paddington Green Health Centre
Wednesday	4 Oct	9.30am-4.30pm	Exhibition banners at CityWest College – possibly not staffed	CityWest College
Wednesday	4 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	5 Oct	9am	St Marys Bryanston Square Primary School coffee morning	St Marys Bryanston Square Primary School
Thursday	5 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	5 Oct	5pm-8pm	Exhibition open at 99 Church St	99 Church St
Friday	6 Oct	9am	King Solomon Academy coffee morning	King Solomon Academy
Friday	6 Oct	1.00pm-2.30pm	Flyering at Hafs	Boschobel Street
Friday	6 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Week 5:	7-13 Oct		THEME: CONNECTIVITY	
Saturday	7 Oct		99 Church St closed	
Sunday	8 Oct		99 Church St closed	
Monday	9 Oct	10.00am-4.00pm	Exhibition banners at WAES – not staffed	
ALL WEEK			SUMMARY DOCUMENT DELIVERIES	
Monday	9 Oct	10.30am-3.30pm	Business engagement – follow up on breakfast event letters	All businesses
Monday	9 Oct		99 Church St closed	
Monday	9 Oct	1.00pm-2.00pm	FSG Lisson Arches T&F Group	Penn House
Tuesday	10 Oct	10.30-4.30pm	Exhibition banners at WAES – not staffed	
Tuesday	10 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Tuesday	10 Oct	1pm-2pm	Local Dialogue walking tour (to cover Green Spine and other proposed open space improvements)	Various sites
Tuesday	10 Oct	6pm-8pm	FSG Operations working group meeting	
Wednesday	11 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Wednesday	11 Oct	1pm-2pm	Local Dialogue walking tour (to cover major roads, access points, bus stops and tube stations, pedestrian crossings)	Various sites
Wednesday	11 Oct	10.00am-4.00pm	Exhibition banners at CityWest College – possibly not staffed	CityWest College
Thursday	12 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Friday	13 Oct	11am-4pm	Pop-up exhibition on market	Triangle at Salisbury Street
Friday	13 Oct		99 Church St closed	
Week 6:	16-22 Oct			
Saturday	14 Oct		99 Church St closed	
Sunday	15 Oct		99 Church St closed	
Monday	16 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Monday	16 Oct	3pm-4pm	Flyering at school	Gateway

Monday	16 Oct	1.00pm-5.00pm	Ashbridge/Cosway consultation	99 Church Street
Tuesday	17 Oct	10.15am-11.00am	Site 4 residents meeting – CityWest organized	Derry Hall, Penfold Street
Tuesday	17 Oct	12pm-2pm	Lunch and drop in exhibition for market traders	31-33 Church Street
Tuesday	17 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Wednesday	18 Oct	9am	Gateway School coffee morning	Gateway School
Wednesday	18 Oct	8.30am-11am	Business breakfast	31-33
Wednesday	18 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Wednesday	18 Oct	1pm-2pm	Networking Lunch	31-33 Church St
Wednesday	18 Oct	5pm-8pm	Ashbridge/Cosway exhibition	99 Church Street
Wednesday	18 Oct	5pm-8pm	Exhibition open at 99 Church St	99 Church St
Thursday	19 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Thursday	19 Oct	9.30am-11.30am	Developer event	31-33 Church St
Friday	20 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	99 Church St
Week 7:	23-29 Oct			
All week			Flyering at Neighbourhood Keepers events and door knocking at directly affected blocks in site A and Lilestone Street development	TBC
Saturday	21 Oct	11am-4pm	Exhibition open at Greenside Community Centre	Greenside Community Centre
Sunday	22 Oct		99 Church St closed	
Monday	23 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	
Monday	23 Oct	10.30am-12noon	Lambourne House drop in	Penfold Hub
Monday	23 Oct	6.00-8.00pm	Masterplan workshop	WAES Canteen
Tuesday	24 Oct		99 Church St closed	
Tuesday	24 Oct	3.30pm-4.30pm	Lisson Grove Health Centre Patient Participation Group	Lisson Grove Health Centre
Wednesday	25 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	
Wednesday	25 Oct	12pm-4pm	Pop-up exhibition at Mytime Active event	Broadley Gardens
Thursday	26 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	
Friday	27 Oct	9.30am-4.30pm	Exhibition open at 99 Church St	
Saturday	28 Oct		99 Church St closed	
Sunday	29 Oct		99 Church St closed	
POST CONSULTATION				
Monday	30 Oct		Openforum website updated to show consultation has closed	

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Church Street masterplan consultation



Give us your views

The draft masterplan sets out the council's aspirations for Church Street. We want to know what you think of the plan and also what you value around the area. By giving your views you will further shape the plan. Please complete this survey by Sunday 29 October 2017.

Masterplan vision

1. Having viewed the proposals in the Church Street masterplan exhibition what is the most important priority for you? (Rank them 1–4, 1 being the most important)

- | | |
|--|---|
| <input type="checkbox"/> Health and Well-being | <input type="checkbox"/> Making connections |
| <input type="checkbox"/> Homes | <input type="checkbox"/> None of them |
| <input type="checkbox"/> Market and Enterprise | |

2. To what extent do you support or oppose the creation of the following quarters within the Church Street area?

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
A Market Quarter along the centre of Church Street, providing a food market, retail and community facilities						
A Cultural Quarter centred around the Cockpit Theatre and the antiques market						
A Bell Street Quarter providing galleries and niche retail						
Residential Quarters, overlapping with the other quarters						

Health and Well-being

3. To what extent do you support or oppose the proposals for...

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
A new health and well-being hub at Lisson Grove?						
A new building for community use centrally located on Church Street itself?						
More publicly accessible open space throughout the Church Street area?						

4. Do you have any other comments that you would like the council to consider on how health and well-being in the Church Street area could be improved?

Homes

5. To what extent do you support or oppose proposals to increase the density of buildings to deliver new homes and create a greener environment.

- | | |
|---|--|
| <input type="checkbox"/> Strongly support | <input type="checkbox"/> Tend to oppose |
| <input type="checkbox"/> Tend to support | <input type="checkbox"/> Strongly oppose |
| <input type="checkbox"/> Neither support nor oppose | <input type="checkbox"/> Don't know |

6. Do you have any comments that you would like the council to consider on the mix of affordable homes and market value homes in the Church Street area?

7. Do you have any comments that you would like the council to consider on the style of homes (such as design, size or type) that should be available in the Church Street area?

Market and Enterprise

8. To what extent do you agree or disagree that...

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
The existing layout of Church Street market could be improved?						
That there is scope to add a Food Market to Church Street Market?						
That there is scope to improve the market offer with other products?						

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
That there is an opportunity to create enterprise corridors offering affordable and flexible workspace and business support facilities?						
That there is scope to develop a night-time economy?						

9. To what extent do you agree or disagree...

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
That the range of goods available at the market is sufficient at the moment?						
That there should be longer opening hours in the market?						
That there should be the occasional Sunday market?						

10. Do you have any other comments that you would like the council to consider on the market and how job opportunities in the Church Street area could be improved?

Making Connections

11. To what extent do you support or oppose the proposals to...

	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know
Turn Church Street into a Pedestrian Zone on certain days?						
Introduce a 20 mph speed limit across the whole area? (excluding Lisson Grove)						
Introduce a 20 mph speed limit in certain areas only, such as on smaller residential roads?						

12. Do you have any other comments that you would like the council to consider on the types of publicly accessible space and where these should be located?

13. Finally, what are your overall views on the masterplan?

About you

Please answer the following questions. Our aim is to engage with a wide range of residents, market traders, businesses and organisations. By answering these questions you will help us to understand who has responded to our consultation. Any information you give us will be used in the strictest confidence. The information supplied will only be used for statistical purposes.

1. Postcode:

2. How old are you?

3. Are you currently employed, self-employed, retired or volunteering?

- An employee in a full time job (30 hours or more per week)
- An employee in a part time job (Less than 30 hours per week)
- Self-employed (full or part-time)
- On a Government supported training programme (e.g. Modern Apprenticeship or Training for Work)
- In full time education at school, college or university
- Unemployed and available for work
- Long term sick or disabled
- Retired from work
- Looking after the home
- Doing something else (please specify)
- Prefer not to say

4. Does your household own or rent the accommodation you live in?

- Owned with a mortgage or loan
- Owned outright
- Other owned
- Rented from CityWest Homes
- Rented from a Housing Association or another Registered Social Landlord
- Rented from a private landlord
- Other rented or living here rent free
- Part rent and part mortgage (shared ownership)
- Prefer not to say
- Don't know

5. Do you work in the local area?

- Yes
- No

If yes, are you a:

- A sole trader
- An employer of more than one other person
- A local employee

6. What is your ethnic group?

- White British
- White Irish
- Any other White background
- Mixed White and Black Caribbean
- Mixed White and Black African
- Mixed White and Asian
- Any other mixed background
- Asian or Asian British Indian
- Asian or Asian British Pakistani
- Asian or Asian British Bangladeshi
- Any other Asian or Asian British background
- Black or Black British Caribbean
- Black or Black British African
- Any other Black or Black British background
- Chinese
- Other ethnic group
- Prefer not to say

6. How long have you/your household been living in this area?

- Under 1 year
- 1–2 years
- 3–5 years
- 6–10 years
- 11–20 years
- 21+ years
- Don't know/can't remember
- Prefer not to say

7. Including you, how many adults aged 18 and over live in your current home

- Just myself
- 2–3
- 4–6
- 7+
- Prefer not to say
- Don't know

8. How would you describe yourself?

- Male
- Female
- Other (please specify)
- Prefer not to say

The Equality Act 2010 defines disability as 'a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities'.

In this definition, long-term means more than 12 months and would cover long-term illness such as cancer and HIV or mental health problems.

9. Based on this definition, do you consider that you have a disability?

- Yes
- No
- Prefer not to say

10. What is your religion or belief, even if you are not currently practising?

- Agnostic
- Atheist
- Baha'i
- Buddhist
- Christian (all denominations e.g. catholic, C of E, Baptist etc.)
- Hindu
- Humanist
- Jain
- Jewish
- Muslim
- Sikh
- No Religion
- Other religion/belief (please specify)
- Prefer not to say

Thank you for taking the time to complete this questionnaire.

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The story so far

A number of key plans and reports have been prepared in recent years, all of which have guided and informed the new Church Street masterplan.

The Futures Plan (2012)

The Futures Plan is a renewal plan and remains central to the new Church Street masterplan. A number of development schemes and other initiatives are already being delivered or will shortly begin to be delivered:

- Lisson Arches, 59 new homes
- Penn House and Lilestone Street - a new community/ healthcare hub
- Cosway Street, around 55 new homes
- Ashbridge, around 25 new homes
- Luton Street, around 170 new homes
- Parsons North, 54 new homes

Edgware Road Housing Zone (2014)

The zone was identified by the Greater London Authority to facilitate the delivery of 1,113 new homes.

City for All programme (2017)

Westminster City Council launched its renewed vision in 2017 to create a City for All. Providing more homes of all types is at the heart of its ambition. The council plans to build 1,850 affordable homes by 2023 across the whole of Westminster. The masterplan will significantly support the achievement of this target.

Schemes being progressed

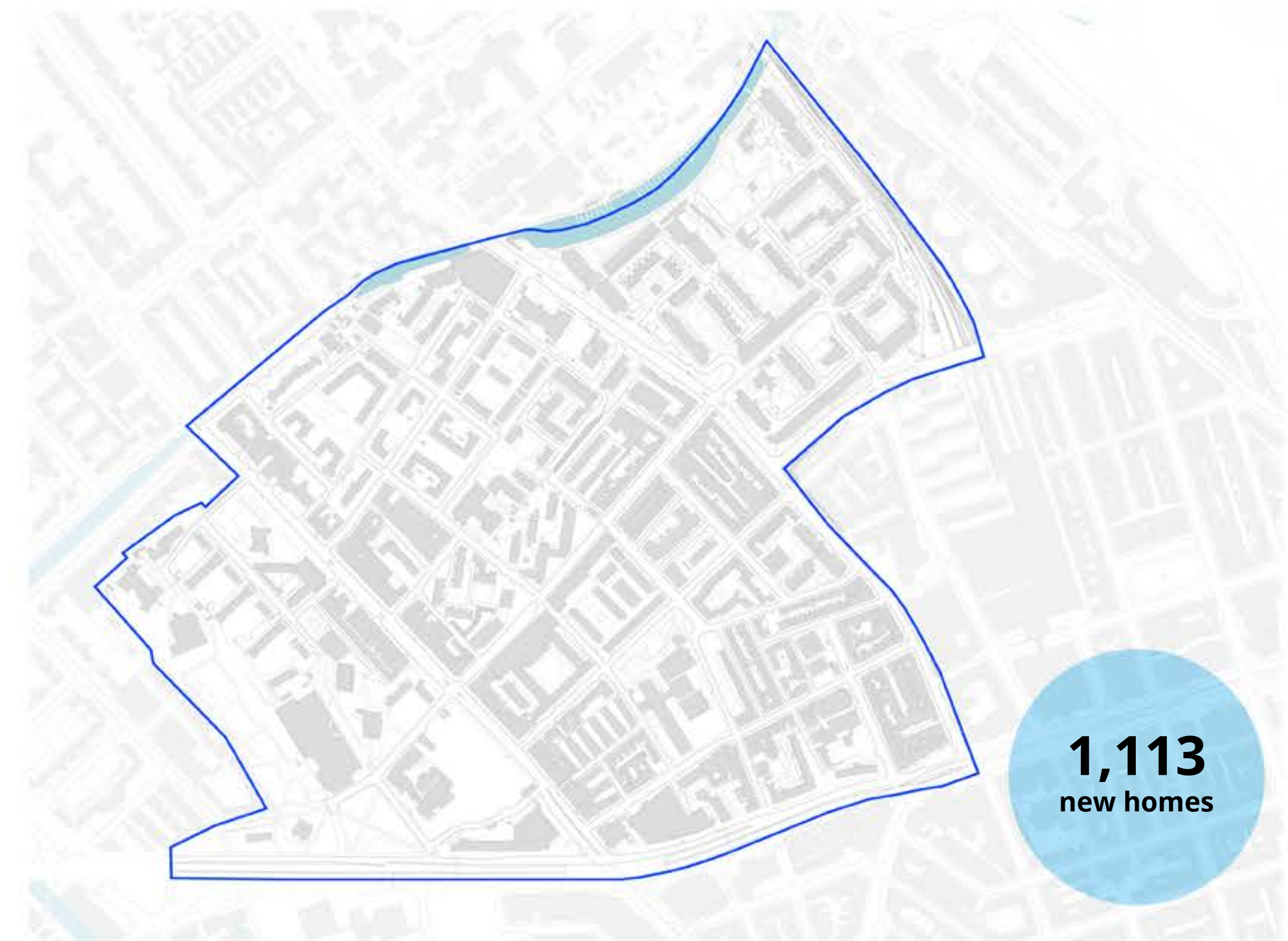
Other schemes are being delivered in the Church Street area, some of which will provide re-housing opportunities for residents currently living on sites identified for redevelopment within the masterplan. These are:

- West End Gate - delivering around 650 new homes in the first phase of development.
- Lyons Place (Almacantar) - delivering 76 new homes

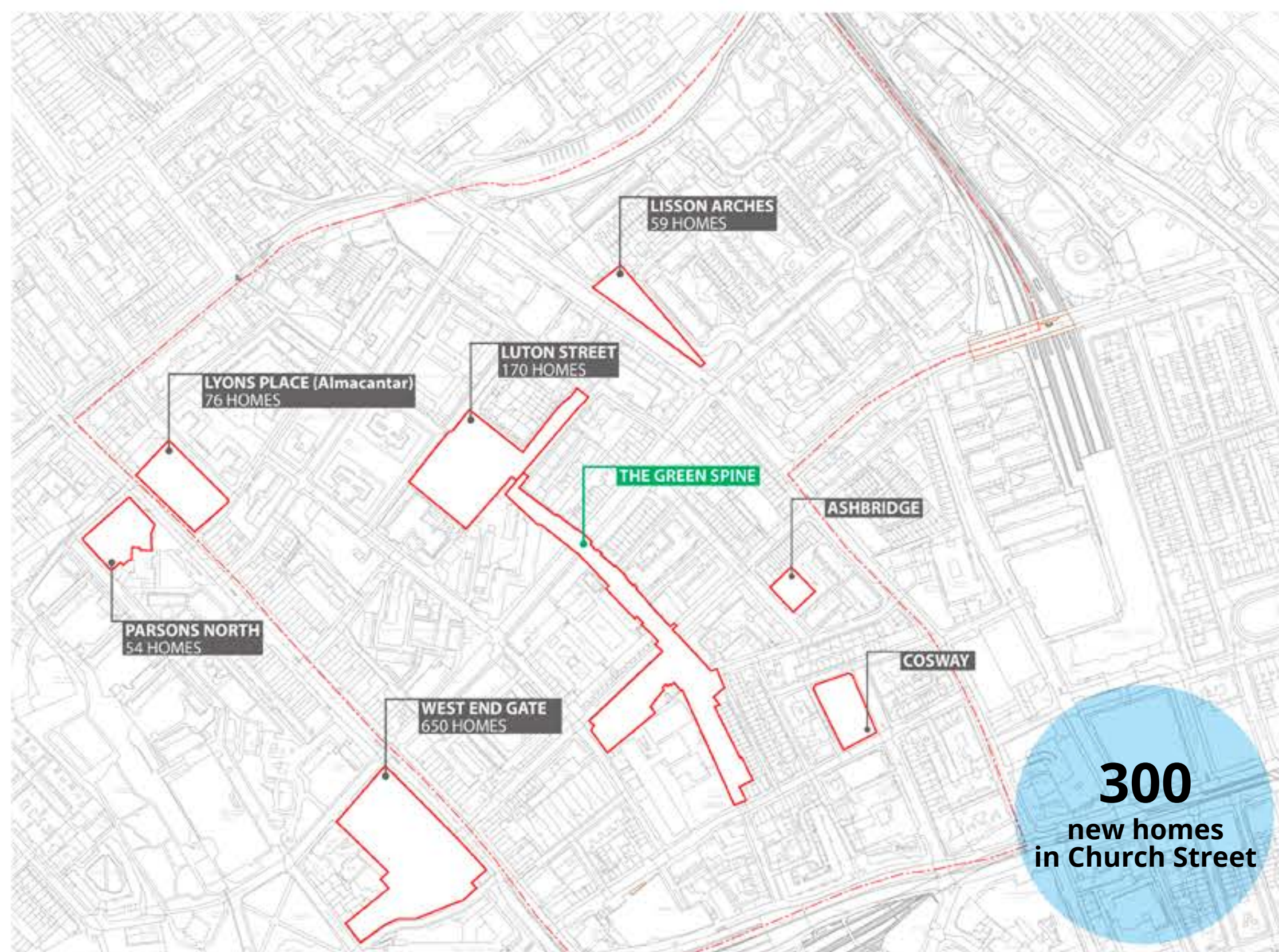
The Futures Plan



Edgware Road Housing Zone



Schemes being progressed



Church Street masterplan



The vision



Church Street masterplan

The vision

The masterplan seeks to deliver real change by creating great places, opportunities for a healthy and prosperous lifestyle, new homes and more jobs. Westminster City Council wants to make Church Street the most liveable neighbourhood in London through investment and regeneration.

Church Street residents are devoted to their neighbourhood, which has areas of character, quality and heritage. There is a strong sense of community and its location close to London's West End provides a wealth of opportunity. The plan builds on these qualities by establishing strongly characterised quarters.

The masterplan, at its core, addresses four drivers of change: health and well-being, homes, market and enterprise and making connections.

Health and well-being

The aim is to encourage exercise, better health outcomes, outside enjoyment and more social encounters by providing new medical services at key locations, and by creating welcoming green spaces and greener streets.

Homes

The plan is to deliver more new homes across a range of types and tenure within a high-quality environment, which is above and beyond those already identified by the Futures Plan and other initiatives.

Market and enterprise

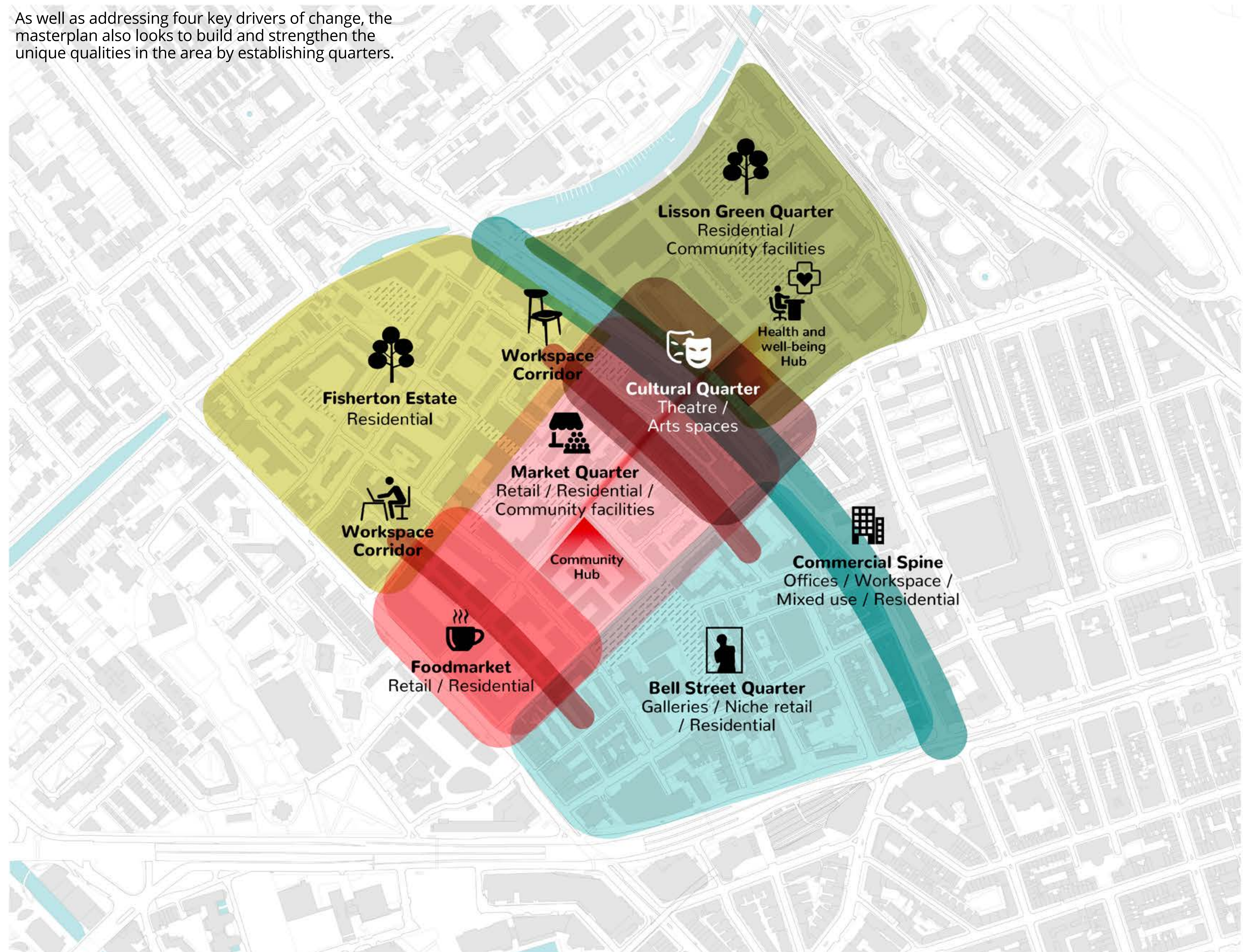
The aim is to increase footfall and improve the day and night-time economy and create more jobs. Proposals include better designed public realm, upgraded shopfronts, improvements to the market and new flexible commercial spaces along corridors that intersect with Church Street.

Making connections

Finally, the masterplan proposes safe and clearly defined routes to and through the area, linking into neighbouring communities. This will improve accessibility for residents and visitors to other parts of Westminster and the rest of the capital.

Church Street neighbourhood quarters

As well as addressing four key drivers of change, the masterplan also looks to build and strengthen the unique qualities in the area by establishing quarters.



The masterplan

The masterplan will deliver:

Health and well-being

- Up to 40% increase in publicly accessible open space
- A health and well-being hub
- A new community hub

Homes

- Around 1,750 new homes including:
 - reprovided homes for existing tenants at social rent
 - new homes with 35% of these being affordable
- 1,010 homes are already being built in the area (300 in Church Street and 710 just outside the masterplan boundary)

Market and enterprise

- Improved street market with around 220 stalls, 150 van parking spaces, 3,600m² storage and facilities
- Affordable and flexible workspace and business support facilities
- A new cultural quarter centred around the antiques market and Cockpit Theatre
- Around 3,500 construction-related jobs
- Around 525 retail jobs
- 7,000 m² retail space provision

Making connections

- A 20mph traffic calmed zone to improve the public realm opportunities
- A new pedestrian priority street designed for Church Street market, pedestrians and cyclists which links Lisson Grove to Edgware Road

Church Street masterplan

The Church Street area once the masterplan is delivered



Improving the health and well-being of Church Street residents is fundamental. The proposal is to provide key health services and a high-quality, well linked environment.

Health hub and Community hub

A new health centre is proposed on Lisson Grove, a key route through the neighbourhood. This will be directly connected along Church Street to a new community hub which will offer a new library, childcare and training facilities and services. This hub will be located at the intersection between Church Street and the Green Spine, a proposed green route through the area.

Enhanced or new green spaces

The proposals look to improve the existing condition of open spaces and create new spaces and green streets forming an interlinked network of parks and squares.

1. Church Street Triangle

A flexible 'market square' with improved paving, seating, lighting and planting

2. Broadley / Lisson Gardens

Existing green spaces connected and enhanced to be the primary play space and the core of the Green Spine

3. Nightingale Place

A new public square in the cultural heart of Church Street, opposite the Cockpit Theatre

4. Capland Gardens

A neighbourhood green space with play provision. Landscaped slopes suitable for wheelchair users will replace the existing steep ramps

5. Orchardson Park

A new neighbourhood park with orchard, meadows, community growing and play area

6. Orange Park

Existing play park; gated spaces enhanced with meadow planting

7. Lilestone Gardens

Series of open spaces with communal growing, and opportunity to play and rest

8. Hardington Street

This historic street reinstated and extended as a pedestrian-only link with enterprise and retail frontage

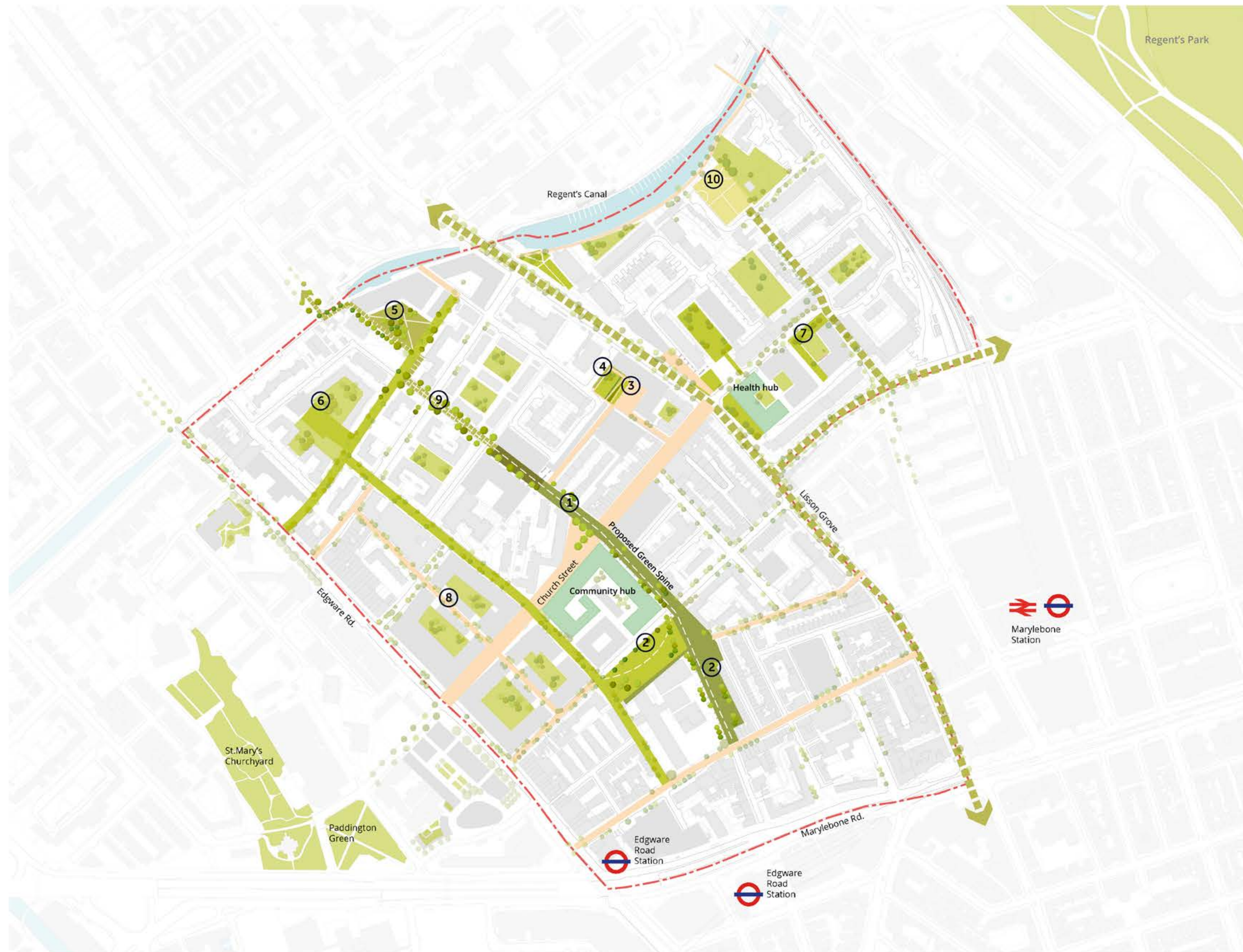
9. Fisherton Street / Orchardson Street

Proposed future extension to the Green Spine

10. Lisson Green Estate Open Space & Sports Courts

Existing open spaces retained, with improved access and lighting, and more diverse planting

Landscape strategy



Homes

In order to deliver a good range of housing types to meet the needs of as many existing and future residents as possible, the masterplan seeks to deliver the following:

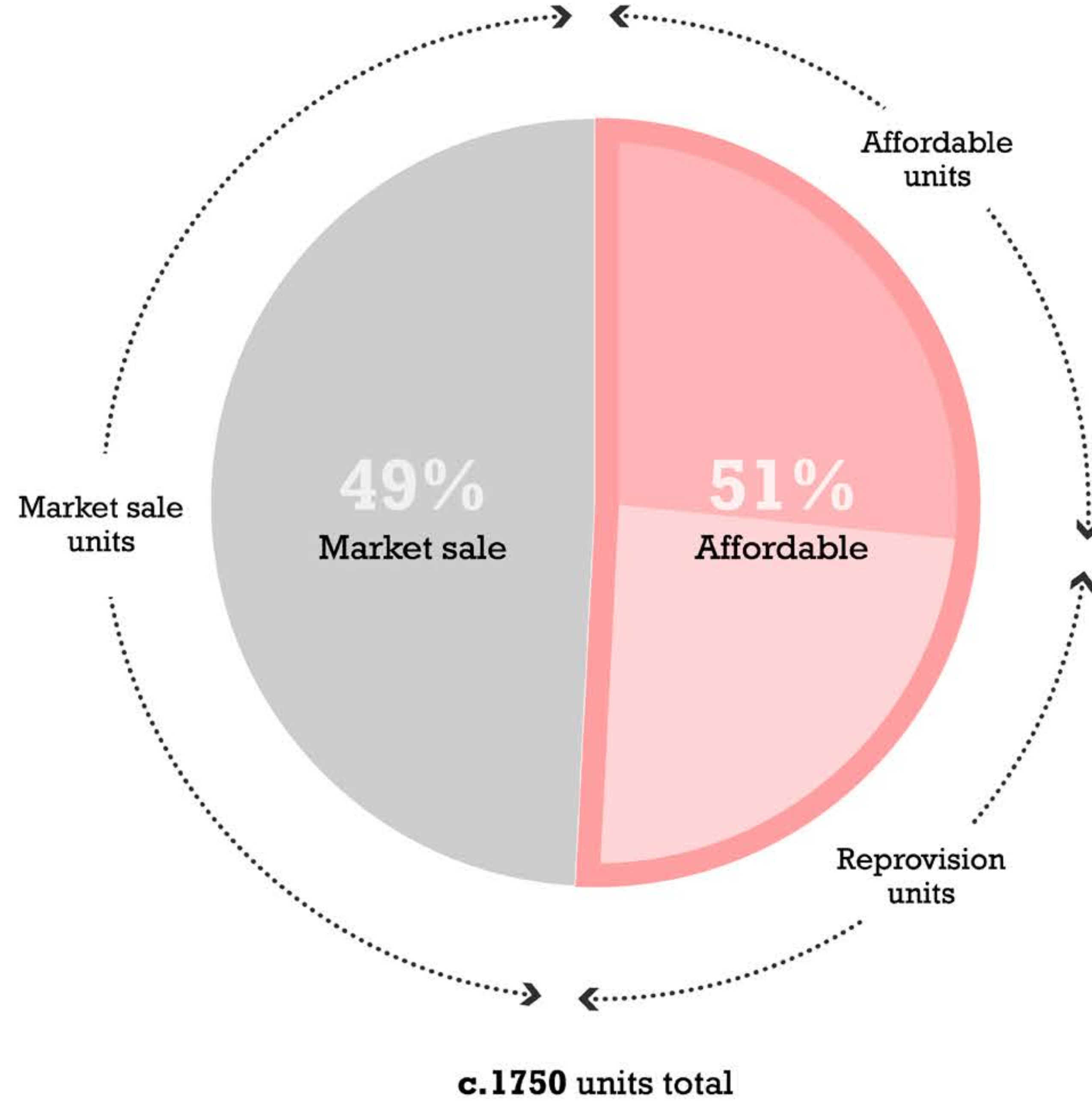
- The re-provision of all council social rented housing requiring demolition as part of the proposals
- A single move in the local area for directly affected tenants
- Delivery of additional housing to include 35% affordable, which will be split into 60% intermediate and 40% social rented tenures

There will be around 1,750 new homes provided in Church Street:

- reprovided homes for existing tenants at social rent
- 300 additional new homes are already being built in the area
- new homes with 35% of these being affordable

All the new homes will meet the latest quality standards and comply with planning policies and deliver new facilities, open spaces, retail and much more. The developments will be designed efficiently. The new types of homes will achieve a higher density whilst positively contributing to the area.

In total, the masterplan will deliver approximately 50% affordable housing when taking into account the new provision of affordable housing and those which will be reprovided to council social tenants.



The masterplan acknowledges areas of historic interest and architectural character. New developments will be sensitively integrated within this existing context.



Market and enterprise

Improving the market and introducing a more varied retail and commercial offer will create a thriving economy delivering new jobs and investment.

Distinct commercial areas will be established, focusing activity on Lisson Grove and the centre of Church Street.

The masterplan aims to bring much-needed evening vitality with new restaurants, bars and cultural venues, and the market's trading hours could possibly be extended.

Better designed public realm and upgraded shop fronts will create an attractive and safe environment, with an improved retail offer on Church Street to attract more custom. The character of other commercial streets will be strengthened as well, including the historic character of Bell Street, through public realm improvements.

New workspaces and enterprise

An enterprising community can create more local jobs. This will be facilitated by new flexible workspace of varying size and type. It will include opportunities for live-work units and commercial spaces, which can accommodate start-ups and established businesses along a new street (Hardington Street) and an existing one (Gateforth Street), both intersecting with Church Street.



Church Street market

The masterplan provides the opportunity to improve both the market offer and the facilities offered to existing and future traders.

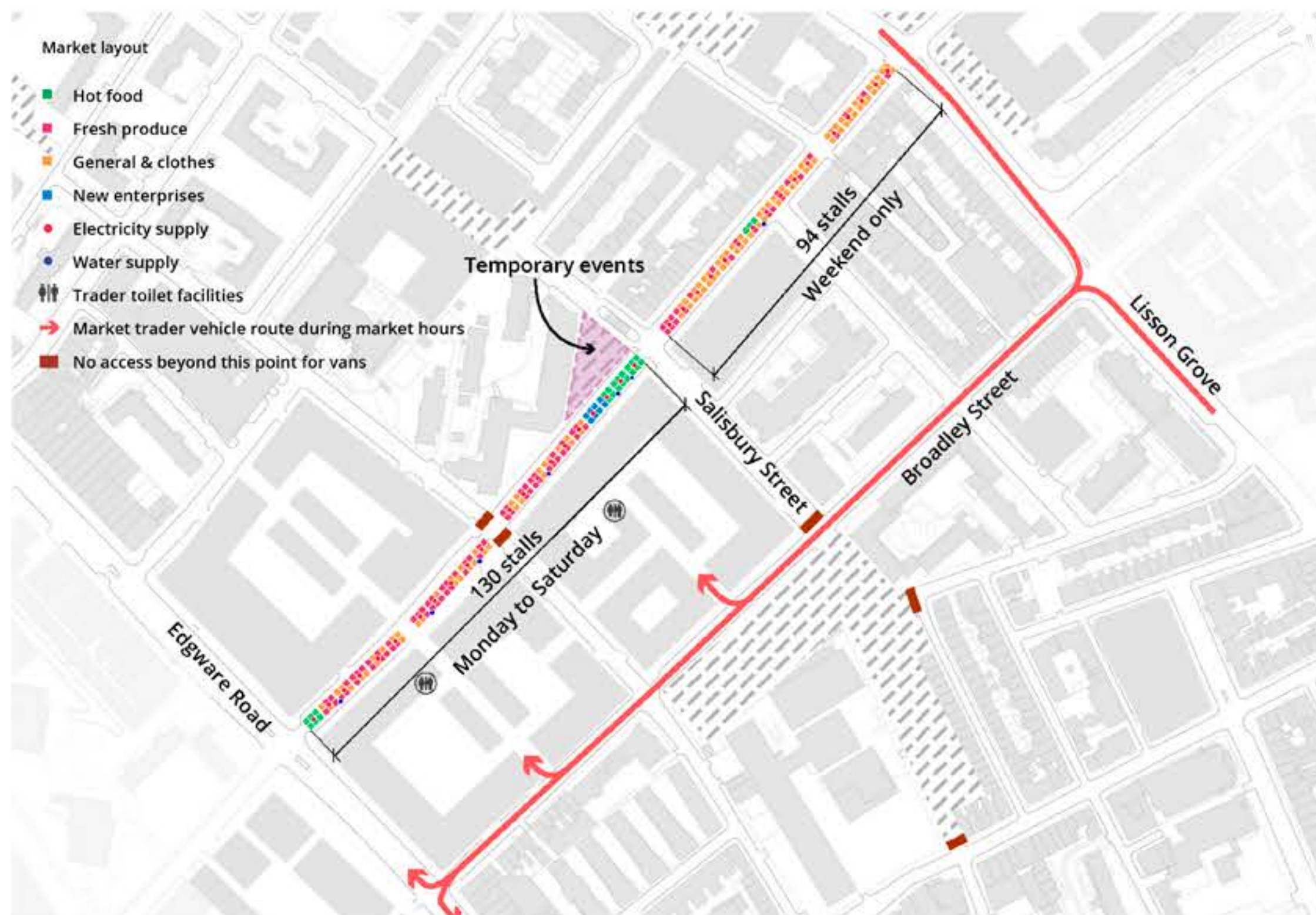
The market layout has been redesigned to work more efficiently. The proposal is back-to-back trading along the centre of the street, allowing footfall to access market traders and shop owners equally.

The antiques market will remain to the north, and the southern end of the market will be improved in terms of its product offer, including an emphasis on hot food around the Salisbury Street Triangle. The triangle will be re-designed to support temporary events.

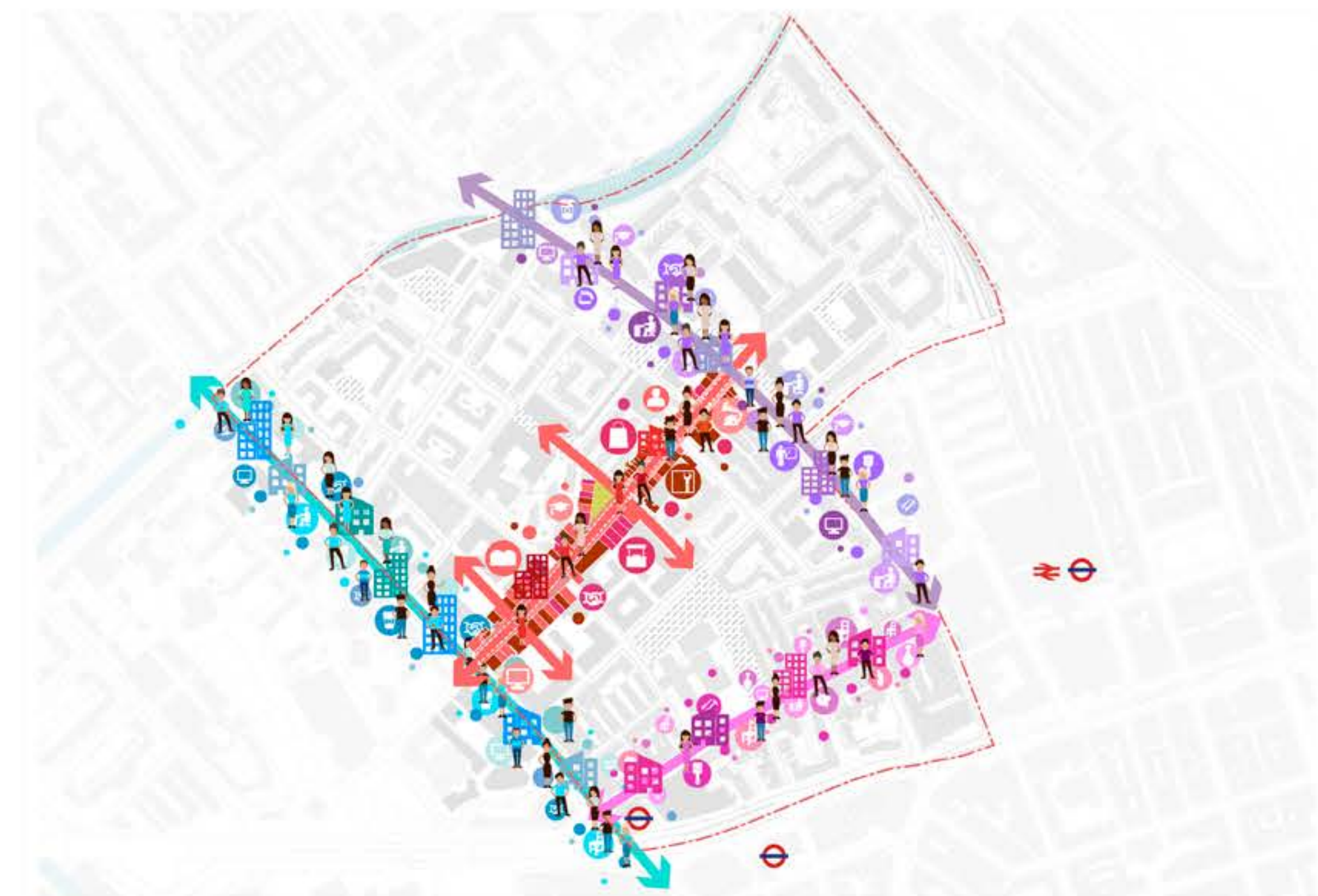
Traders will be provided with van parking, additional storage space and electricity and water supply in order to support their on-going trading.

The same design principles and improved market offer will apply to the Saturday market, when trading expands from Salisbury Street to Lisson Grove. The design also allows for an occasional Sunday market.

Market layout



Opportunity areas



Making connections

A fundamental principle is to open up the Church Street area, improving access and wayfinding throughout.

The masterplan will create streets that re-balance the relationship between vehicles, pedestrians and cyclists addressing the barriers to movement for people and creating an inclusive and safe environment.

Clear routes from key arrival points will be provided and strong gateways to the market at Edgware Road and Lisson Grove will be established.

Balancing pedestrians, cyclists and vehicles

All streets will prioritise pedestrians and cyclists with the speed limit reduced to 20mph (except Lisson Grove) through a series of traffic calming measures.

The proposal is that during market hours, there will be no through access for vehicles on Penfold Street via Church Street. The whole of Church Street is proposed to be raised (to the pavement level) and upgraded with new surface material to create a pedestrian-friendly promenade.

Bell Street is proposed to be upgraded with a series of traffic calming measures such as raised tables. The introduction of short-stay vehicle parking along the street will reduce the width to deter through-traffic.

Approach during construction

The key principles will be:

- Maintaining the commercial viability of the area through all stages of the development of the sites
- That new streets and public spaces integrate the new development sites into the surrounding area and encourage people to walk and cycle through them
- To develop transport related restrictions for the new development sites to ensure that there is no adverse impact on the streetscape and public space during construction and that the public environment is improved on completion

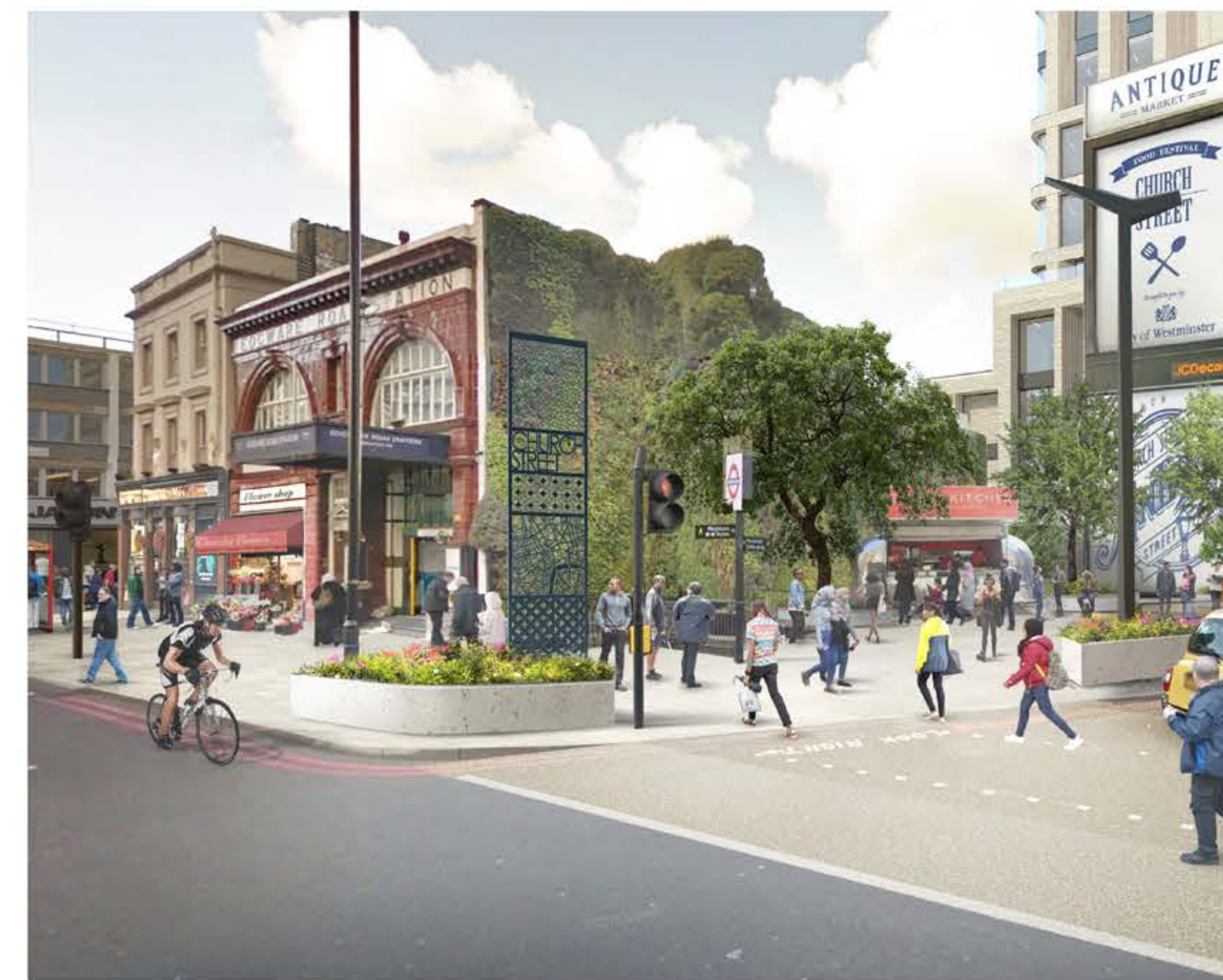
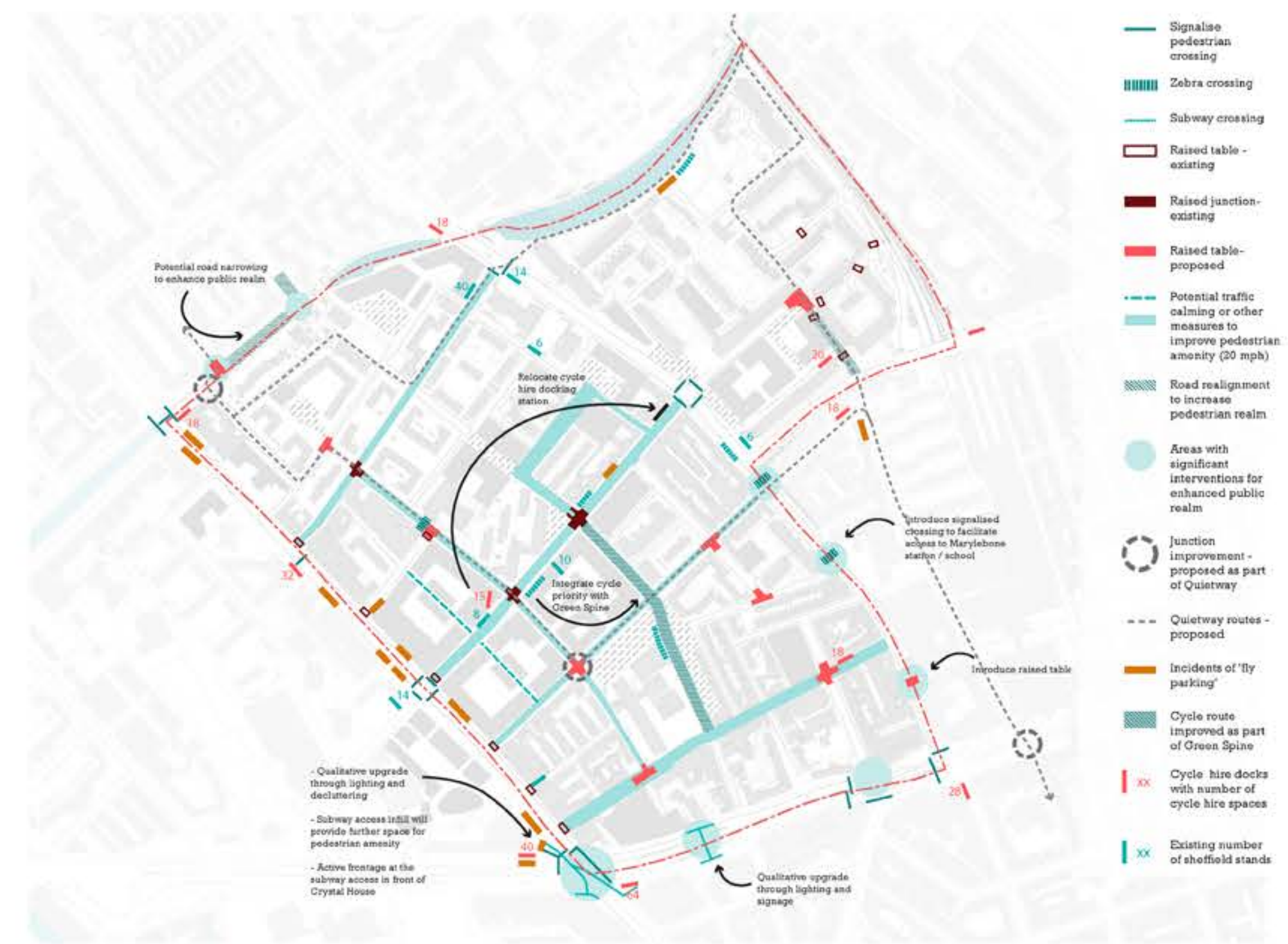
Proposed circulation strategy



Proposed parking strategy



Proposed pedestrian & cycle enhancements



The masterplan sites

The masterplan has identified the following areas for development:

- Ashbridge
- Cosway
- Lilestone Street
- Church Street Sites (A, B and C)
- Lisson Grove
- Gateforth and Cockpit Theatre
- Little Church Street

Lisson Green

The Church Street masterplan does not preclude additional sites coming forward over the next 15-20 years or beyond.

For example, Lisson Green is considered suitable for potential future development in some locations.

It is the intention of the council to consult local residents of this area to better understand how they would like their area to develop and be integrated within the wider regeneration.

Other opportunities

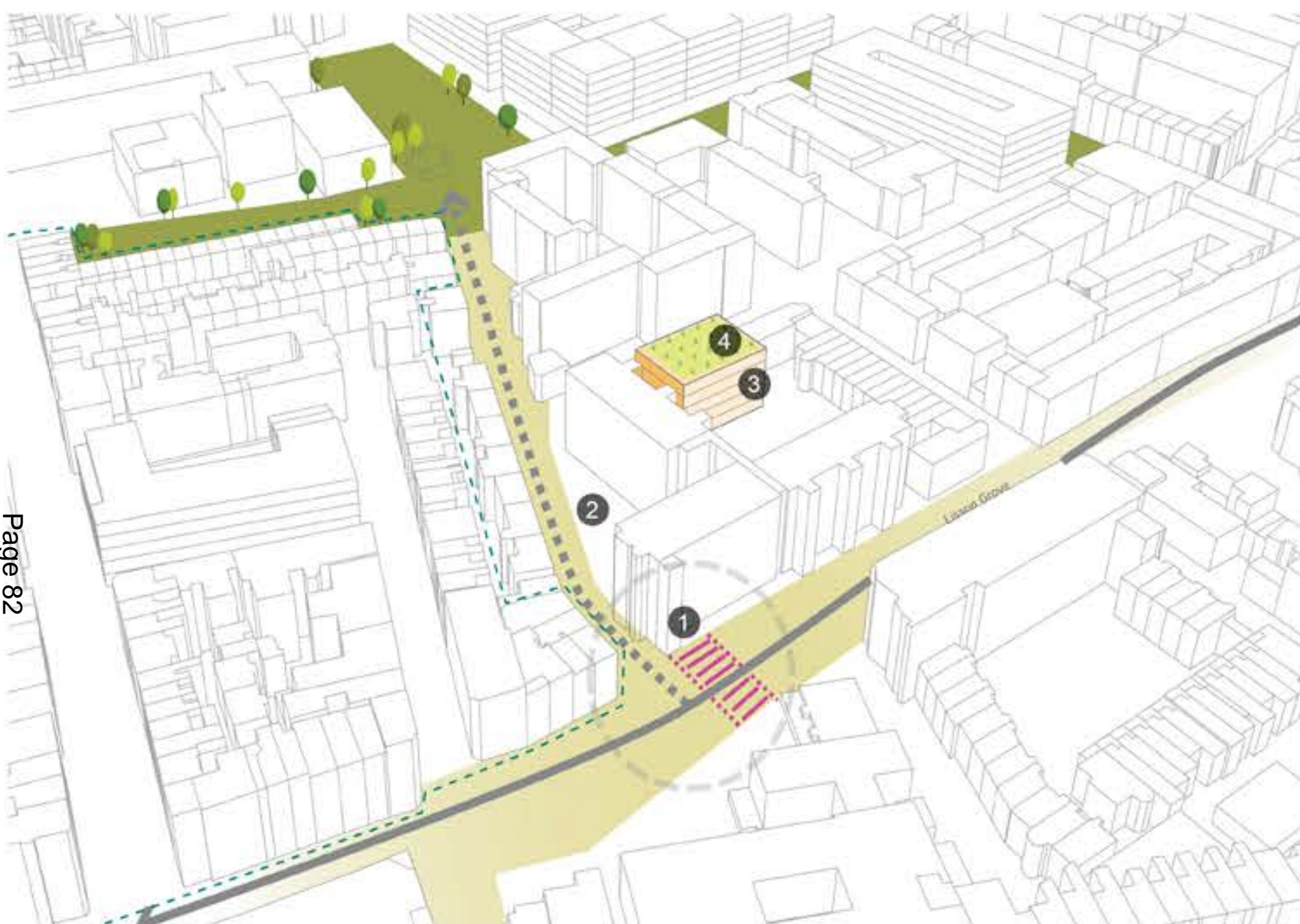
Although other sites and areas within Church Street have not been considered at this stage, this masterplan does not prevent or discourage other potential opportunities emerging. Any such opportunities would however be assessed in the context of the masterplan and would be subject to appropriate consultation and planning consents.

Church Street sites



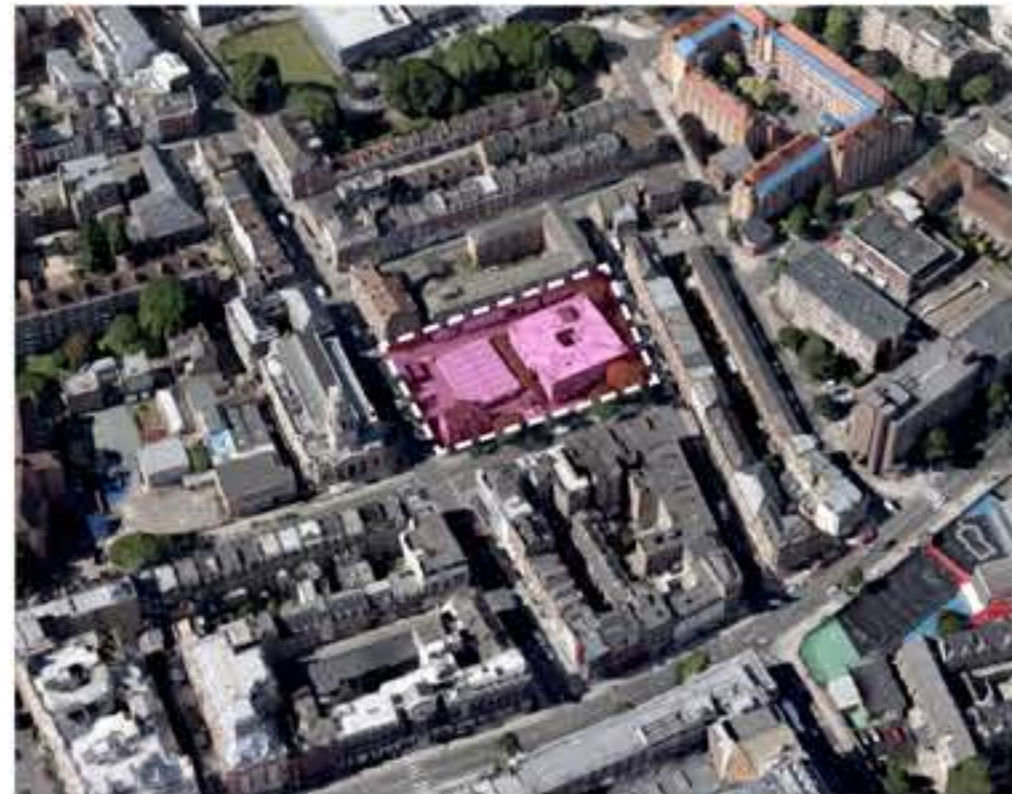
The masterplan sites

Ashbridge



Page 82

Cosway



Lilestone Street



Design principles

- Enhance pedestrian crossing on Lisson Grove and create a gateway to the neighbourhood
- Public realm enhancements in Ashmill Street and between existing blocks
- Building height of new development should have relationship with neighbouring buildings
- Hybrid green/blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
BT repeater station	c.25 new homes 5-6 storeys building height	Residential amenity space

Likely Timescale

A planning application for the Ashbridge site will be submitted in 2017. The current timetable is for this development to start on site in early 2018.

Design principles

- Block should primarily address Cosway Street
- Development must respect conservation area
- Bulk and mass should be stepped to respond to context
- Residential amenity space at podium level

Existing situation	Homes	Health & well-being
Westminster City College Car Park Office building	c.55 new homes 3-5 storeys building height	Residential amenity space

Likely Timescale

A planning application for the Cosway site will be submitted in 2017. The current timetable is for this development to start on site in early 2018.

Design principles

- Health and well-being hub provides active frontage to Lisson Grove
- Gateway and sense of arrival to Lisson Green
- Public landscape space fronting the Health and well-being hub on Lisson Grove
- Residential amenity internal courtyards
- Public pocket spaces for growing and play on Lilestone Street and Lisson Grove
- Residential outdoor amenity space to Greenside site
- Hybrid green/blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Penn House (45 homes) Gayhurst (32 homes) Greenside Community Centre	c.160 new homes 6-8 storeys building height	Health and well-being hub Community centre Publicly accessible open space Public pocket space for growing and play Residential amenity space

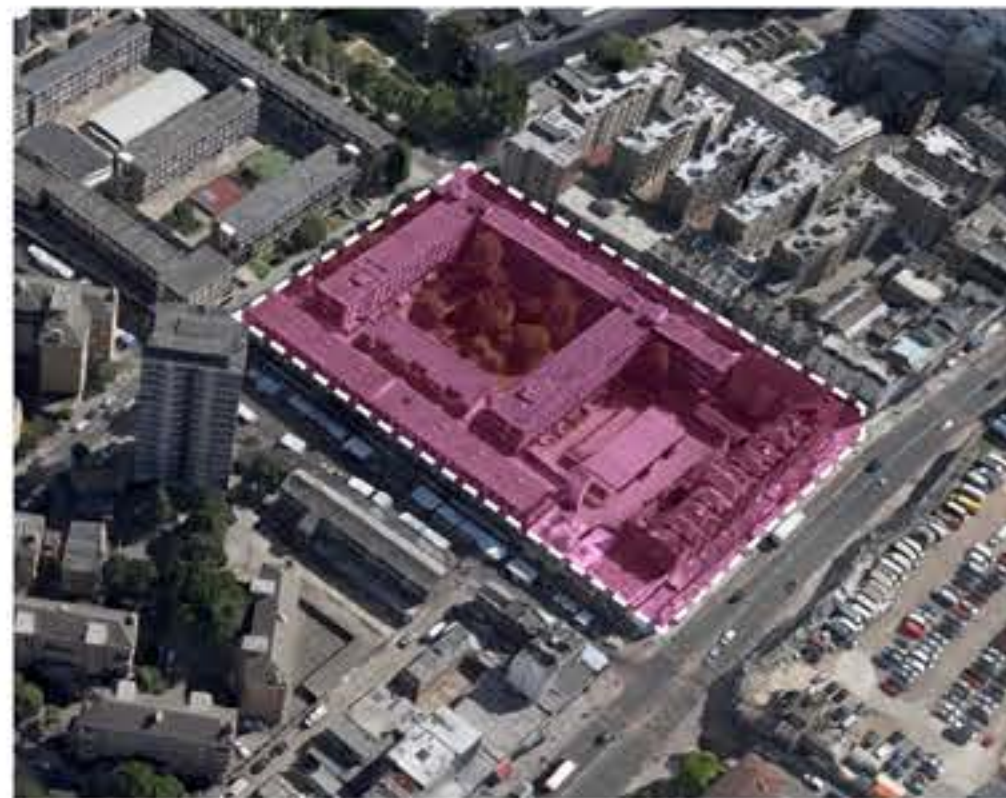
Likely Timescale

The Lilestone Site is likely to be developed in phases, with the first phase (Penn House and Lilestone Street) commencing in 2020 and the second phase (Gayhurst House and Greenside) starting in 2021-2022.

Making connections	Market & Enterprise
Gateway to Lisson Green Active frontage to Lisson Grove	Westminster Council offices Retail space

The masterplan sites

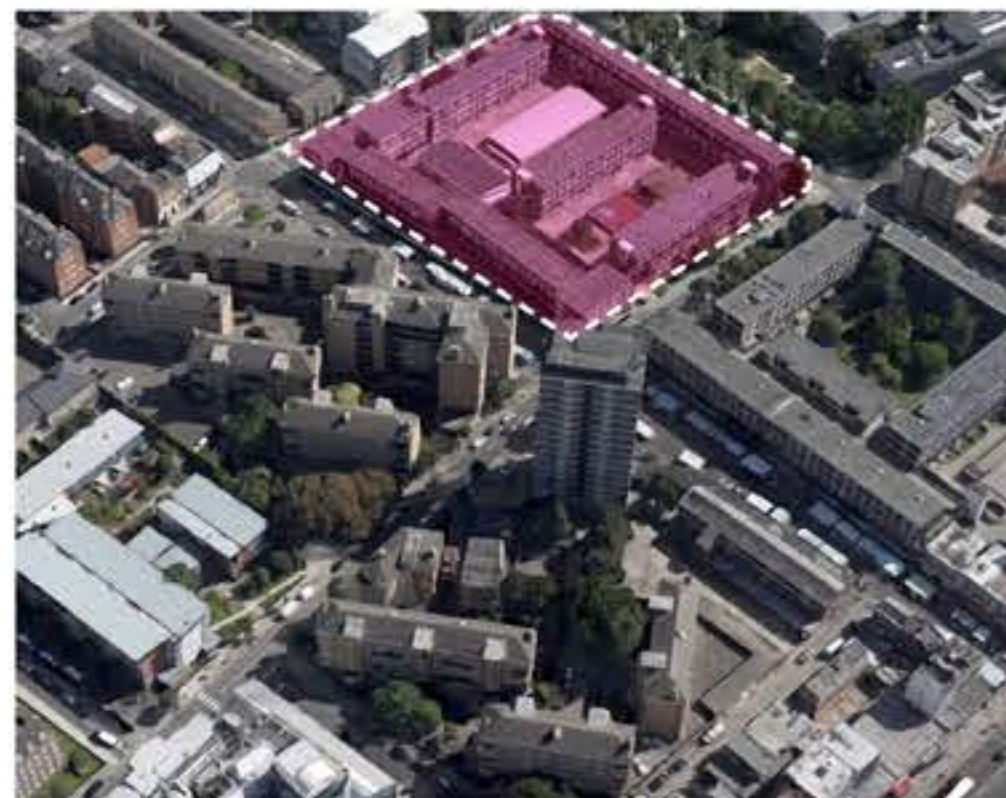
Church Street Site A



Possible design approach



Church Street Site B



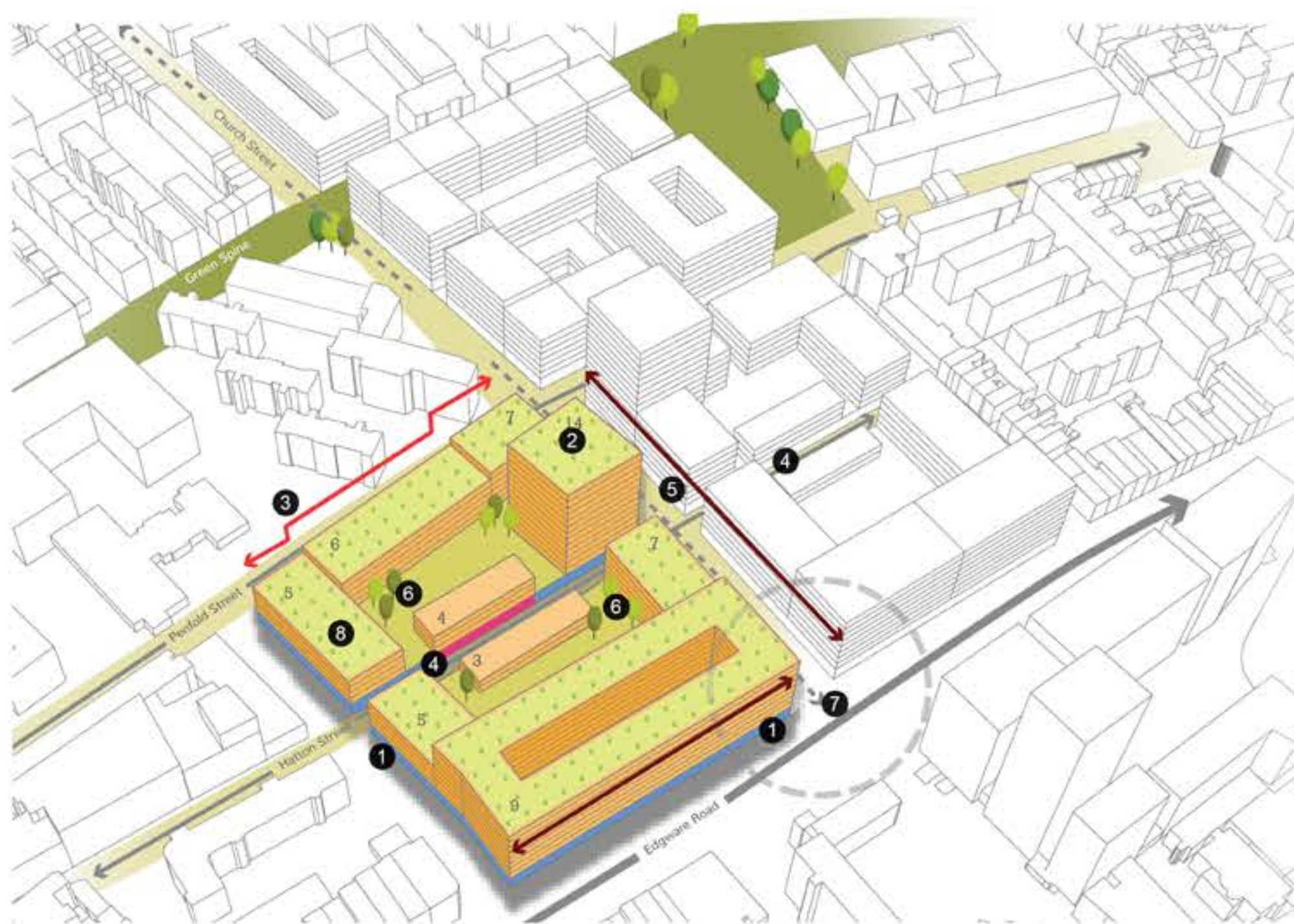
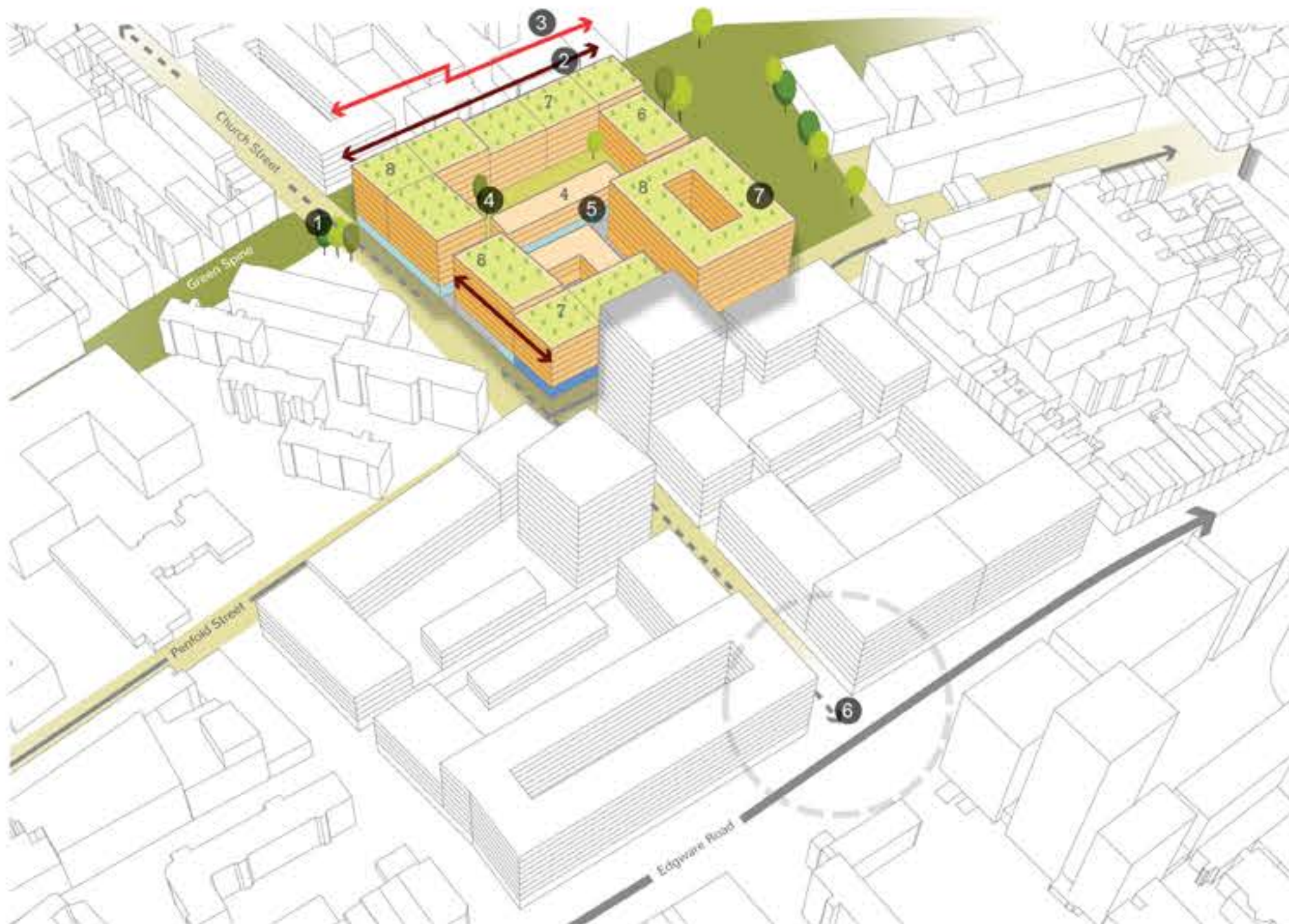
Possible design approach



Church Street Site C



Possible design approach



Page 83

Design principles	Existing situation	Homes	Health & well-being
<ol style="list-style-type: none"> Retail fronting onto Church Street and Edgware Road Cluster of tall building elements Reinstated historic pedestrian link, fronted with enterprise spaces either side Opportunity to increase height along Church Street Private space for residential use (podium) Gateway to Church Street. Focus on food market Hybrid green/ blue or brown roofs (maintenance access only) 	<p>Homes Blackwater, Cray, Pool, Ingrebourne, Lambourne Total= 144 + c.15 (ER*) Retail to *Edgware Road Market storage Basement parking</p>	<p>c.350 new homes 3-16 storeys building height Basement parking</p>	<p>Residential amenity space</p>
	<p>Likely Timescale Church Street Site A is a priority for early delivery. Sufficient homes have already been identified within the housing renewal area to rehouse all the current tenants within this site. The current timetable is for this development to start on site in 2020-2021.</p>	<p>Making connections Hardington Street – historic street reinstated Gateway to Church Street</p>	<p>Market & Enterprise Market storage Market parking provision Enterprise spaces Retail frontage with concentration of food/beverages</p>

Design principles	Existing situation	Homes	Health & well-being
<ol style="list-style-type: none"> Community and retail frontage to Church Street market and the 'Church Street Triangle' open space Community uses fronting Broadley Gardens and the Green Spine Buildings scaled down towards the park Private space for residential use (podium) Street-level links connecting co-located community buildings Gateway to Church Street Hybrid green/ blue or brown roofs (maintenance access only) 	<p>Homes Eden, Ravensbourne, Wandle, Roding, Lea, Medway Total= 177 Retail Basement parking</p>	<p>c.300 new homes 4-8 storeys building height Basement parking</p>	<p>Community Hub Residential amenity space</p>
	<p>Likely Timescale It is currently anticipated that the redevelopment of this site could commence in 2024-2026.</p>	<p>Making connections Community uses fronting Green Spine and Broadley Gardens Gateway to Church Street</p>	<p>Market & Enterprise Market parking provision Enterprise space Retail frontage to Church Street</p>

Design principles	Existing situation	Homes	Health & well-being
<ol style="list-style-type: none"> Retail fronting onto Church Street, Boscobel Street and Edgware Road Cluster of tall building elements Buildings step down in height to Boscobel Street Reinstated historic pedestrian link, fronted with enterprise spaces either side Opportunity to increase height Podium for residential use Gateway to Church Street Hybrid green/ blue or brown roofs (maintenance access only) 	<p>Homes Colne, Darent, Derry, Isis, Windrush, Mole, Kennet Total= 139 + c.16 (ER*) Retail to *Edward Road</p>	<p>c.360 new homes 3-14 storeys building height Basement parking</p>	<p>Residential amenity space</p>
	<p>Likely Timescale Church Street Site C is likely to be redeveloped later in the masterplan period, commencing in 2028-2029.</p>	<p>Making connections Hardington Street – historic street reinstated Gateway to Church Street</p>	<p>Market & Enterprise Enterprise spaces Retail frontage with concentration of food/beverages Reprovision of supermarket</p>

The masterplan sites

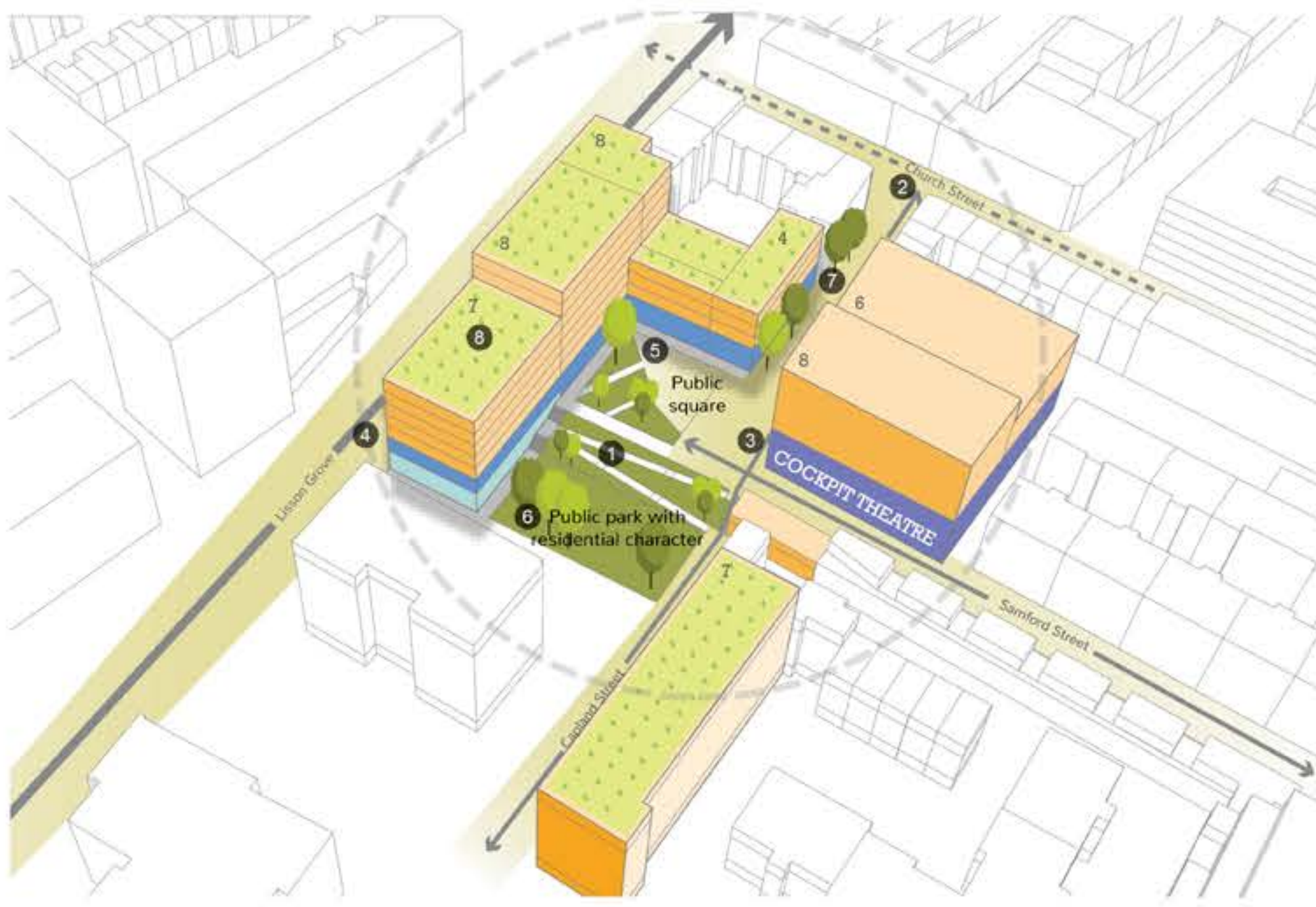
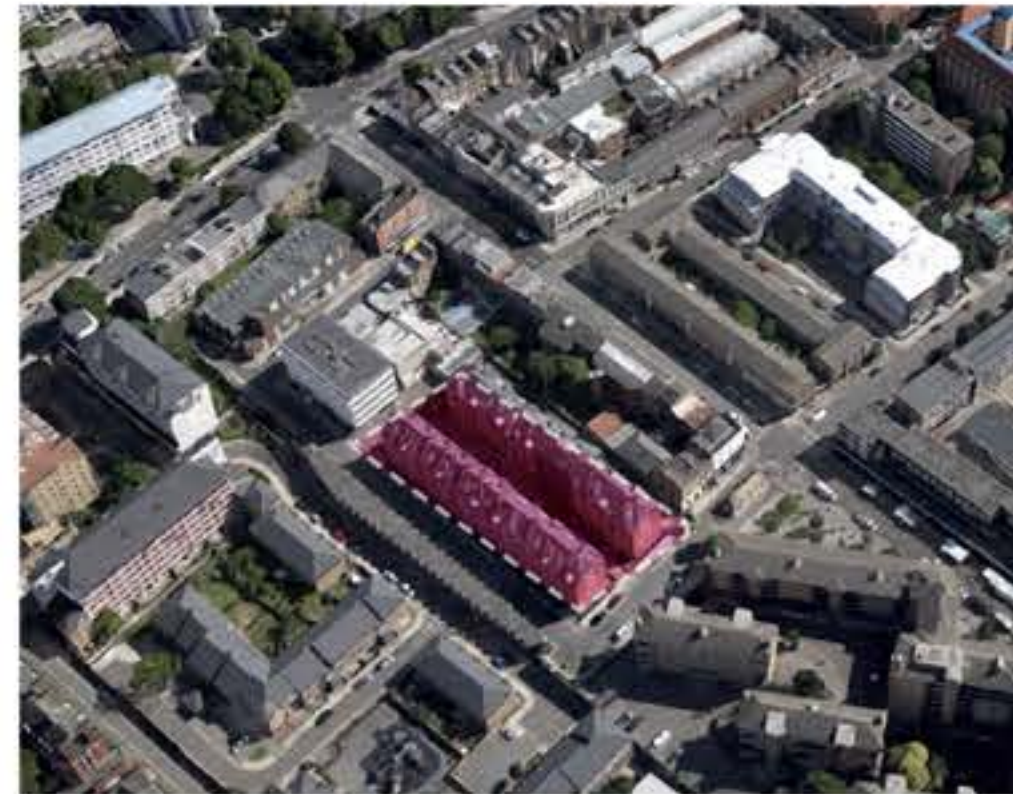
Lisson Grove



Gateforth & Cockpit Theatre



Little Church Street



Design principles

- Maximise potential of canal frontage
- Feature corner - potential for taller element to achieve gateway and sense of arrival
- Scale stepped to respect context
- Active ground floor uses at Lisson Grove
- Views to canal created
- Biodiverse public park with play, community growing and amenity spaces
- Enhanced green link and access to the Canal
- Residential amenity space at street level
- Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Sanctuary (60 homes) Council offices	Homes c.260 new homes 3-9 storeys building height	Health & well-being Publicly accessible open space Residential amenity space
Likely Timescale The Lisson Grove site would be delivered in two phases, with the first phase commencing in 2022-2023 and the second phase following later, currently scheduled to start in 2024-2025.	Making connections Enhanced green link and access to the canal	Market & Enterprise Retail/ commercial frontage on primary corner

Design principles

- Sloped gardens to improve and facilitate accessibility between Gateforth Street and Capland Street
- Create a legible gateway to the cultural quarter
- Integrate Cockpit Theatre and proposed cultural facilities with new public realm
- Active frontages to spaces and Lisson Grove
- Public square with performance stage
- Biodiverse public park with play amenity
- Gateforth Street enhanced as pedestrian-priority street within the antiques quarter
- Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Gateforth (Swanbourne House 37 homes) Jordan's House (40 homes) Cockpit Theatre	Homes c.125 new homes 4-8 storeys building height Redevelopment of Jordans House could deliver around 50 new homes	Health & well-being Cultural/ Community facilities Nightingale Place Capland Gardens
Likely Timescale The Gateforth Street Site is likely to be redeveloped later in the masterplan period, commencing in 2028-2029. Jordans House could start later, in 2031-2032. However, there is flexibility in the masterplan and the site could be brought forward for development sooner than 2028.	Making connections Gateway to Church Street and cultural quarter	Market & Enterprise Active frontage to Lisson Grove Refurbished Cockpit Theatre

Design principles

- Key corner location at the axis of Church Street and the Green Spine
- Opposite primary open space 'Church Street Triangle'
- Retail frontage to Church Street
- Residential frontage to Salisbury Street and Mulready Street
- Buildings height has relationship to adjacent buildings and acts as a transition between existing and new development
- Hybrid green/ blue or brown roof (maintenance access only)

Existing situation	Homes	Market & Enterprise
Homes 27 Mulready Street 27-53 Church Street 20-33 Salisbury Street 30-45 Ashbridge Street Total= 45 c. 700m2 retail	Homes c.65 new homes 5 storeys	Market & Enterprise Retail frontage to Church Street
Likely Timescale The Little Church Street site is likely to be redeveloped later in the masterplan period, commencing on site in 2031-2032.	Making connections Gateway to Church Street	

Next steps

Thank you for visiting.

We want to know your thoughts on the masterplan and would be grateful if you could take the time to complete a feedback form

- **Fill out a comments form here**
- **You can also fill out the form online at churchstreetmasterplan.org.uk**
- **Take away a form to fill out at home and return it to the team at the Regeneration Base, 99 Church Street**
- **Or email your feedback to churchstreet@westminster.gov.uk**

A full report on the consultation, identifying all comments received and how these comments have been addressed, will be prepared and published in winter 2017/2018.



<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>early 2018</p> <ul style="list-style-type: none"> Ashbridge Cosway 	<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>2020 - 2021</p> <ul style="list-style-type: none"> Lilestone Street Church Street Site A 	<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>2021 - 2023</p> <ul style="list-style-type: none"> Lisson Grove (Site 1) Gayhurst and Greenside 	<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>2024 - 2026</p> <ul style="list-style-type: none"> Church Street Site B Lisson Grove (Site 2) 	<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>2028 - 2029</p> <ul style="list-style-type: none"> Church Street Site C Gateforth and Cockpit Theatre 	<p>Proposed start on site</p> <p>Approx two years construction time</p> <p>2031 - 2032</p> <ul style="list-style-type: none"> Little Church Street Jordans House
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	<p>Health and well-being hub and council offices</p>	<p>Community centre Lisson Green Publicly accessible open space for growing and play</p>	<p>Community hub Publicly accessible open space</p>	<p>Cultural/ Community facilities William Place and Capland Gardens</p>	
<p>c.80 new homes</p>	<p>c.350 new homes</p>	<p>c.300 new homes</p>	<p>c.420 new homes</p>	<p>c.485 new homes</p>	<p>c.115 new homes</p>
	<p>Market storage and traders parking provision Enterprise space / Retail frontage</p>	<p>Retail / commercial frontage on Lisson Grove</p>	<p>Traders parking provision Enterprise space Retail frontage</p>	<p>Refurbished Cockpit Theatre Enterprise spaces / Retail Reprovision of supermarket</p>	<p>Retail frontage</p>
	<p>Gateway to Lisson Green</p>	<p>Hardington Street Gateway to Church Street</p>	<p>Gateway to Church Street from Green Spine Enhanced access to the canal</p>	<p>Hardington Street Gateway to Church Street Gateway to cultural quarter</p>	<p>Gateway to Church Street from Green Spine</p>

<p>2018 Green Spine</p>	<p>2020 Church Street enhancement Market layout and logistics Church Street Triangle Improved access and walkway to canal</p>	<p>2021 Bell Street improvements</p>	<p>2023 Street improvements to Lilestone Street and Tresham Street</p>	<p>2026 Extension of Green Spine and access to the canal</p>	<p>Public realm improvements</p>
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Have your say
before 29 October 2017



Page 87


City of Westminster

City
for
All

A summary of the Church Street masterplan

Read the proposals and let us know your views

Welcome

Evidence from across London shows that good quality housing plays an essential part in helping people to have successful lives. It's more than just about bricks and mortar.

It's about improving people's life chances through better health, educational attainment and employment prospects. It's also about helping people to build on the sense of pride in their local neighbourhood. Quite simply, providing good homes can act as the bedrock of a successful community where people and businesses can flourish and realise their aspirations in life.

That's our ambition for Church Street - to create a successful neighbourhood where people can both live and thrive.

Within this document is a summary of our draft masterplan which sets out our vision for the next 15-20 years. We hope you will be excited by our proposals. We know that a plan is only part of the picture and we are renewing our focus on following through with delivery of a regeneration scheme to achieve these ambitions.

Now is the time to let us know what you think of the proposals and we very much look forward to hearing your feedback. Together, we can make sure Church Street and the people who live here can enjoy the same opportunities and life chances as anywhere else across the city.

If you wish to learn more about the masterplan, please visit our exhibition or go online. Details are advertised on the back of this document.



Cllr Rachael Robathan

*Cabinet Member for Housing,
Westminster City Council*

Looking north up Salisbury Street from Church Street



The story so far

The draft masterplan has been guided by a number of key plans and reports.

The Futures Plan (2012)

Many of you were involved in shaping the Futures Plan. The plan remains central to the masterplan and a number of projects are already being delivered or will shortly be delivered.

Edgware Road Housing Zone (2014)

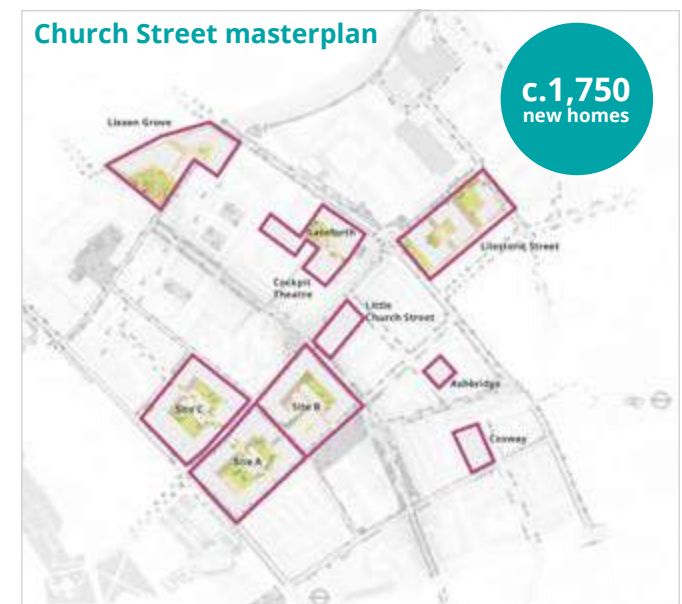
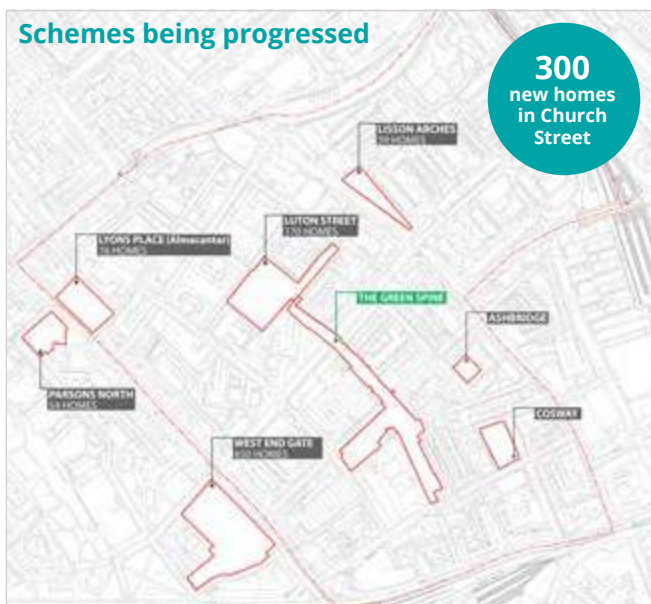
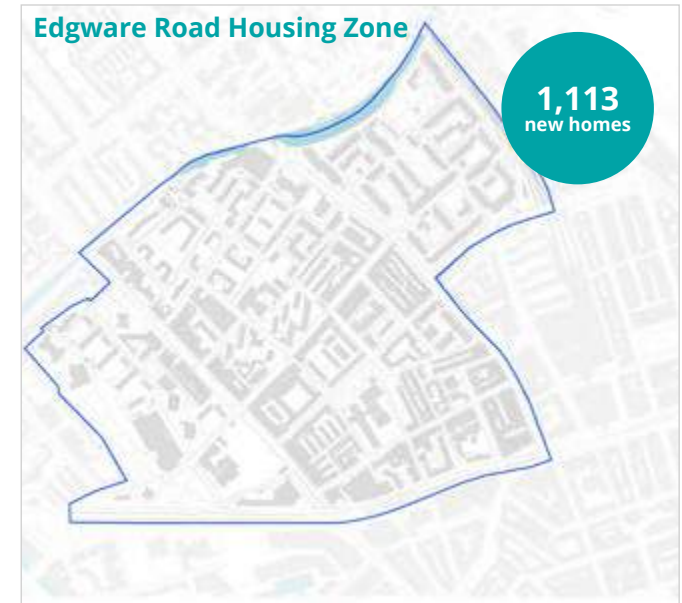
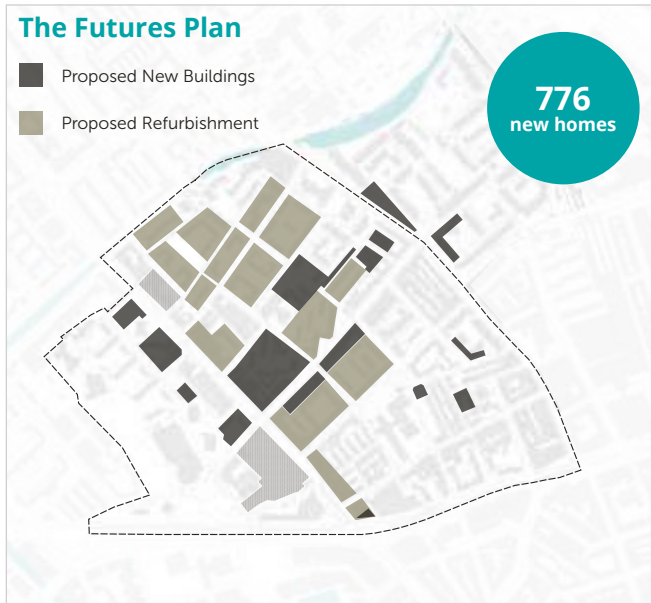
The area was designated as part of the Edgware Housing Zone. This will release new funds to invest in the infrastructure needed to bring forward new homes for local residents.

City for All programme (2017)

Part of our City for All vision is to build more homes and celebrate our neighbourhoods. We plan to build 1,850 affordable homes by 2023 across the whole of Westminster.

Schemes being progressed

Other schemes are being delivered in the area, some of which will provide re-housing opportunities for residents currently living on sites identified for redevelopment within the masterplan. These are West End Gate and Lyons Place (Almacantar).



The vision

The masterplan seeks to deliver real change by creating great places, opportunities for a healthy and prosperous lifestyle, new homes and more jobs, by addressing four key priorities:

Health and well-being

The aim is to encourage exercise, better health outcomes, outside enjoyment and more social encounters.

Homes

The plan is to deliver more new homes across a range of types and tenure within a high-quality environment.

Market and enterprise

The aim is to increase footfall and improve the day and night-time economy and create more jobs.

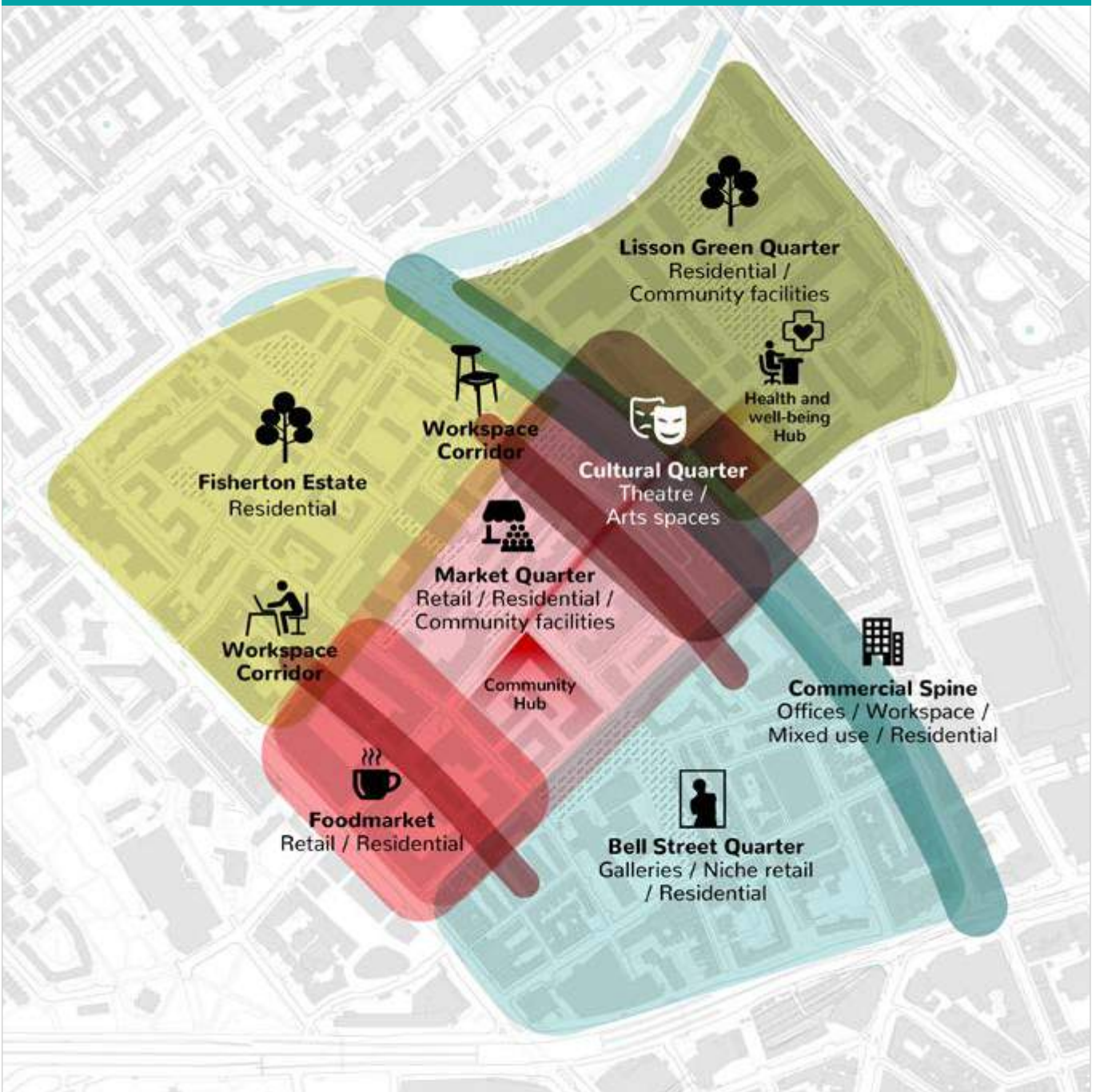
Making connections

The aim is to create safe and clearly defined routes to and through the area, linking into neighbouring communities.

Page 90

Church Street has areas of character, quality and heritage. The plan also builds on these qualities by establishing characterised quarters.

Church Street neighbourhood quarters



The masterplan

The masterplan will deliver:

Health and well-being

- Up to 40% increase in publicly accessible open space
- A health and well-being hub
- A new community hub

Homes

- Around 1,750 new homes including:
 - replacement social housing for existing council tenants
 - new homes with 35% of these being affordable

Market and enterprise

- Improved market with around 220 stalls, 150 van parking spaces, 3,600m² storage and facilities
- Affordable and flexible workspace and business support facilities
- A new cultural quarter centred around the antiques market and Cockpit Theatre
- Around 3,500 construction-related jobs
- Around 525 retail jobs
- 7,000 m² retail space provision

Making connections

- A 20mph traffic calmed zone
- A new pedestrian priority Church Street designed for the market, pedestrians and cyclists



Health and well-being

The proposal is to provide key health services and a high-quality, well linked environment.

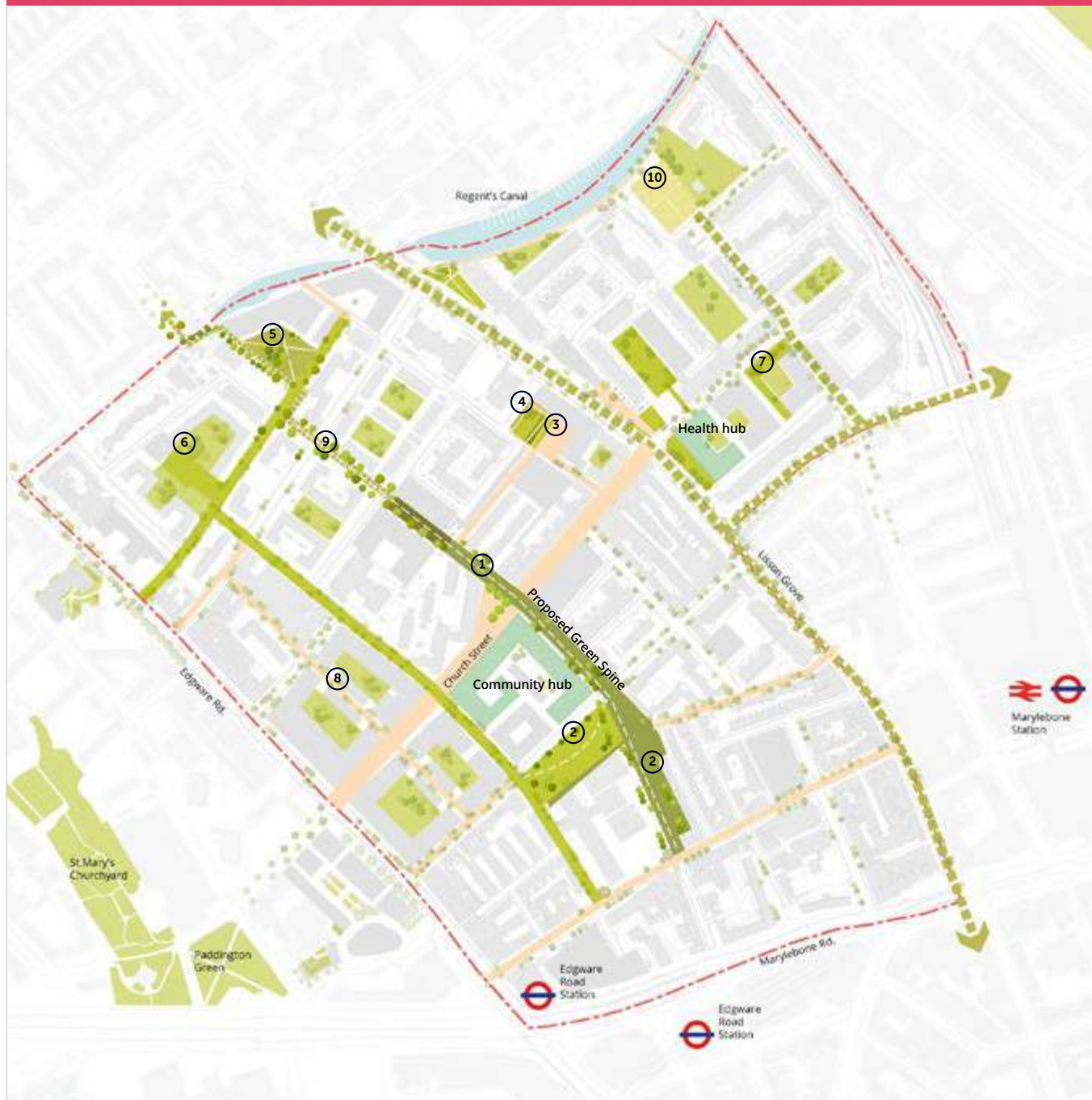
Health hub and Community hub

- A new health centre on Lisson Grove.
- A new community hub on Church Street which would offer a new library, childcare, training facilities and other services

Enhanced or new green spaces and greener streets

- 1. Church Street Triangle** A flexible 'market square' with improved paving, seating, lighting and planting
- 2. Broadley / Lisson Gardens** Existing green spaces enhanced to be the primary play space and the core of the Green Spine
- 3. Nightingale Place** A new public square opposite the Cockpit Theatre
- 4. Capland Gardens** A neighbourhood green space with play provision. Landscaped slopes suitable for wheelchair users will replace the existing steep ramps
- 5. Orchardson Park** A new neighbourhood park with a play area
- 6. Orange Park** Gated spaces enhanced with meadow planting
- 7. Lilestone Gardens** Series of open spaces with communal growing, and opportunity to play and rest
- 8. Hardington Street** This historic street reinstated and extended as a pedestrian-only link
- 9. Fisherton Street / Orchardson Street** Proposed future extension to the Green Spine
- 10. Lisson Green Estate Open Space & Sports Courts** Improved access and lighting, and more diverse planting

Landscape strategy



Homes

The proposal is to provide a good range of housing types to meet the needs of existing and future residents.

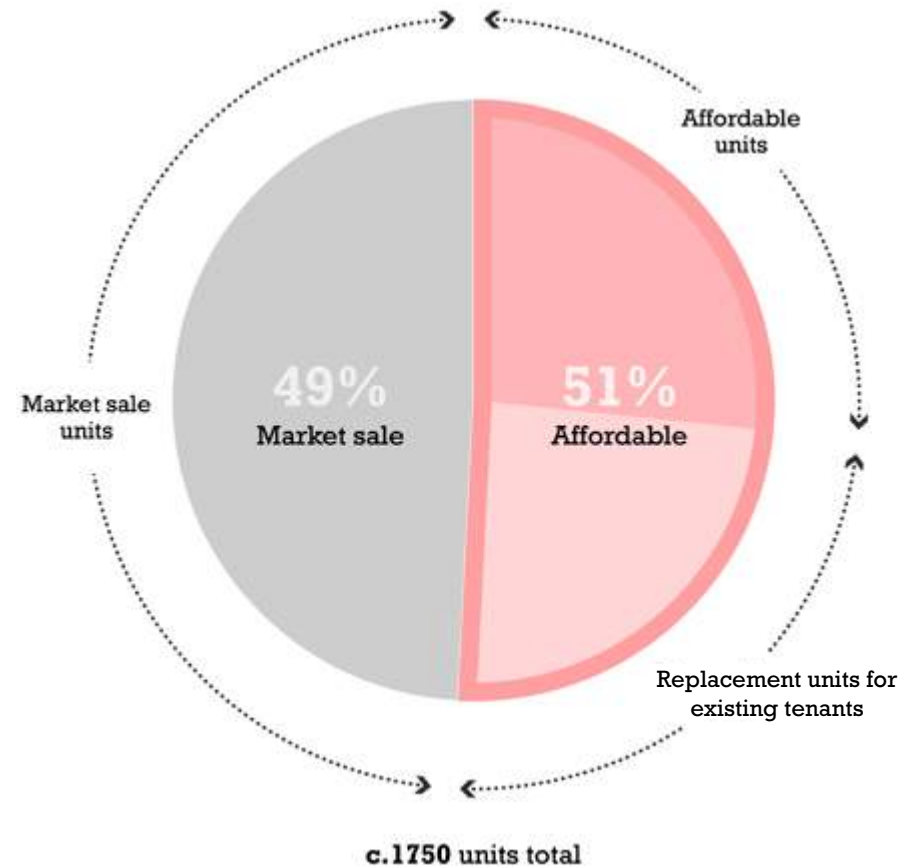
There will be around 1,750 new homes provided in Church Street, including:

- replacement homes, provided at social rent, for existing council tenants
- new homes, of which 35% will be affordable

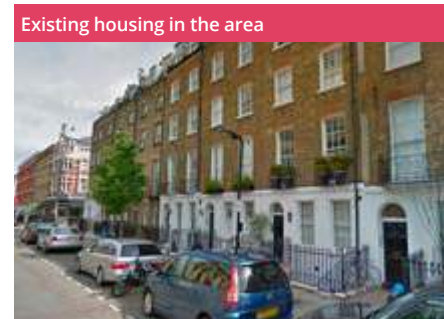
Directly affected tenants will only have to move once and will be able to stay in the local area.

All the new homes will meet the latest quality standards and comply with planning policies and deliver new facilities, open spaces, retail and much more. The developments will be designed efficiently.

In total, the masterplan will deliver approximately 50% affordable housing when taking into account the new provision of affordable housing and the replacement homes for council social tenants.



The masterplan acknowledges areas of historic interest and architectural character. New developments will be sensitively integrated within this existing context.



Market and enterprise

Proposals include better designed public realm, upgraded shopfronts, improvements to the market and new flexible commercial spaces along corridors that intersect with Church Street.

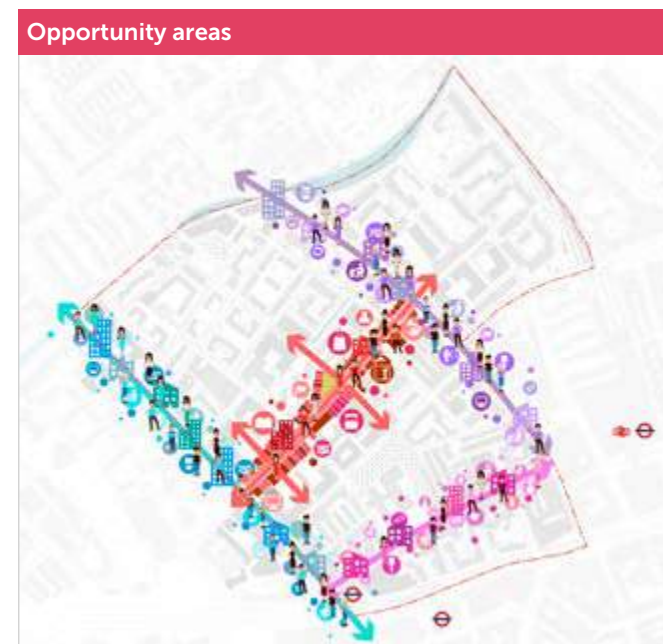
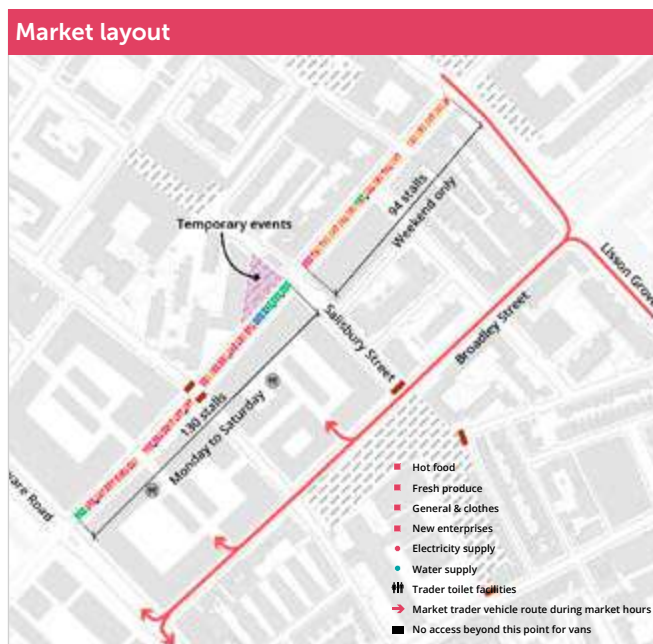
The masterplan looks to:

- bring much-needed evening vitality with new restaurants, bars and cultural venues
- improve the retail offer on Church Street
- strengthen the character of commercial streets including the historic Bell Street through public realm improvements
- create new flexible workspace of varying size and type, which can accommodate start-ups and established businesses along a new street (Hardington Street) and an existing one (Gateforth Street), both intersecting with Church Street

Church Street market

The masterplan provides the opportunity to improve both the market offer and the facilities offered to existing and future traders. It proposes:

- the redesign of the market layout to work more efficiently. The proposal is back-to-back trading along the centre of the street, allowing footfall to access market traders and shop owners equally.
- providing van parking, additional storage space and electricity and water supply in order to support their on-going trading.
- to improve the southern end of the market in terms of its product offer, including an emphasis on hot food around the Salisbury Street Triangle.
- to redesign the 'triangle' to support temporary events.
- to possibly extend the market's trading hours and allow for an occasional Sunday market.



Making connections

The aim is to re-balance the relationship between vehicles, pedestrians and cyclists in the area addressing the barriers to movement for people and creating a safe environment.

Clear routes from key arrival points will be provided and strong gateways to the market at Edgware Road and Lisson Grove will be established.

Balancing pedestrians, cyclists and vehicles

All streets will prioritise pedestrians and cyclists with the speed limit reduced to 20mph (except Lisson Grove) through a series of traffic calming measures.

The proposal is that during market hours, there will be no through access for vehicles on Penfold Street via Church Street. The whole of Church Street is proposed to be raised (to the pavement level) and upgraded with new surface material to create a pedestrian-friendly promenade.

Bell Street is proposed to be upgraded with a series of traffic calming measures such as raised tables.

The introduction of short-stay vehicle parking along the street will reduce the width to deter through-traffic.



The masterplan sites

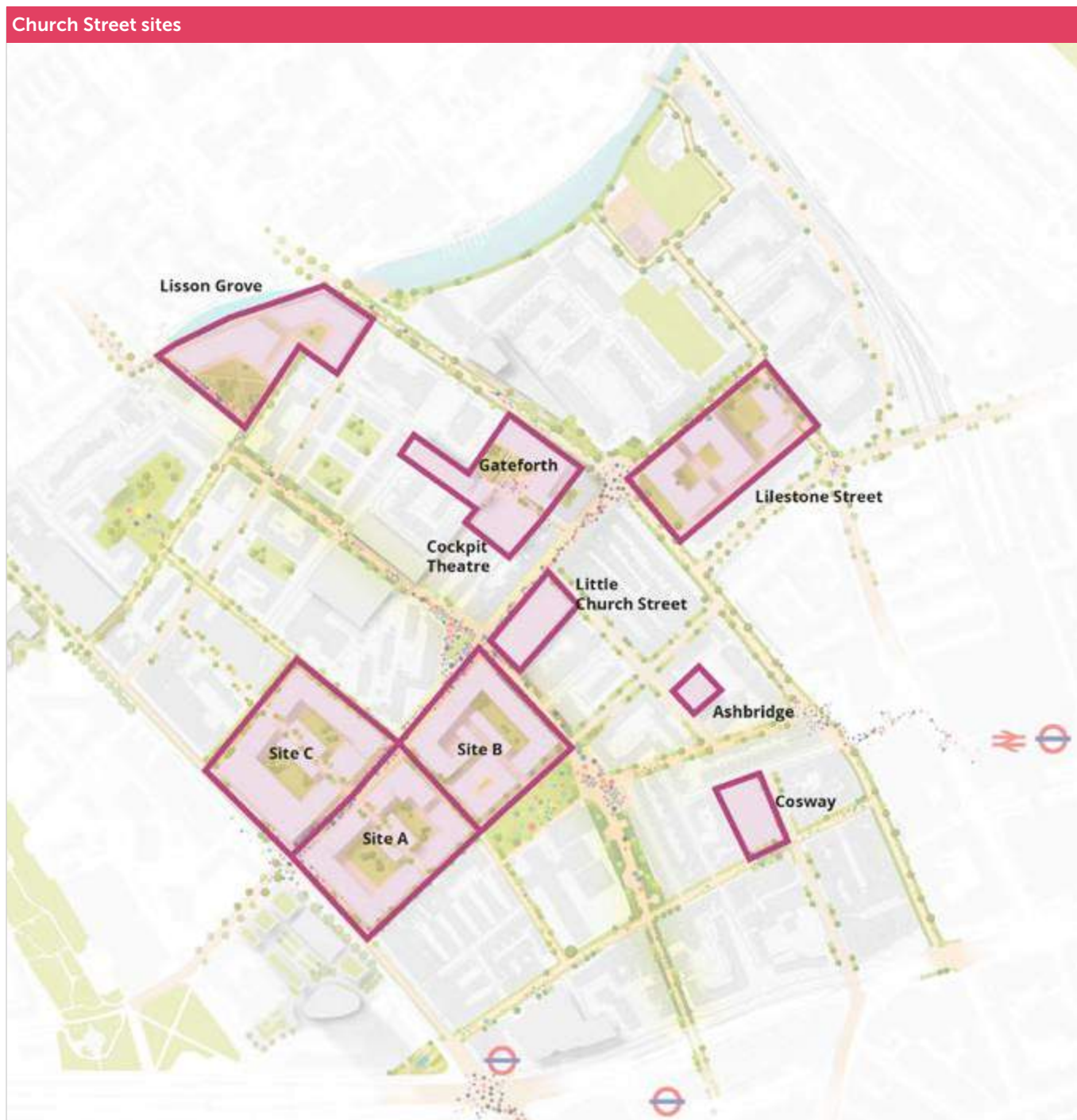
The masterplan has identified the following areas for development:

- Ashbridge
- Cosway
- Lilestone Street
- Church Street Sites (A, B and C)
- Lisson Grove
- Gateforth and Cockpit Theatre
- Little Church Street
- Lisson Green

The Church Street masterplan does not preclude additional sites coming forward over the next 15-20 years or beyond.

For example, Lisson Green is considered suitable for potential future development in some locations.

Any opportunity or site would be assessed in the context of the masterplan and the council would consult with local residents to better understand how they would like their area to develop and be integrated within the wider regeneration.



The masterplan sites - Ashbridge, Cosway and Lilestone Street

Ashbridge

Design principles

- Enhance pedestrian crossing on Lisson Grove and create a gateway to the neighbourhood
- Public realm enhancements in Ashmill Street and between existing blocks
- Building height of new development should have relationship with neighbouring buildings
- Hybrid green/blue or brown roofs (maintenance access only)

Existing situation	Homes
BT repeater station	c.25 new homes
	5-6 storeys building height
Health & well-being	
Residential amenity space	

Cosway

Design principles

- Block should primarily address Cosway Street
- Development must respect conservation area
- Bulk and mass should be stepped to respond to context
- Residential amenity space at podium level

Existing situation	Health & well-being
Westminster City College	Residential amenity space
Car Park	
Office building	Homes
	c.55 new homes
	3-5 storeys building height

Lilestone Street

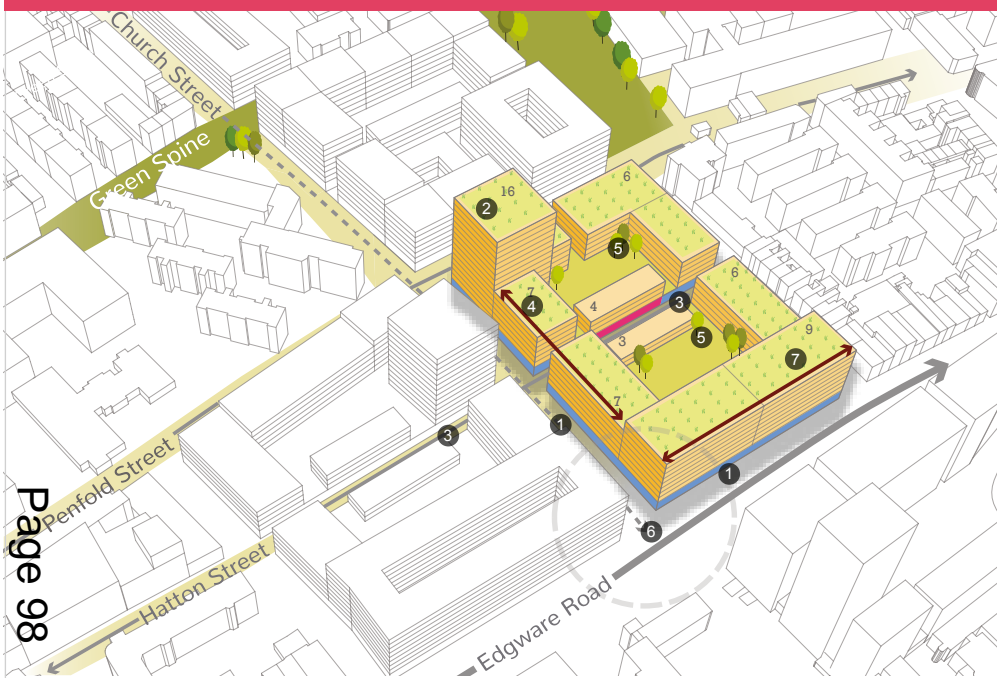
Design principles

- Health and well-being hub provides active frontage to Lisson Grove
- Gateway and sense of arrival to Lisson Green
- Public landscape space fronting the Health and well-being hub on Lisson Grove
- Residential amenity internal courtyards
- Public pocket spaces for growing and play on Lilestone Street and Lisson Grove
- Residential outdoor amenity space to Greenside site
- Hybrid green/blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes	c.160 new homes	Health and well-being hub
Penn House (45 homes)	6-8 storeys building height	Community centre
Gayhurst (32 homes)		Publicly accessible open space
Greenside Community Centre		Public pocket space for growing and play
		Residential amenity space
Making connections	Market & Enterprise	
Gateway to Lisson Green	Westminster Council offices	
Active frontage to Lisson Grove	Retail space	

The masterplan sites - Church Street Sites A and B

Church Street Site A



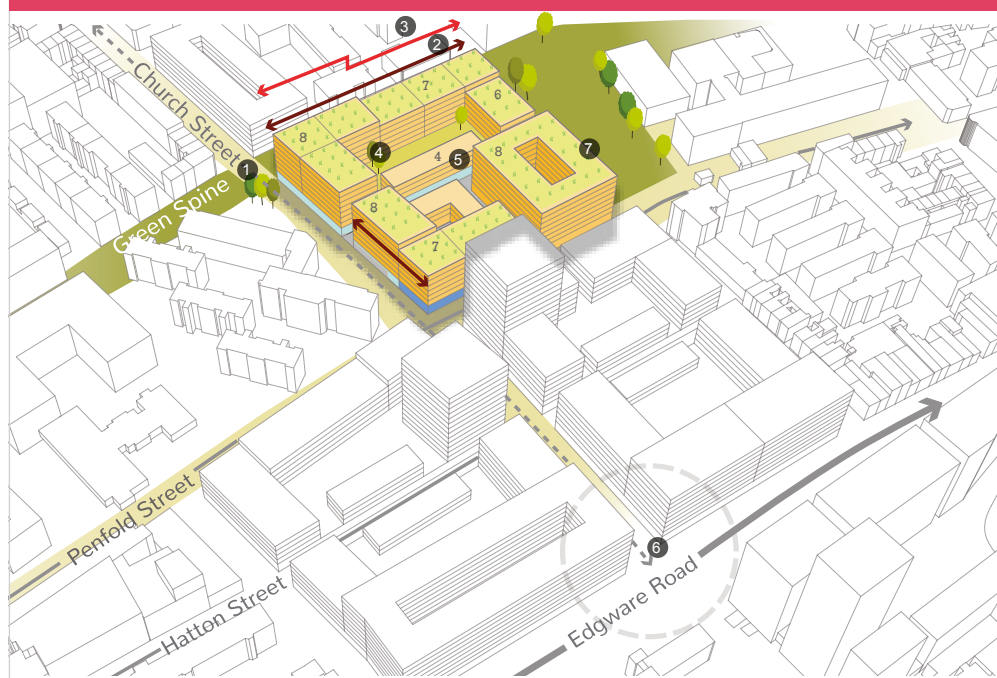
Page 98

Design principles

- 1 Retail frontage onto Church Street and Edgware Road
- 2 Cluster of tall building elements
- 3 Reinstated historic pedestrian link, fronted with enterprise spaces either side
- 4 Opportunity to increase height along Church Street
- 5 Private space for residential use (podium)
- 6 Gateway to Church Street. Focus on food market
- 7 Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Blackwater, Cray, Pool, Ingrebourne, Lambourne Total= 144 + c.15 (Edgware Road frontage*) Retail Retail to *Edgware Road Market storage Basement parking	c.350 new homes 3-16 storeys building height Basement parking Making connections Hardington Street – historic street reinstated Gateway to Church Street	Residential amenity space Market & Enterprise Market storage Market parking provision Enterprise spaces Retail frontage with concentration of food/ beverages

Church Street Site B



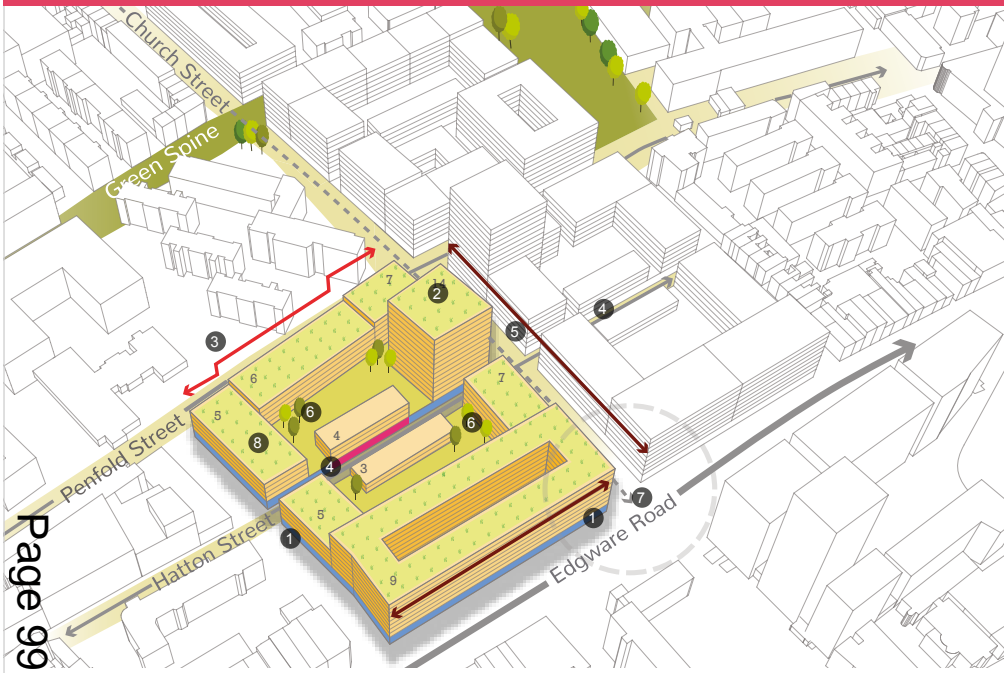
Design principles

- 1 Community and retail frontage to Church Street market and the 'Church Street Triangle' open space
- 2 Community uses fronting Broadley Gardens and the Green Spine
- 3 Buildings scaled down towards the park
- 4 Private space for residential use (podium)
- 5 Street-level links connecting co-located community buildings
- 6 Gateway to Church Street
- 7 Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Eden, Ravensbourne, Wandle, Roading, Lea, Medway Total= 177 Retail Basement parking	c.300 new homes 4-8 storeys building height Basement parking Making connections Community uses fronting Green Spine and Broadley Gardens Gateway to Church Street	Community Hub Residential amenity space Market & Enterprise Market parking provision Enterprise space Retail frontage to Church Street

The masterplan sites - Church Street Sites C and Lisson Grove

Church Street Site C



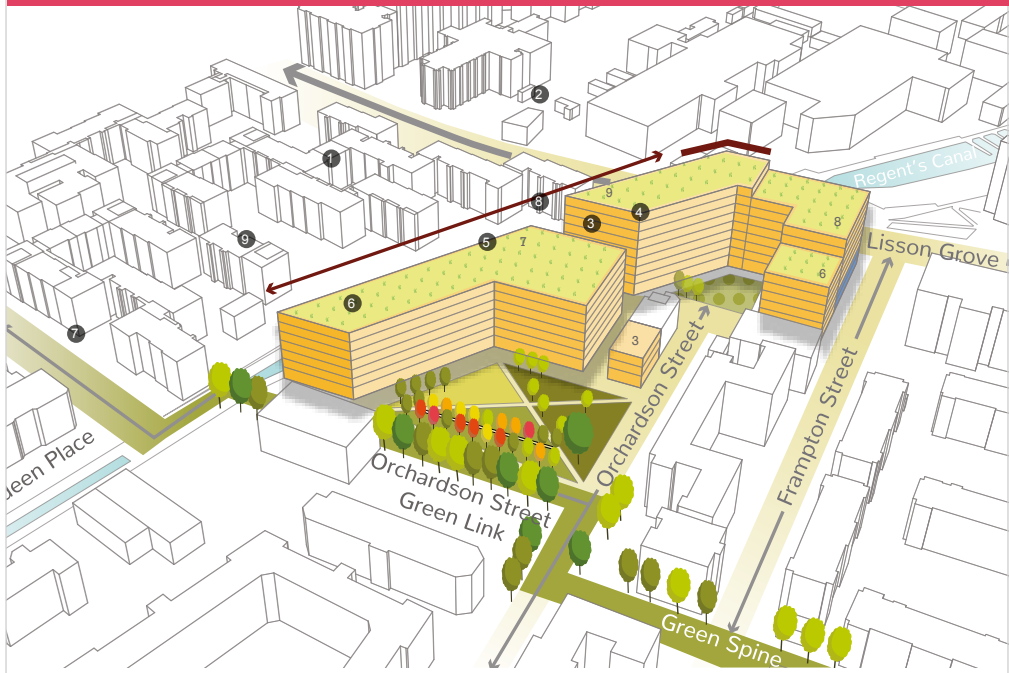
Page 99

Design principles

- 1 Retail fronting onto Church Street, Boscobel Street and Edgware Road
- 2 Cluster of tall building elements
- 3 Buildings step down in height to Boscobel Street
- 4 Reinstated historic pedestrian link, fronted with enterprise spaces either side
- 5 Opportunity to increase height
- 6 Podium for residential use
- 7 Gateway to Church Street
- 8 Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Homes	Health & well-being
Homes Colne, Darent, Derry Isis, Windrush, Mole, Kennet Total= 139 + c.16 (Edgware Road frontage*)	c.360 new homes 3-14 storeys building height Basement parking	Residential amenity space
Retail Retail to *Edgware Road Migrant Resource Centre (Derry House)	Making connections Hardington Street - historic street reinstated Gateway to Church Street	Market & Enterprise Enterprise spaces Retail frontage with concentration of food/ beverages Re-provision of supermarket

Lisson Grove



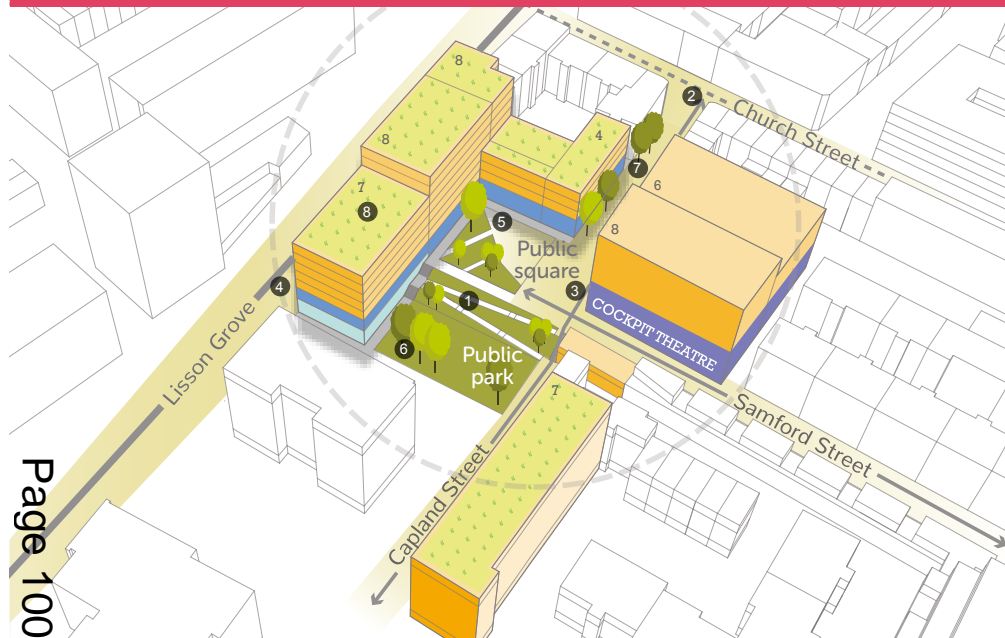
Design principles

- 1 Maximise potential of canal frontage
- 2 Feature corner - potential for taller element to achieve gateway and sense of arrival
- 3 Scale stepped to respect context
- 4 Active ground floor uses at Lisson Grove
- 5 Views to canal created
- 6 Biodiverse public park with play, community growing and amenity spaces
- 7 Enhanced green link and access to the Canal
- 8 Residential amenity space at street level
- 9 Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation	Health & well-being
Homes Sanctuary (60 homes) Council offices	Publicly accessible open space Residential amenity space
Homes c.260 new homes 3-9 storeys building height	Making connections Enhanced green link and access to the canal
	Market & Enterprise Retail/ commercial frontage on primary corner

The masterplan sites - Gateforth & Cockpit Theatre and Little Church St

Gateforth & Cockpit Theatre



Page 100

Design principles

- 1 Sloped gardens to improve and facilitate accessibility between Gateforth Street and Capland Street
- 2 Create a legible gateway to the cultural quarter
- 3 Integrate Cockpit Theatre and proposed cultural facilities with new public realm
- 4 Active frontages to spaces and Lisson Grove
- 5 Public square with performance stage
- 6 Biodiverse public park with play amenity
- 7 Gateforth Street enhanced as pedestrian-priority street within the antiques quarter
- 8 Hybrid green/ blue or brown roofs (maintenance access only)

Existing situation

Homes

Gateforth Swanbourne House (37 homes)
Jordan's House (40 homes)
Cockpit Theatre

Homes

c.125 new homes
4-8 storeys building height
Redevelopment of Jordans House could deliver around 50 new homes

Health & well-being

Cultural/ Community facilities
Nightingale Place
Capland Gardens

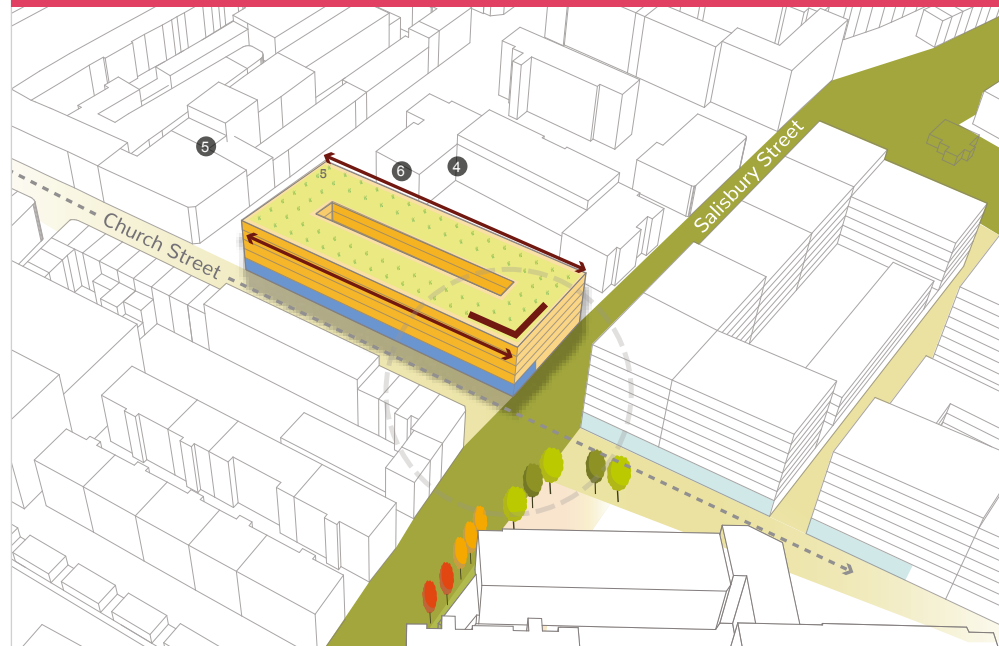
Making connections

Gateway to Church Street and cultural quarter

Market & Enterprise

Active frontage to Lisson Grove
Refurbished Cockpit Theatre

Little Church Street



Design principles

- 1 Key corner location at the axis of Church Street and the Green Spine
- 2 Opposite primary open space 'Church Street Triangle'
- 3 Retail frontage to Church Street
- 4 Residential frontage to Salisbury Street and Mulready Street
- 5 Buildings height has relationship to adjacent buildings and acts as a transition between existing and new development
- 6 Hybrid green/ blue or brown roof (maintenance access only)

Existing situation

Homes

27 Mulready Street
27-53 Church Street
20-33 Salisbury Street
30-45 Ashbridge Street

Total= 45

c. 700m2 retail

Homes

c.65 new homes
5 storeys

Making connections

Gateway to Church Street

Market & Enterprise

Retail frontage to Church Street



How to have your say

Consultation on the draft Church Street masterplan runs until Sunday 29 October.

You can provide your feedback at any time up until this date.

You can:

- Visit the exhibition at the Regeneration Base (99 Church Street, NW8 8EY), including sessions when translators will be available
- Visit a pop up session at the library, Church Street market and other community venues and events

Go online at
churchstreetmasterplan.org.uk

At the exhibition and pop-up sessions, the council-led team will be available to answer your questions and take your feedback. Opening times of the exhibition and the dates of consultation events are available online at churchstreetmasterplan.org.uk, on local noticeboards and in the window of the Regeneration Base, 99 Church Street.

If you are not able to attend an exhibition or session, all of the information displayed at the exhibition, as well as a link to our online questionnaire, is available online at **churchstreetmasterplan.org.uk**.

A full report on the consultation, identifying all comments received and how these comments have been addressed will be prepared and published in winter 2017/18.





City of Westminster

Policy and Scrutiny Committee

Date:	6 November 2017
Classification:	General Release
Title:	Treasury Management Strategy Mid-Year Review 2017-18
Wards Affected:	All
Cabinet Member:	Cabinet Member for Finance, Property and Corporate Services
Policy Context:	To manage the Council's finances prudently and efficiently
Financial Summary:	This report forms part of the monitoring of the treasury function as recommended in the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice. It reviews the implementation of the strategy to date and allows for any changes to be made depending on market conditions.
Report of:	Steven Mair, City Treasurer

1. EXECUTIVE SUMMARY

1.1. The purpose of this report is to:

- update Members on the delivery of the 2017/18 Treasury Management Strategy approved by Council on 1 March 2017;

1.2. Treasury management comprises:

- managing the City Council's borrowing to ensure funding of the Council's future capital programme is at optimal cost;
- Investing surplus cash balances arising from the day to day operations of the Council to obtain an optimal return while ensuring security and liquidity.

1.3. This report complies with CIPFA's Code of Practice on Treasury Management, and covers the following:

- a review of the Council's investment portfolio for 2017/18 to include the treasury position as at 30 September 2017.
- a review of the Council's borrowing strategy for 2017/18.
- a review of compliance with Treasury and Prudential Limits for the first six months of 2017/18.
- an economic update for the first part of the 2017/18 financial year.

1.4. The Council has complied with all elements of the Treasury Management Strategy Statement (TMSS) apart from one instance reported last year which has been successfully managed out this year and four instances which arose either because the relevant bank ratings were changed after deposits had been made or in one instance because of an exceptional receipt which was received late on one day too late to be moved from the bank until the following day:

- A historic investment reported last year and successfully managed out in May 2017
- Three investments with banks whose ratings changed after the deposits had been made; and
- One evening excess cash balance due to a receipt for £23m being received after close of business.

2. RECOMMENDATIONS

2.1. Committee is asked to note:

- the Annual Treasury Strategy 2017-18 Mid-Year Review, including the cases of non-compliance and the action taken to rectify this;

and the recommendations to Cabinet to:

- Increase the maximum loan period for the LGA loan from 12 to 15 years;

- Reduce the credit rating limit for investments in Supra-national banks and European agencies from AA+/Aa1/AA+ to AA/Aa/AA;
- Increase the aggregate limit for lending to local authorities from £100m to £200m;
- Amend the limit on lending to individual local authorities from £50m to £100m subject to lending criteria;
- Reduce the credit rating for investments in money market funds from AAA/Aaa/AAA to AA/Aa/AA;
- Increase the limit for collateralised deposits from £60m to £100m;
- Reduce the minimum working capital balance from £150m to £nil to make better use of the Council's cash resources.

3. TREASURY POSITION AS AT 30 SEPTEMBER 2017

- 3.1. As at 30 September 2017 net cash invested was £958m, an increase of £300m on the position at 31 March 2017 as shown below:

	30 September 2017	31 March 2017
	£m	£m
Total borrowing	(251)	(251)
Total cash invested	1,209	909
Net cash invested	958	658

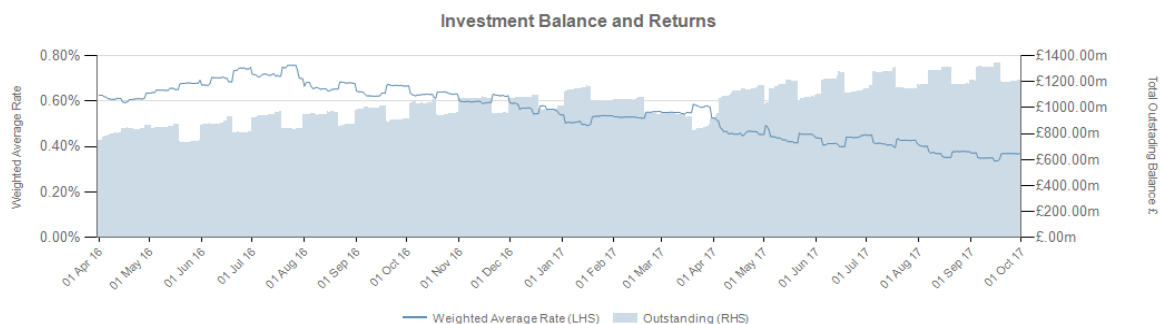
- 3.2. The significant increase reflects the forecast pattern of the Authority's cashflows and largely relates to the timing of grants, council tax and business rates received.

Investments

- 3.3. The Council's Annual Investment Strategy which forms part of the annual Treasury Management Strategy Statement (TMSS) for 2017-18 was approved by the Council on 1 March 2017. The Council's policy objective is the prudent investment of balances to achieve optimum returns on investments subject to maintaining adequate security of capital and a level of liquidity appropriate to the Council's projected need for funds over time.
- 3.4. The table below provides a breakdown of investments, together with comparisons for the last financial year end.

	30 September 2017	31 March 2017
	£m	£m
Money Market Funds	181	143
Notice Accounts	94	49
Term Deposits	290	310
Tradable Securities	592	374
Enhanced Cash Funds	52	33
Total cash invested	1,209	909

- 3.5. Liquid balances are managed through Money Market Funds providing same day liquidity. Cash has been invested in alternative and less liquid instruments, particularly term deposits and tradable securities. The average level of funds available for investment in the first 6 months of 2017-18 was £1,184m.
- 3.6. Daily investment balances have steadily increased from £751m at April 2016 to the current £1,209m as shown by the shaded area in the chart overleaf. At the same time average returns have fallen by 0.26% as shown by the solid line in the chart. This reflects the lowering of base rate by the Bank of England in August 2016.
- 3.7. Although surplus cash for investment has risen by £300m since April 2017, because cash invested with higher interest rate paying counterparties is already at the maximum thresholds permitted within the 2017/18 annual Investment Strategy, cash can only be invested in lower rate paying counterparties such as the UK government. This has contributed to the 0.26% fall in returns.



3.8. All investments limits specified in the 2017/18 investment strategy have been complied with except for:

- A historic investment reported last year and successfully managed out in May 2017
- Three investments with banks whose ratings changed after the deposits had been made; and
- One evening excess cash balance due to a receipt for £23m being received after close of business.

3.9. Appendix 1 provides a full list of the Council’s limits and exposures as at 30 September 2017.

Borrowing

3.10. At £251m the Council’s borrowing was well within the Prudential Indicator for external borrowing (namely that borrowing should not exceed the capital financing requirement (CFR) for 2017/18 of £692m.¹

3.11. Currently the Council is “under borrowed” by £748m because it has used internal resources to fund capital expenditure.

3.12. As anticipated in the TMSS for 2017/18, to date the Council has undertaken no new borrowing due to the high level of cash holdings. Officers are monitoring market conditions and reviewing the need to borrow at current low rates if a requirement is identified for either the General Fund or Housing Revenue Account (HRA).

3.13. The table below shows the details around the Council’s external borrowing as at 30th September 2017, split between the General Fund and HRA.

External borrowing	30 September 2017		31 March 2017	
	Balance £m	Rate %	Balance £m	Rate %
HRA	226	4.9%	226	4.9%
General Fund	25	4.1%	25	4.1%
Total borrowing	251	4.8%	251	4.8%

3.14. No new borrowing was incurred in the first half of 2017-18. General Fund external borrowing reduced by £0.1m from repaying the principal on General Fund annuity loans.

¹ The CFR measures the Council’s underlying need to borrow for capital purposes.

4. COMPLIANCE WITH TREASURY LIMITS AND PRUDENTIAL INDICATORS

4.1. During the financial year to September 2017, the Council operated within the Treasury Limits and Prudential Indicators set out in the TMSS approved by Council on 1 March 2017 as set out below.

PI ref	Indicator	2017/18 indicator	2017/18 actual	Indicator met?
1	Net financing need	£158m	£nil to date	Met
2	Capital Financing Requirement (CFR)	£692m	£521m	Met
3	Net debt vs CFR	£215m underborrowing	£279m underborrowed	Met
4	Ratio of financing costs to revenue stream	GF (0.91%) HRA 32.21%	Nil	Met
5	Incremental impact of new capital investment decisions on council tax	£6.72 decrease in Band D council tax charge per annum	Nil	Met
6	Impact of new capital investment decisions on housing rents	£0.76 increase in average rent per week	Nil	Met
7a	Authorised limit for external debt	£692m	£251m	Met
7b	Operational debt boundary	£464m	£251m	Met
7c	HRA debt limit	£334m		
8	Working capital balance	£150m	£200m	Met
9a	Upper limit for fixed interest rate borrowing	£476m	£251m	Met
9b	Upper limit for variable rate	£0m	£0m	Met
9c	Limit on surplus funds invested for more than 364 days (i.e. non-specified investments)	£450m	£73.7m	Met
10	Maturity structure of borrowing	Upper limit under 12 months - 40% Lower limit 10 years and above - 35%	12% 68%	Met Met

Capital expenditure and borrowing limits

4.2. Capital expenditure to 30 September 2017 was £102m for both the General Fund and the HRA against a forecast for the whole year of £468m. This relates to a number of large development projects and related acquisitions. The forecast for development projects are contingent on progress by developers which is anticipated will improve over the remainder of the year. Acquisitions are reactive and depend on properties becoming available on the market and as such the forecast can be volatile but will continue to be monitored by officers. The £102m capital expenditure incurred to date is well within the forecast use of capital resources of £342m, hence the net financing need to date is £nil.

4.3. External borrowing was well within the Capital Financing Requirement, Authorised Borrowing Limit and the Operational Boundary as shown in the table above:

- The Authorised Limit is a level for which the external borrowing cannot be exceeded without reporting back to Full Council. It therefore provides sufficient

headroom such that in the event that the planned capital programme required new borrowing to be raised over the medium term, if interest rates were deemed favourable and a thorough risk analysis determined, the cost of carry was appropriate, this borrowing could be raised ahead of when the spend took place.

- The Operational Boundary is set at a lower level and should take account of the most likely level of external borrowing. Operationally, in accordance with CIPFA best practice for Treasury Risk Management, a liability benchmark is used to determine the point at which any new external borrowing should take place. As a result of the significant level of cash balances, it is deemed unlikely that any new borrowing will be required in the foreseeable future.

4.4. The purpose of the maturity structure of borrowing indicator is to highlight any potential refinancing risk that the Council may be facing if any one particular period there was a disproportionate level of loans maturing. The table below shows that the maturity structure of the Council's borrowing as at 30th September 2017 was within the limits set and does not highlight any significant issues.

Maturity structure of borrowing	Upper Limit (%)	Lower Limit (%)	Actual as at 30 September 2017 (%)
Under 12 months	40	0	12
12 months and within 24 months	35	0	0
24 months and within 5 years	35	0	8
5 years and within 10 years	50	0	12
10 years and above	100	35	68

4.5. The purpose of the interest rate exposure indicators is to demonstrate the extent of exposure to the Council from any adverse movements in interest rates. The table at paragraph 4.1 shows that the Council is not subject to any adverse movement in interest rates as it only holds fixed interest borrowing.

4.6. The average rate on the fixed interest borrowing is 4.84% with an average redemption period of 19½ years. This reflects the historical legacy of borrowing taken out some years ago which is now higher than PWLB interest rates for comparable loans if they were taken out now. Officers have considered loan re-financing but premiums for premature redemption are prohibitively high making this option poor value for money.

4.7. The Council's borrowing portfolio contains £70m of Lender Option Borrower Option loans (LOBOs). There are long-term loans of up to 60 years, which are subject to periodic rate re-pricing. The rates are comparable with loans for similar durations provided by the PWLB. There is some re-financing risk associated with these loans because of the lender option to increase interest rates. Some banks are offering premature repayment or loan conversion for LOBOs and officers will remain alert to such opportunities as they arise.

Investment limits

- 4.8. Investment in non-specified investments at £73.7m is well within the limit of £450m for such investments. This reflects the fact that 97% of the Council's investments have a life of less than 12 months.
- 4.9. Whilst the short duration is within approved limits, there is scope within the Investment Strategy to extend the duration of investments for up to 5 years. Using longer duration investments and marginally lower credit ratings is likely to increase the yield the Council earns from its investments by up to £20m in a full year.

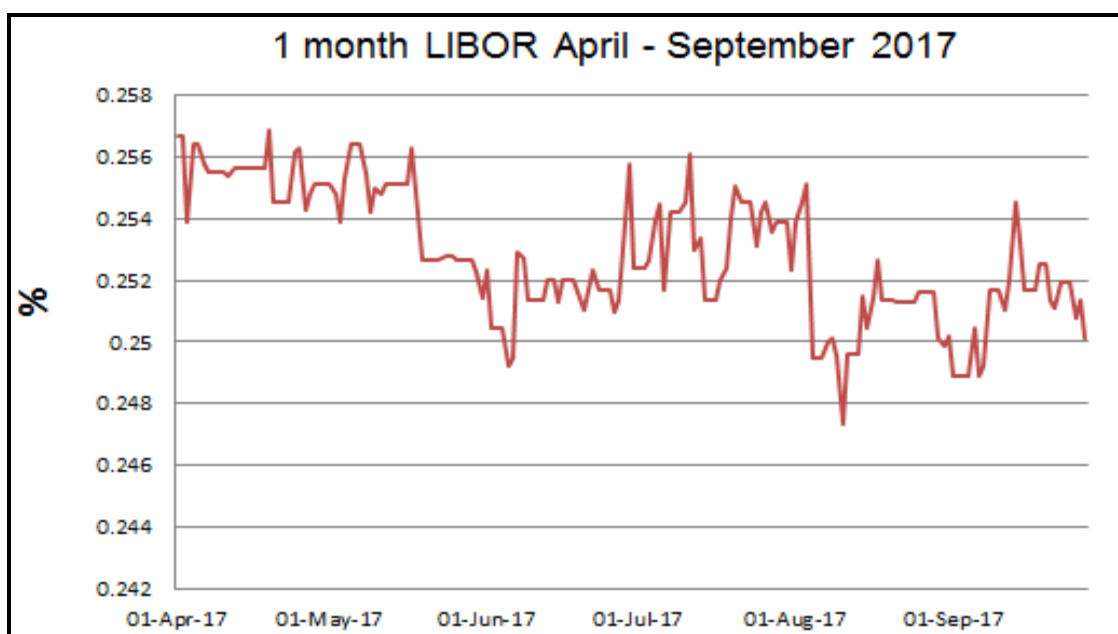
Changes to Investment Strategy

- 4.10. The TMSS approved in March 2017 included approval for a loan to the Local Government Association (LGA) over a life of 12 years subject to due diligence. Since April officers have been working with the LGA to firm up the details of the loan. As part of the negotiations the LGA have requested the loan to be over 15 years. Therefore approval is sought to increase the maximum period of the loan from 12 to 15 years.
- 4.11. To facilitate the changes set out in the Integrated Investment Framework, the following changes are proposed to the investment limits:
- Reduce the credit rating limit for investments in Supra-national banks and European agencies from AA+/Aa1/AA+ to AA/Aa/AA;
 - Increase the aggregate limit for lending to local authorities from £100m to £200m;
 - Amend the limit on lending to individual local authorities from £50m to £100m subject to lending criteria;
 - Reduce the credit rating for investments in money market funds from AAA/Aaa/AAA to AA/Aa/AA;
 - Increase the limit for collateralised deposits from £60m to £100m;
 - Reduce the minimum working capital balance from £150m to £nil to make better use of the Council's cash resources. Peaks in day to day cashflow needs will be met through daily cashflow management.

5. THE ECONOMY AND INTEREST RATES

- 5.1. UK Gross Domestic Product (GDP) rose in the first quarter of the financial year, showing a 1.7% year on year increase. This is however the slowest rate of growth since June 2016. Following the referendum vote to leave the European Union, the Organisation for Economic Cooperation and Development (OECD) initially reduced its forecast for growth in 2017 to 1%. However, the OECD now predicts that growth for the year will be 1.6%, with a forecast of 1% growth for 2018.
- 5.2. Consumer Price Inflation (CPI) is running at 2.6% year on year (0.6%, Q2 2016), rising above the Monetary Policy Committee's (MPC) 2% target sooner than the 2018 prediction, with expectations it will stay this way for the next two years. This has been mainly due to the recent fall in the value of Sterling having filtered through following the referendum result.

- 5.3. Bank Rate has remained at 0.25% for the year to date, with quantitative easing unchanged at £435bn. Following the recent inflation rises, the Bank of England (BoE) has signalled a potential increase in the Bank Rate. The minutes of the September BoE meeting stated “some withdrawal of monetary stimulus would be appropriate if inflationary pressures continued”.
- 5.4. Long term interest rates have risen marginally, with 20 to 30 year Public Works Loan Board rates higher by around 15 basis points. If inflationary pressures continue and the Bank of England does raise interest rates, it will increase the Council’s cost of borrowing. This is potentially significant as the Council is currently well below its near term capital financing requirement having delayed borrowing due to current surplus cash reserves. The Council may wish to consider taking on new long term borrowing should the threat of significant long term interest rate rises increase
- 5.5. The chart below shows movements in the 1 month London Interbank Offer Rate during the first half of the financial year:



RECOMMENDATIONS

- 5.6. Cabinet are asked to approve the following:
- approve the Annual Treasury Strategy 2017-18 Mid-Year Review, noting the cases of non-compliance and the action taken to rectify this;
 - Increasing the maximum loan period for the LGA loan from 12 to 15 years;
 - Reduce the credit rating limit for investments in Supra-national banks and European agencies from AA+/Aa1/AA+ to AA/Aa/AA;
 - Increase the aggregate limit for lending to local authorities from £100m to £200m;
 - Amend the limit on lending to individual local authorities from £50m to £100m subject to lending criteria;
 - Reduce the credit rating for investments in money market funds from AAA/Aaa/AAA to AA/Aa/AA;

- Increase the limit for collateralised deposits from £60m to £100m;
- Reduce the minimum working capital balance from £150m to £nil to make better use of the Council's cash resources.

6. BACKGROUND AND FINANCIAL AND LEGAL IMPLICATIONS

- 6.1. The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. These are contained within this report.
- 6.2. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. This report assists the Council in fulfilling its statutory obligation under the Local Government Act 2003 to monitor its borrowing and investment activities.

7. BACKGROUND PAPERS

Full Council Report

Treasury Management – Annual Strategy for 2017/18, including Prudential Indicators and Statutory Borrowing Determinations – 1 March 2017.

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

Peter Worth, Interim Director of Pensions & Treasury

Tel: 0207 641 7689

Email: pworth@westminster.gov.uk

Appendix 1 – Limits and exposures as at 30th September 2017

Category	Limit per Counterparty (£m)	Duration Limit	Counterparty Name	Current Exposure (£m)
UK Government (Gilts/ T-Bills/ Repos)	Unlimited	Unlimited	Treasury Bills	132.9
			Gilt	60.7
European Agencies	£200m	5 years	European Investment Bank	160.5
Network Rail	Unlimited	Oct 2052	Network Rail Infrastructure PLC	28.6
UK Local Authorities	£50m per local authority; £100m in aggregate	3 years	Aberdeenshire Council	5
			Buckinghamshire Council	10
			Cambridgeshire County Council	10
			Dudley Borough Council	10
			Kingston upon Hull Council	10
			Medway Council	10
			Rhondda Cynon Taff Council	5
			South Ayrshire Council	5
			Tameside Borough Council	10
			West Lothian Council	5
Wrexham Council	20			
Money Market Funds	£70m per fund. £300m Total	Three day notice	Federated Sterling Liquidity Fund	46.0
			JP Morgan Sterling Liquidity Fund	70
			Morgan Stanley Sterling Liquidity Fund	65.33
Enhanced Cash Funds	£25m per fund. £75m in total	Up to seven day notice	Payden & Rygel Sterling Reserve	16.8
			Royal London Asset Mgmt Cash Plus	20
			Federated Prime Rate Cash Plus	15.4
UK Banks (AA-/ Aa3/ AA-)	£75m	5 years	HSBC	49.2
UK Banks (A-/ A3/ A-)	£50m	3 years	Barclays Bank Plc	50
			Lloyds Bank	30
			Santander UK Plc	50
			Standard Chartered	50
			Sumitomo Mitsui Banking Corporation	50
Non-UK Banks (AA-/ Aa2/ AA-)	£50m	5 years	Svenska Handelsbanken AB	45
			Canadian Imperial Bank of Commerce	14
			Toronto Dominion Bank	50
Non-UK Banks (A/ A2/ A)	£35m	3 years	Commonwealth Bank of Australia	30

National Australia Bank	20
Nordea Bank AB	35
Skandinaviska Enskilda Banken AB	20