



City of Westminster

# Committee Agenda

Title: **Cabinet**

Meeting Date: **Monday 15th May, 2023**

Time: **6.30 pm**

Venue: **Room 18.01-18.03, 18th Floor, 64 Victoria Street, London, SW1E 6QP**

Members: **Councillors:**

Adam Hug (Chair)	David Boothroyd
Tim Roca	Paul Dimoldenberg
Aicha Less	Liza Begum
Nafsika Butler-Thalassis	Matt Noble
Geoff Barraclough	

**Members of the public are welcome to attend the meeting and listen to the discussion in 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.**

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**Email: [dbonfanti@westminster.gov.uk](mailto:dbonfanti@westminster.gov.uk)  
Corporate Website: [www.westminster.gov.uk](http://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 Director of Law in advance of the meeting please.

## **AGENDA**

### **PART 1 (IN PUBLIC)**

**1. WELCOME**

**2. DECLARATIONS OF INTEREST**

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

**3. MINUTES**

To approve the minutes of the meeting held on Monday, 27 March 2023.

**(Pages 3 - 6)**

**4. DISSOLUTION OF WESTMINSTER PROCUREMENT SERVICES**

Report of the Shareholder Committee

**(Pages 7 - 8)**

**5. WESTMINSTER BUILDS REGISTERED PROVIDER STATUS**

Report of the Shareholder Committee

**(Pages 9 - 10)**

**6. COUNCIL RESPONSE TO FUTURE OF WESTMINSTER COMMISSION HOUSING REVIEW**

**(Pages 11 - 64)**

**7. ANY OTHER BUSINESS**

To dispose of any other business as necessary

**Stuart Love  
Chief Executive  
5 May 2023**



CITY OF WESTMINSTER

## MINUTES

### Cabinet

#### MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Cabinet** held on **Monday 27th March, 2023**, Room 18.01-18.03, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

**Members Present:** Councillors Adam Hug (Chair), Tim Roca, Aicha Less, Nafsika Butler-Thalassis, David Boothroyd, Paul Dimoldenberg, Geoff Barraclough (virtually), Liza Begum and Matt Noble

**Also Present:** Stuart Love, Chief Executive, Michael Carson, Principal Solicitor, Pedro Wrobel, Executive Director of Innovation and Change, Gerald Almeroth, Executive Director of Finance and Resources, Debbie Jackson, Executive Director of Growth, Planning and Housing

**Apologies:** Parveen Akhtar, Director of Law

#### 1. MEMBERSHIP

There were no changes to the membership of Cabinet.

#### 2. DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 3. MINUTES

**RESOLVED:** Councillor Adam Hug, with the consent of the Members present, agreed that the minutes of the meeting held on 13<sup>th</sup> February 2023 were a true and correct record of the proceedings.

#### 4. FAIRER WESTMINSTER DELIVERY PLAN

Councillor Hug thanked all officers involved in bringing forward the Fairer Westminster Delivery Plan. Councillor Hug explained that the plan sets out the Council's work for the next year and beyond. Cabinet heard that the Delivery Plan will be updated every year so that it constantly reflects the priorities of Westminster's residents and businesses.

Councillor Hug invited Pedro Wrobel, Executive Director for Innovation and Change to comment further on the report. Pedro thanked officers and Cabinet Members for working together with him and colleagues in Innovation and Change to produce the Delivery Plan. Cabinet heard that the Delivery Plan is part of the council's commitment to being as open as possible about the work it undertakes and that to further support in this commitment

the council hosted two events last week to speak to residents and businesses about the delivery plan and listen to what their priorities for the year ahead are.

Pedro added that the Delivery Plan will also be used to monitor progress and impact, to hold the Council accountable, in addition to existing forums like the Audit & Performance Committee, where council services' performance is also publicly scrutinised.

**RESOLVED: CABINET APPROVED THE RECCOMENDATIONS SET OUT IN SECTION 2, PAGE 10 OF THE CABINET PACK REPORT.**

## **5. NEIGHBOURHOOD CIL APPLICATIONS**

Councillor Hug invited Councillor Geoff Barraclough Cabinet Member for Planning and Economic Development to introduce the report.

Councillor Barraclough explained that, as a result of a decision taken by Cabinet in October 2022, Neighbourhood CIL proposals with a value more than £250,000 now come forward to Cabinet for consideration. The two applications to be considered this evening are the first to come forward under the new decision process.

Councillor Hug invited Pedro Wrobel, Executive Director of Innovation and Change to introduce the two applications.

Cabinet heard that the first proposal had come forward from the Mayfair Neighbourhood Forum for public realm improvements to Aldford Street. The recommendation before Cabinet is to grant a total of £580,000 towards these improvements which would include a pocket park and improved drainage. The overall ambition of the scheme is to provide a green gateway to Hyde Park.

Cabinet heard that ward councillors are supportive of the scheme and that while the recommendations in the report are not for the full amount put forward by the Mayfair Neighbourhood Forum officers will continue to engage with them to ensure that they fully understand the reasons behind the recommendations.

Councillor Paul Dimoldenberg explained to colleagues that this scheme is the first of many schemes proposed to create a one-mile green corridor that will join Hyde Park from Park Lane to Regent Street via Aldford Street and Conduit Street. Further schemes will come forward for consideration as and when they are ready.

Cabinet moved on to consider the application for Temple Roof Artists Garden. Cabinet heard that the Artists Garden project had supported the transformation of a disused roof terrace into a space for the public to experience a variety of artistic installations. The proposal under consideration would grant £428,625 for the project to run for a further three years.

Councillor Hug asked that the Artists Garden be incorporated into any culture opportunities going on in the city to ensure residents know about and can take advantage of the offer to view these installations for free. Councillor Dimoldenberg added that Hyde Park residents had been given the opportunity to visit already.

**RESOLVED: CABINET APPROVED THE RECCOMENDATIONS SET OUT IN SECTION 2, PAGE 26 OF THE CABINET PACK REPOR**

## **6. SHAREHOLDER COMMITTEE UPDATE (IN PRIVATE)**

Councillor Hug asked his Cabinet colleagues to signal their agreement to exclude the press and public for this agenda item and to hold the rest of the meeting in private session in line with the provisions of Schedule 12A to the Local Government Act (1972) and as set out on the agenda.

**RESOLVED: Cabinet agreed to exclude the press and public for this agenda item and to hold the rest of the meeting in private session.**

Cabinet received an update on the work of the Shareholder Committee and how this work would come forward to Cabinet to consider in due course.

Councillor Hug concluded the meeting.

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## **Report of the Shareholder Committee meeting held on Monday 27 March 2023 – item 4, Dissolution of Westminster Procurement Services**

**Present:** Councillors Adam Hug (Chair), Liza Begum (attended virtually), David Boothroyd and Matt Noble

**Apologies:** Councillor Tim Roca

### **1. Dissolution of Westminster Procurement Services**

- (a) The Council established a local authority trading company, Westminster Procurement Services (WPS), in 2016 for the purpose of developing traded procurement consultancy services, wholly owned by the City Council, to enable the City Council to take advantage of the powers to trade for profit included in s95 Local Government Act 2003.
- (b) The Council, via the wholly owned company, also entered into a separate Joint Venture (JV) trading company, named Symbiance Limited, with a private sector partner 4C Associates Limited delivering procurement consultancy services to the public sector.
- (c) Although the wholly owned subsidiary (WPS) did trade and generated turnover of £375k during its period of trading, no trading activity was ever undertaken by the JV and Symbiance Limited was wound up in December 2018.
- (d) After its initial period of activity with one main client, WPS has also ceased trading. With no expectation for a need for this trading vehicle in the future it is proposed to dissolve the company.

### **We recommend to the Cabinet:**

1. That Westminster Procurement Services Limited be dissolved with any share capital remaining after legal and professional fees being returned to the Council.
2. That the Council, as sole shareholder, passes a resolution to formally close down Westminster Procurement Services Limited by way of an application to strike off the company from the Companies Register.

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**Cllr Adam Hug, Leader of the Council, Chair of the Shareholder Committee**

### **Background Papers:**

[Reports of the Shareholder Committee on 27 March 2023](#)

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## **Report of the Shareholder Committee meeting held on Monday 27 March 2023 – item 5, Westminster Registered Provider Status**

**Present:** Councillors Adam Hug (Chair), Liza Begum (attended virtually), David Boothroyd and Matt Noble

**Apologies:** Councillor Tim Roca

### **1. Westminster Builds Registered Provider Status**

- (a) The Council has secured £11.3m of GLA grant to fund the construction of intermediate rent homes. These homes are currently intended to be acquired by Westminster Builds, however the terms of the grant require the homes to be held by a Registered Provider and, currently, Westminster Builds is not a Registered Provider.
- (b) The Westminster Builds' board resolved to incorporate a new company as a Registered Provider in its group to retain the flexibility of the current approach, secure the grant and provide Westminster City Council with the option to purchase and retain ownership of intermediate housing within this group.
- (c) As required under the Articles of Association, the Board requires approval of the shareholder to incorporate a new company. The establishment of any new company is a retained responsibility of the Cabinet and is not delegated to the Shareholder Committee to act on behalf of the Council.

### **We recommend to the Cabinet:**

- 1. The incorporation of new company within Westminster Builds structure which will apply to become a Registered Provider and, subject to approval of the Regulator of Social Housing, hold Westminster Builds' affordable housing.

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**Cllr Adam Hug, Leader of the Council, Chair of the Shareholder Committee**

### **Background Papers:**

[Reports of the Shareholder Committee on 27 March 2023](#)

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City of Westminster

## Cabinet

<b>Meeting:</b>	Cabinet
<b>Date:</b>	15 May 2023
<b>Classification:</b>	General Release
<b>Title:</b>	Council Response to the Future of Westminster Commission's Housing Review
<b>Wards Affected:</b>	All
<b>Fairer Westminster:</b>	Fairer Housing – Ensuring the housing needs of our residents are met by improving our housing services.
<b>Key Decision:</b>	Non-key.
<b>Financial Summary:</b>	There are no direct financial implications arising from the recommendations in this report. The recommendations in Appendix 1 will be subject to the standard budget cycle, i.e. Medium Term Financial Plan, HRA Business Planning and Capital Strategy.
<b>Report of:</b>	Debbie Jackson, Executive Director of Growth, Planning and Housing

## 1. Executive Summary

- 1.1 On 11 July 2022, Cabinet agreed to create the Future of Westminster Commission (“the Commission”) with a scope to review and make recommendations on the delivery of key council services to help deliver a Fairer Westminster for residents.
- 1.2 The Future of Westminster Commission convened a core group and established four workstreams with additional Commission members (Housing, Economy & Employment, Energy & Green Transition, Fairness & Equality).
- 1.3 Within the Housing Review, three lines of enquiry were created for the Commission to advise on:
  - increasing the supply of genuinely affordable housing to meet housing need in the city;
  - advise on options for improving the way the Council responds to homelessness and housing need; and
  - the quality of services provided to the Council’s own tenants and leaseholders.
- 1.4 The Commission will report on the other three workstreams separately in the coming months and this will represent a conclusion of the Commission’s work.
- 1.5 **Appendix 1** sets out the headline recommendations proposed by the Commission and outlines the Council’s responses to those recommendations.
- 1.6 **Appendix 2** is the final report of the Housing Review, which is provided for context.

## 2. Recommendations

- 2.1 Cabinet is asked to approve the proposed responses to the Commission’s Housing Review headline recommendations (**Appendix 1**) and instruct officers to integrate the resulting actions within the Housing Service and other relevant services’ work programmes.

## 3. Reasons for the Decision

- 3.1 The Council commissioned a review of Housing Management, Housing Supply and Housing Homelessness & Need through the Future of Westminster Commission. Upon review of the Commission’s report, each of the headline recommendations have been considered individually (as outlined in **Appendix 1**), with a view to accepting, rejecting, modifying or otherwise considering each. The proposed responses are put forward on the basis that they align with the strategic ambitions of the Council.

## 4.1 Background, including Policy Context

- 4.1 Bringing together experts from Housing Associations, Housing Standards, Law, Civil Service and Academic Institutions, as well as a newly formed Residents Panel to review existing work of the Council, the Housing Review covered some of Westminster's biggest challenges.
- 4.2 The Housing Review strand of the Commission was led by Steve Hilditch (*former Director of Policy Shelter; former Director of Housing at London Borough of Haringey*) as Chair, to deep dive into three areas of work:
- Housing Management
  - Housing Supply
  - Housing Homelessness & Need

#### Housing Management

- 4.3 The Housing Management Review utilised a Residents Panel comprising of 20 of the Council's own tenants and leaseholders who had volunteered to sit on a panel and who advised the Review.
- 4.4 The Panel primarily focused on improving responsive repairs and major works performance, local service delivery and responsiveness to residents, discussing solutions to better value for rent and service charge payers, and how the Council can deliver more effective engagement with tenants and leaseholders to give them more say over decisions that affect their homes and estates.

#### Housing Supply

- 4.5 The Housing Supply review sought to examine and analyse the factors that limit the Council's ability to deliver sufficient social and truly affordable housing in Westminster and to advise and make recommendations to the Council on strategy and measures to meet Westminster's housing needs.
- 4.6 As set out in the Commission's report, the Housing Supply work reviewed three key priorities for the Council; maximising the number of homes available at social rent, provision of intermediate housing (targeting mainly key workers at moderate incomes) and increasing the supply of good quality temporary accommodation to meet the Council's homelessness statutory duties.

#### Housing Homelessness & Need

- 4.7 The main purpose of the Housing Homelessness & Need review was to analyse and challenge the Council's current strategy to better meet housing needs and identify better ways to support residents who need a home. This review focused on four specific areas: prevention and decision-making, temporary accommodation, allocations, and rough-sleeping.

### **5. Review of Recommendations**

- 5.1 The Council welcomes the Commission's insight and appreciated the opportunity to explain and explore the challenges and opportunities for housing

supply, management and homelessness, meanwhile receiving expert opinion on areas for improvement or change.

5.2 The Commission's report (delivered during April 2023) has been well received, with majority of the recommendations being agreed. The Council's response to the headline recommendations is set out in **Appendix 1**.

5.3 It is anticipated that many of the resulting actions will now be taken forward by Cabinet Members and senior officers as part of existing and planned programmes of work, which will in turn be monitored and reported to Policy and Scrutiny and other committees as appropriate. Where there are initiatives requiring statutory consultation or formal decision making, these will require separate reporting to Cabinet, the relevant Cabinet Member or senior officer for approval.

## **6. Corporate Housing Improving Programme (CHIP)**

6.1 The Housing Review findings will help steer the change to be undertaken in delivering housing services in Westminster. As a next step we are now establishing a Corporate Housing Improvement Programme (CHIP) to support the drive and ambition of delivering the best possible service for our residents.

6.2 The programme will bring together leadership and support from across the Council, ensuring maximum collaboration and benefit from the expertise and resources of the wider Council, in delivering future housing services for our residents.

6.3 The CHIP will be working alongside the Director of Housing and other colleagues to lead the programme. The programme will be overseen by a Corporate Housing Improvement Board comprised of cross Council leadership, accountability, and support. The Executive Director of Growth, Planning and Housing will oversee this work.

6.4 As the CHIP gets underway it will be addressing three immediate priorities that align with the Commission's recommendations:

- prioritising communications with residents, which include continuous improvements with the call centre;
- implementing a proposed improvement plan for the Repairs Service as soon as possible and;
- developing an action plan to improve front line services particularly focused on Housing Needs.

## **7. Work Underway – Delivering the Fairer Westminster Strategy**

7.1 Upon receiving the Commission's recommendations it was noted that several key workstreams have already started or are due to start in 2023/2024 as a part of the delivery plan for the Fairer Westminster Strategy and business-as-usual improvement work of the Housing Service.

- 7.2 Programmes of work already underway or set to begin are outlined below in accordance with the three Review Reports.

### Housing Management

- 7.3 The value of the contributions from the Resident's Panel giving their first-hand experience in engaging with the service should be noted. This allowed the Council to gain holistic insight into both perceptions and impacts of the Housing Service. Noting the Commission's recommendation to re-appoint the panel for the remainder of the financial year, officers have already begun discussing this with the panel following receipt of the Commission's report and pending the decision of Cabinet.
- 7.4 Taking on feedback from residents on how housing officers and services can be more accessible to the community, the Council is working to increase frontline housing officers by one third and give our tenants better face-to-face contact with our housing staff by increasing the locations our officers can work from across the city. To this end, a new service centre will be operational from Bruckner Street on the Mozart Estate in May 2023. Further locations will be established through the cross-Council Community Hubs Programme where Housing Services will have a prominent presence.
- 7.5 The creation and adoption of two separate Charters focused on Repairs and Leaseholders continues at pace, in line with Fairer Westminster Delivery Plan targets for 23/24.

### Housing Supply

- 7.6 Through the adoption of the Truly Affordable Housing Strategy, the Council has been working to maximise affordable units through our Regeneration Programme. As a result of the policy change, the Council has undergone a robust formal planning process to 'flip' at least 160 new homes originally designated as private rent to Council housing for social rent, to support affordable housing in Westminster. This takes our total stock to at least 1,362 affordable units in the current development pipeline. This work is a key component of the Fairer Westminster Strategy and has already been integrated into the existing service delivery framework.
- 7.7 It should be noted that the City Plan review is also currently underway with formal consultation taking place in October / November 2022 and adoption anticipated in 2025, along with work on the forthcoming Planning Obligations and Affordable Housing Supplementary Planning Document looking to address issues such as the affordability of intermediate housing for new supply.

### Homelessness & Housing Need

- 7.8 As a key priority for the Council, commitments have already been made to improvements in this service area and the Council has been working closely with stakeholders to achieve this aim. Work is already underway to identify the best delivery route for the Housing Solutions Service in the future, which

includes consideration of insourcing options for all or part of the service as part of the corporate Insourcing Programme approach. Officers are working to ensure funding is in place to cope with additional service pressures as a result of any increases to homelessness in Westminster.

- 7.9 In supporting residents who reside in Temporary Accommodation (TA), the Council already has an inspection regime for Council-owned self-contained TA, with arrangements remaining under constant review.
- 7.10 To overhaul service delivery in this area and meet the needs of our residents, two key pieces of work are set to start in 23/24. A top priority will be to review the existing Homelessness Strategy and Action Plan in line with the current refresh set for 2024, and the full review of the Supply and Allocations Scheme is set to begin imminently.

## **8. Monitoring and Future Analysis**

- 8.1 For recommendations that fall within the remit of CHIP, progress will be monitored and managed through the CHIP governance. Recommendations that sit outside the scope of the CHIP will be taken forward through the respective services' business plans and through monitoring of the Council's Fairer Westminster Delivery Plan and other corporate delivery and reporting mechanisms.

## **9. Financial Implications**

- 9.1 There are no direct financial implications arising from the recommendations in this report. The recommendations in Appendix 1 will be subject to the standard budget cycle, i.e. Medium Term Financial Plan, HRA Business Planning and Capital Strategy.

## **10. Legal and Equality Implications**

- 10.1 **Appendix 1** contains a number of initiatives Cabinet is asked to approve, some of which will require adherence to statutory provisions in order to implement, to include statutory consultation.
- 10.2 Consideration will also be given to the requirement to undertake consultation and Equality Impact Assessments (EQIAs) to ensure the Council considers its Public Sector Equality Duty on an ongoing basis for each initiative.
- 10.3 Legal Services and other corporate services will be engaged at an early stage, as appropriate, as the mobilisation of recommendations are taken forward.

## **11. Carbon Impact**

- 11.1 There are no direct carbon implications arising from the recommendations in



this report. Individual carbon assessments will be carried out as needed on a case-by-case basis as recommendations are adopted through new or existing programmes of work, in line with current organisational practices.

## 12. Consultation

- 12.1 Resident and Member consultation will be undertaken through the adoption of new and existing programmes of work in line with current organisational practices.

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

Angela Bishop, Head of Stakeholder Engagement & Transformation, Growth, Planning and Housing ([abishop@westminster.gov.uk](mailto:abishop@westminster.gov.uk))

## APPENDICES

- Appendix 1 - Future of Westminster Commission Housing Review – Council Response to Headline Recommendations
- Appendix 2 - Future of Westminster Commission – Housing Review

## BACKGROUND PAPERS

- [Future of Westminster Commission – report to Cabinet – 11 July 2022](#)

## Appendix 1 - Future of Westminster Commission Housing Review – Council Response to Headline Recommendations

Headline recommendations from the Housing Review and the Council's response to those recommendations can be found below. Detailed recommendations in other Commission reports will be considered as we move forward in adopting strategies and delivering projects associated with programmes such as the Fairer Westminster Strategy and the Corporate Housing Improvement Programme (CHIP).

Headline Housing Strategy			
	Housing Review Recommendation	Council Recommended Response	Headline Response
	The Council should publish a new Housing Strategy, together with a Delivery Plan and an Equalities Impact Assessment, in 2024 looking 3-5 years ahead.	Agree	The Council will propose a framework strategy to situate and complement planned strategies for Homelessness and Rough Sleeping and the Strategic Asset Management Plan (building and environmental sustainability), set to launch in 2024. In line regulation, the Homelessness & Rough Sleeping Strategy will have a full statutory consultation in addition to an equalities impact assessment.
Housing Management Report			
	Housing Review Recommendation	Council Recommended Response	Headline Response
1.	Re-appoint the Residents Panel for the remainder of the year, appointing a permanent panel in 2024.	Agree	Officers have met with the Resident's Panel in late April and are currently setting the work programme for 2023/24.
2.	Support and grow local Residents Associations to (1) put them on a stronger footing and (2) incorporate them within the Residents Panel.	(1) Agree (2) Agreed in part	(1) A new dedicated resource is in place to support and enable Resident Associations (RAs). This aims to facilitate representation and enable more RAs so all residents have a voice.  (2) The Resident's Panel was created through a transparent process with the aim to ensure a wide representation of residents across the borough. RA members should be part of the Panel and going forward we will actively promote participation in the Panel by RAs. We will examine appropriate mechanisms for doing this. The overall priority will remain to achieve a representative Panel and proposing strengthening RA engagement to enable stronger networking between RAs and the Resident's Panel.
3.	Negotiate the new Repairs Charter with the Panel by 2024, in good time to influence the specification and procurement of new repairs contracts.	Agree	The Fairer Westminster Delivery Plan states a commitment to create a Repairs Charter due to be released in 2023/24.  Work is already underway on a draft Charter; this will be discussed with the Resident's Panel before a wider consultation is undertaken.
4.	Note the pressures in the repairs system, which might require additional funding in 2023/24 and subsequently, extending and implementing the proposed improvement plan as quickly as possible.	Agree	This programme of work will be taken forward through the Corporate Housing Improvement Programme (CHIP).
5.	Develop an asset management plan for the council's housing stock, including addressing the Ombudsman's recommendations for damp and mould and implementing <i>Awaab's Law</i> .  <a href="https://www.gov.uk/government/news/government-to-deliver-awaab-s-law">Government to deliver Awaab's Law - GOV.UK (www.gov.uk)</a>	Agree	A new Strategic Asset Management Plan (SAMP) will be developed with the intention to launch in 2024/5.  As of Winter 2023, a new operating model has specifically been in place to manage damp and mould cases.
6.	Negotiate the new Leaseholders Charter to launch in 2024.	Agree	A draft Charter is in currently production and will be discussed with the Residents Panel and then consulted on at the Westminster Leaseholder conference later this year.
7.	Continue to prioritise improvements in communications with residents and continuous improvement at the call centre, reviewing progress in Autumn 2023.	Agree	This programme of work will be taken forward through the Corporate Housing Improvement Programme (CHIP).

			The Fairer Westminster Delivery Plan 2023/24 has already committed to delivering: <ul style="list-style-type: none"> <li>• a 1/3 increase in frontline Housing Officers;</li> <li>• giving our tenants better face-to-face contact with our Housing Officers by increasing the locations our officers can work from across the City; and</li> <li>• improving the quality of service provided when you call our staff by using better customer service technology.</li> </ul>
8.	Implement as soon as possible the proposed increase in local service points with a new 5 <sup>th</sup> Service Centre at Mozart Estate, other estate offices where possible, and an expansion in the number of surgeries.	Agree	A new service centre will be operational from Bruckner Street on the Mozart Estate in May 2023 and further announcements on this issue will be made in due course.  There is a cross-Council Community Hubs programme currently underway where Housing Services will have a prominent presence and will ultimately expand the number of face-to-face surgeries we operate across the City.
10.	Develop a management action plan aimed at improving the consistency of frontline service delivery designed to build satisfaction with services.	Agree	This programme of work will be taken forward through the Corporate Housing Improvement Programme (CHIP).
11.	Continue to develop practical ideas to support residents facing hardship like the rent support fund.	Agree	Officers note the next tranche of Housing Support Fund, and the new Rent Support Fund, are imminently going to be signed off and will be rolled out and monitored to inform future ideas.
12.	Consolidate the 2023/24 cost of service improvements into HRA base budgets.	To be considered.	This will be considered as part of the yearly budget setting process.
13.	Continue to review recharges to the HRA from the rest of the council to ensure they are reasonable and justifiable.	Agree	This is in progress and will feed into this year's budget setting process (as well as taking any early opportunities to reduce recharges into the Housing Revenue Account).
<b>Housing Supply Report</b>			
	<b>Housing Review Recommendation</b>	<b>Council Recommended Response</b>	<b>Headline Response</b>
1.	Retain high level political support for and oversight of the Truly Affordable Homes Strategy.	For Cabinet consideration.	The Truly Affordable Homes Strategy has been adopted by Cabinet and our current work programme is in line with the Strategy along with set commitments in the Fairer Westminster Strategy 2023/24.
2.	Adopt a 'whole council' approach as set out in the report to maximise truly affordable housing, embedding the three priorities of a) social rent homes, b) intermediate homes for key workers, and c) high quality temporary accommodation in all related programmes across the whole council; and publish an annual delivery plan covering all supply initiatives.	Agree, with detail to be developed.	One of the recommendations from the housing review carried out by external consultant <i>31Ten</i> is an annual Plan/Strategy for housing supply which will provide the framework for the Council's and its delivery bodies' delivery programmes. The scope of this recommendation will need further development as for the supply of Temporary Accommodation may sit better within the Housing or Homelessness Strategy outlined above.
3.	Increase the priority given to the acquisition of homes for permanent social rented housing and for high quality temporary accommodation.	Agree, subject to budget allocation.	There is currently funding in the budget for the accelerated and augmented Temporary Accommodation Acquisition Programme. There is no future programme for spot purchases of social rent homes but work is being undertaken to explore potential opportunities that might facilitate this.
4.	Develop a new 'Housing Compact' with Registered Providers (RPs) in the city setting out all the areas where the council and RPs should collaborate.	Agree, subject to identifying/allocating resources.	Work is underway to identify resource needed from the General Fund for this activity. Any structured collaboration with RPs deemed to be appropriate for agreeing a 'compact' with should seek clear commitments on improving service standards and stock retention alongside discussions around future supply.
5.	Look to augment council resources by investigating a flexible range of new partnerships with institutional finance (eg pension funds), registered providers,	Agree, to the extent necessary.	Partnerships with other social and intermediate housing providers will be considered through the 'Housing Compact' action above.

	especially those with a commitment to Westminster, intermediate homes providers, and community-based housing organisations.		
6.	Develop the role of Westminster Community Homes (WCH) as a flexible vehicle to innovate and problem solve difficult cases.	Agree	The role and purpose of the Council's housing delivery vehicles is a key consideration in the housing review report recently completed by external consultant <i>31Ten</i> . The Council's response to this report will be developed shortly but will include identifying a clear purpose for the vehicles and when best to deploy each.
7.	Affirm its commitment to achieving as a minimum the current City Plan target of 35% affordable housing in developments across the city, with 50% on public land, and press on with the revision of the City Plan to reflect the council's housing priorities.	Agree	A full review of the City Plan has already been initiated with formal consultation on policy change taking place in October/November 2022 with adoption anticipated in 2025.
<b>Homelessness and Housing Need Report</b>			
	<b>Housing Review Recommendation</b>	<b>Council Recommended Response</b>	<b>Headline Response</b>
1.	Establish an overarching Westminster Homelessness Board chaired by a senior politician.	To be considered.	The Council notes the work of the existing Westminster Partnership Board for homelessness and should consider this recommendation for reform in that context of work already underway.
2.	Ensure that services have secure funding and plans in place to cope with a likely increase in homelessness over the next few years.	Agree	To be considered as part of the annual budget setting process and in the context of the emerging strategy work.
3.	Prioritise additional resources for prevention of homelessness and early intervention.	Agree	As above.
4.	Lobby government to make Local Housing Allowances realistic in relation to Temporary Accommodation costs and to increase homelessness grant.	Agree	Work will soon be underway to focus on future sustainable funding approaches, in regards to Homelessness and Rough-sleeping service delivery.
5.	Agree and implement a 'Westminster Offer' to households in Temporary Accommodation setting out the services and support that will be provided.	Agree	Work is underway to identify the resource needed to implement this recommendation.
6.	Rigorously monitor and enforce standards in Temporary Accommodation.	Agree	Officers note we currently have our own inspection regime for our self contained Temporary Accommodation and these arrangements remain under constant review.
7.	Press on with the allocations review taking account of our agenda of issues;	Agree	The Supply and Allocation Review is being initiated shortly.
8.	Develop a management action plan to improve the consistency of frontline service delivery and decision-making, focusing on learning from experience, feedback from complaints and casework, and a better understanding of the customer experience of the service;	Agree	This programme of work will be taken forward through the Corporate Housing Improvement Programme (CHIP).
9.	Agree a tendering strategy for the Housing Solutions Service, identifying any parts of the service that would be better delivered in-house, with a clear specification on early intervention, casework management, and getting decisions right first time;	Agree	Work is already underway to identify the best delivery route for the Housing Solutions Service in the future, which includes consideration of insourcing options for all or part of the service as part of the Corporate Insourcing Programme Approach.
10.	Press on with the revised rough sleeping strategy, co-produced through a new Rough Sleeping Partnership, making leadership on rough sleeping a political priority for the council.	Agree	Proposal to be put forward as part of a potential Rough Sleeping Partnership being delivered via the Homelessness Partnership Board as per the recommendation above.

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City of Westminster



**FUTURE** OF  
**WESTMINSTER**

# HOUSING REVIEW

# **FUTURE OF WESTMINSTER COMMISSION HOUSING REVIEW**

A report by Steve Hilditch, Chair, Housing Review, Future Westminster Commission

**This report of the Westminster Housing Review is in four parts:**

- 1. Overview**
- 2. Housing supply**
- 3. Homelessness and Housing Need**
- 4. Housing Management**



## PART 1 – OVERVIEW

### Purpose and method

The Housing Review was established as part of the *Future of Westminster Commission*<sup>1</sup> to review policy and advise on the implementation of manifesto commitments in relation to housing. The very wide remit posed challenges and we agreed a manageable work programme that did not duplicate other work. For example, we decided that the existing private rented strategy group was the appropriate forum to take that work forward, and we have not been involved in the development of the council's empty homes strategy.

We established three expert groups, and a programme of work was agreed for each:

- **The Housing Review Group** itself focused on housing supply. We examined: the council's own development programme; the City Plan; the contribution of registered providers; and the overall resourcing. The group was chaired by Steve Hilditch and comprised Terrie Arafat, Maureen Corcoran, Janice Morphet, Steve Partridge, Sandra Skeete, Andy Watson, and Andy Whitley. The Chair of FOWC Neale Coleman was also heavily engaged with this work.
- **The Homelessness and Housing Need Group** focused on temporary accommodation; homelessness prevention and decision-making; allocations policy; rough sleeping. It was chaired by Karen Buck MP and Steve Hilditch and comprised Justin Bates, Joanna Kennedy, Frances Mapstone, and Giles Peaker.
- **The Residents Panel**, formed to ensure the full involvement of the council's tenants and leaseholders, discussed priority issues including communications and engagement, the repairs charter, the leaseholders charter, antisocial behaviour (ASB) and local service delivery. The Panel members were Damien Anderson, Felizardo Joaquim Barreto, Helene Bouteille, Inge-Lise Dahl (Inga), Barya El-Hammoud, Deborah Greenaway, Elsie Hall-Thompson, Andrew Ho, David Kelly, Lareen Muhammed, David Noble, Amber Noel, Usha Patel, Benjamin Ralph, Richard Reddy, Fay Sandler, Eve Sinclair, Atanaska Ivanova Velkova. Steve Hilditch chaired the meetings and Maureen Corcoran and Andy Whitley contributed from the review group. We hope that the work we and the Residents Panel have done together has started a new and productive relationship between the council and its tenants and leaseholders.

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<sup>1</sup> <https://www.westminster.gov.uk/future-of-westminster>

We are very grateful for the expertise and knowledge our group members brought to this process and their willingness to make significant contributions often at short notice.

One role was to advise the council 'in real time'. We were consulted by the Council Leader and Cabinet Members on a range of emerging issues, including the government's consultation on rent increases, council sales and acquisitions, the role of intermediate housing, the scope of the council's hardship funds, local lettings schemes, and many others. It is rewarding that we are able to report on achievements already made as well as making recommendations for the future.

We engaged constructively with council officers – too many to name - in dozens of discussions, and we greatly appreciate the ideas, information and detailed presentations they shared. This was vitally important to our work because the Review did not have an independent research resource. We are particularly grateful to Angela Bishop, Daniella Bonfanti, Adele Clarke, Stephen Ellis, and Theodora Otoo-Quayson for their organisational support and assistance, and to Sarah McCarthy and Henry Roffy for supporting our work with the Residents Panel.

## **Westminster Housing: An uphill battle after decades of neglect**

We know that Westminster is a city of extraordinary contrasts: some of the richest and some of the poorest places in the UK, as evidenced by the emerging Census results. Property values are extreme, and housing costs are among the highest in the country. Many of the people who keep Westminster's economy working, without earning high wages, find the city increasingly unaffordable. Homeownership is a pipe dream even for those on reasonable pay, and private rents take up an increasing proportion of tenants' net incomes.

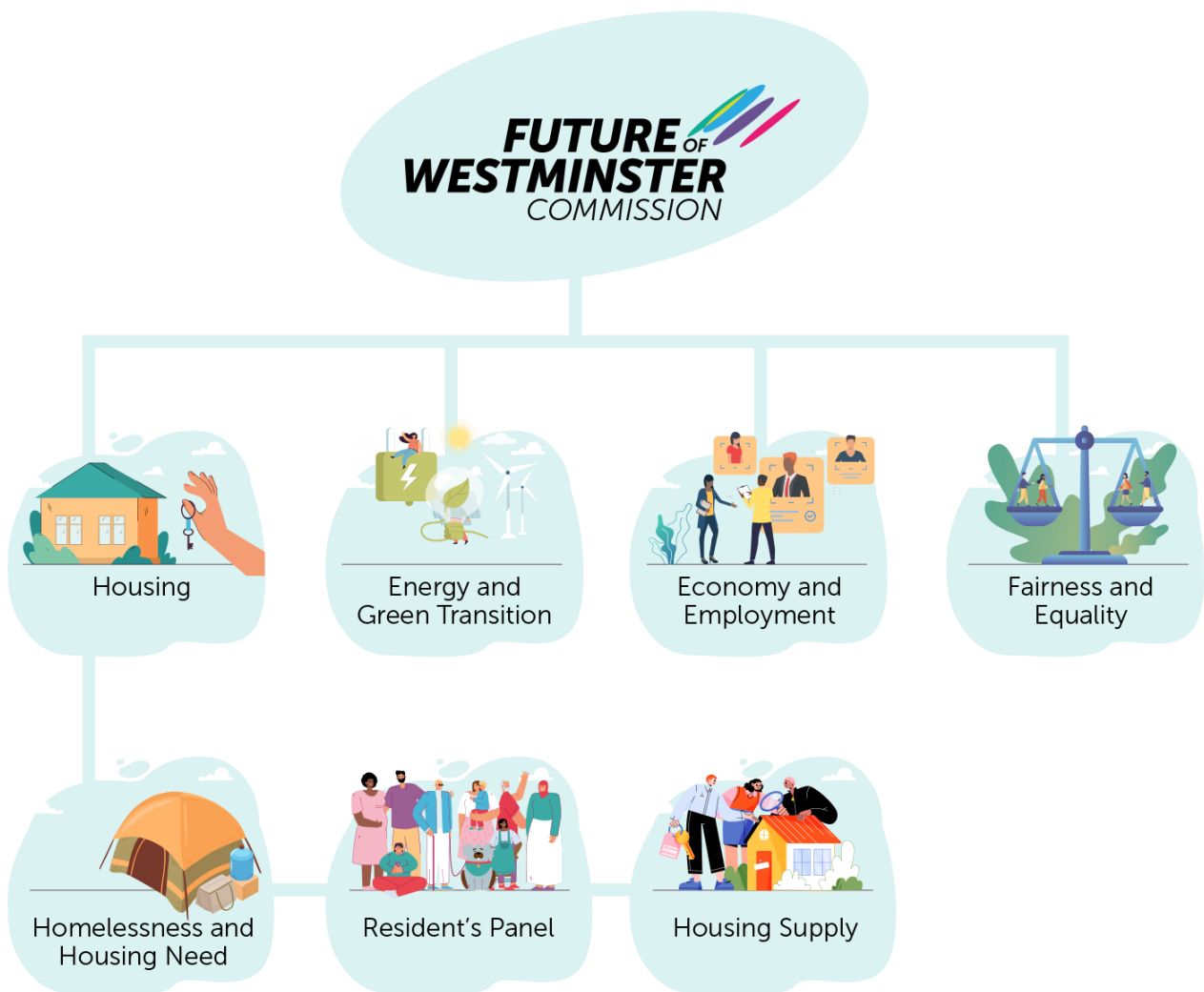
We are lucky that previous generations on Westminster City Council and the GLC built thousands of council homes on war damaged sites and redundant railway land, creating what is still the city's greatest housing asset. Housing associations provided thousands of affordable homes, initially through acquisition and rehabilitation and then through new build, adding to the homes built by their Victorian predecessors.

After 1980 council building programs ended and many homes, often the best homes, were sold under the right to buy. Council housing declined; despite their efforts, housing associations did not fill the gap. Private renting was deregulated and revived, filling the yawning gap between very expensive home ownership and very scarce social housing, but high rents and insecurity, and often poor conditions, added to unaffordability. After 2010, government support for new homes at social rents declined, to zero at one point, and social rented housing supply became increasingly inadequate to meet need.

Throughout, the key housing responsibilities remained with the council. It alone had the duty towards homeless people, and it was expected to meet the needs of everyone who registered for social housing.

On taking office in May 2022 the new council administration inherited a housing crisis that was decades in the making, nationally and locally. It cannot be overcome by one council in one term of office, we need a complete reset of national housing strategy sustained over a decade or more.

The new council must be ambitious and realistic at the same time: stretching every sinew to provide additional truly affordable homes and to improve the existing housing stock but knowing it can only ameliorate the growing burden of housing need. It must confront the old issues, like homelessness and overcrowding, while also tackling the new, like reducing carbon emissions to net zero and tackling the crisis in energy costs.



## Housing strategy

Westminster has a range of strategic documents that impact on housing<sup>2</sup>. These include, for example, the primary planning document, the City Plan<sup>3</sup>, which will take up to 3 years to revise to become fit for purpose. The council's last full Housing Strategy document was produced in 2015, at the nadir of housing policy, when almost no additional social rent was being provided. Important changes have taken place since, notably the removal of the Housing Revenue Account (HRA) 'cap' and the limited revival of social rent through the Mayor's housing programme, important shifts in the private market, and new homelessness legislation. The Strategy is seriously out of date although there are more recent strategic documents, for example the Homelessness Strategy<sup>4</sup> (2019-24), the Rough Sleeping Strategy<sup>5</sup> (2017-22), the Private Rented Strategy<sup>6</sup> (2021-25), and the new Truly Affordable Housing Strategy<sup>7</sup>.

As many of the council's housing policies are being or will be reviewed this year, ***we recommend that a new Housing Strategy should be published in 2024***, close to the halfway point of the administration, to provide the framework for the council's initiatives and to identify further strategic policies that need revision. Strategies are pointless without delivery so there should also be a detailed ***Delivery Plan*** setting out targets, milestones, and the resources to be deployed and a full ***Equalities Impact Assessment*** to assess how the council is meeting its public sector equality duty.

In the next three chapters we look in turn at the issues of affordable housing supply, homelessness and housing need, and housing management, reflecting on the manifesto commitments and how they might be taken forward.

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<sup>2</sup> <https://www.westminster.gov.uk/housing-policy-and-strategy>

<sup>3</sup> <https://www.westminster.gov.uk/media/document/city-plan-2019-2040>

<sup>4</sup> <https://www.westminster.gov.uk/housing-policy-and-strategy/homelessness-strategy>

<sup>5</sup> <https://www.westminster.gov.uk/housing-policy-and-strategy/rough-sleeping-strategy>

<sup>6</sup> <https://www.westminster.gov.uk/housing-policy-and-strategy>

<sup>7</sup> <https://www.westminster.gov.uk/news/truly-affordable-housing-strategy-part-one-councils-own-development-programme>

## **Our key recommendations**

Detailed advice and suggestions are included in each chapter, but below we summarise our key recommendations:

### **Strategy**

The council should publish a new Housing Strategy, together with a Delivery Plan and an Equalities Impact Assessment, in 2024 looking 3-5 years ahead.

### **Housing management**

The council should

- Re-appoint the Residents Panel for the remainder of the year, appointing a permanent panel in 2024;
- Support and grow local Residents Associations to put them on a stronger footing and incorporate them within the Residents Panel;
- Negotiate the new Repairs Charter with the Panel by 2024, in good time to influence the specification and procurement of new repairs contracts;
- Note the pressures in the repairs system, which might require additional funding in 2023/24 and subsequently, extending and implementing the proposed improvement plan as quickly as possible;
- Develop an asset management plan for the council's housing stock, including addressing the Ombudsman's recommendations for damp and mould and implementing Awaab's Law;
- Negotiate the new Leaseholders Charter to launch in 2024;
- Continue to prioritise improvements in communications with residents and continuous improvement at the call centre, reviewing progress in Autumn 2023;
- Implement as soon as possible the proposed increase in local service points with a new 5th Service Centre at Mozart Estate, other estate offices where possible, and an expansion in the number of surgeries;
- Develop a management action plan aimed at improving the consistency of frontline service delivery designed to build satisfaction with services;
- Continue to develop practical ideas to support residents facing hardship like the rent support fund;
- Consolidate the 2023/24 cost of service improvements into HRA base budgets;
- Continue to review recharges to the HRA from the rest of the council to ensure they are reasonable and justifiable.

## Housing supply

The council should:

- Retain high level political support for and oversight of the Truly Affordable Homes strategy;
- Adopt a 'whole council' approach as set out in the report to maximise truly affordable housing, embedding the three priorities of a) social rent homes, b) intermediate homes for key workers, and c) high quality temporary accommodation in all related programmes across the whole council; and publish an annual delivery plan covering all supply initiatives;
- Increase the priority given to the acquisition of homes for permanent social rented housing and for high quality temporary accommodation;
- Develop a new Housing Compact with registered providers in the city setting out all the areas where the council and RPs should collaborate;
- Look to augment council resources by investigating a flexible range of new partnerships with institutional finance (e.g. pension funds), registered providers, especially those with a commitment to Westminster, intermediate homes providers, and community-based housing organisations;
- Develop the role of Westminster Community Homes (WCH) as a flexible vehicle to innovate and problem solve difficult cases;
- Affirm its commitment to achieving as a minimum the current City Plan target of 35% affordable housing in developments across the city, with 50% on public land, and press on with the revision of the City Plan to reflect its housing priorities.

## Homelessness and Housing Need

The council should:

- Establish an overarching Westminster Homelessness Board chaired by a senior politician;
- Ensure that services have secure funding and plans in place to cope with a likely increase in homelessness over the next few years;
- Prioritise additional resources for prevention of homelessness and early intervention;
- Lobby government to make Local Housing Allowances realistic in relation to TA costs and to increase homelessness grant;
- Agree and implement a 'Westminster Offer' to households in TA setting out the services and support that will be provided;
- Rigorously monitor and enforce standards in TA;
- Press on with the allocations review taking account of our agenda of issues;

- Develop a management action plan to improve the consistency of frontline service delivery and decision-making, focusing on learning from experience, feedback from complaints and casework, and a better understanding of the customer experience of the service;
- Agree a tendering strategy for the Housing Solutions Service, identifying parts of the service that would be better delivered in-house, with a clear specification on early intervention, casework management, and getting decisions right first time;
- Press on with the revised rough sleeping strategy, co-produced through a new Rough Sleeping Partnership, making leadership on rough sleeping a political priority for the council.



## **PART 2 – HOUSING SUPPLY**

### **Introduction**

The new administration identified building new council, social and lower rent homes as its top policy priority and one of the most important areas for the Commission to advise on. Improving housing supply is a daunting task but we see three key priorities:

- to help meet the housing needs of residents living on low incomes, the overwhelming priority is to maximise the number of homes available at social rents (or the Mayor’s London Affordable Rent).
- to assist groups on moderate incomes, a second priority is to provide ‘intermediate housing’ targeted mainly at key workers.
- to help meet the council’s homelessness statutory duties, a third priority is to increase the supply of good quality and more local temporary accommodation.

There is no silver bullet: the council needs to act on all possible fronts to maximise delivery. To this end we have collaborated with the council to:

- make changes to its own development programme on its own land, increasing the supply of social rented homes significantly;
- maximise grants from the GLA to support extra activity, including acquisitions;
- review the major regeneration schemes to get more social rent homes and more GLA grant;
- review the City Plan to improve the supply of social rented homes through planning gain;
- encourage registered providers to provide more affordable homes in the city;
- examine all sources of funding - the housing revenue account, general fund, affordable housing fund, and externally, to bring resources to bear on the affordable housing supply issue.

### **The council’s own development programme**

Our first concern was to increase the supply of truly affordable housing from the council’s own development programme. This led to a comprehensive review by officers culminating in a report to Cabinet<sup>8</sup> in October, which included a Commission note<sup>9</sup>.

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<sup>8</sup> <https://www.westminster.gov.uk/news/truly-affordable-housing-strategy-part-one-councils-own-development-programme>

<sup>9</sup> <https://committees.westminster.gov.uk/documents/s49144/Cabinet%20report%20comments%20October%202022.pdf>






The revised policy enabled the initial delivery of 143 *additional* social rented homes in existing schemes plus 17 additional right to buy backs for social rent. A new approach to co-operation with the London Mayor also led to 158 *additional* social rented homes in current regeneration schemes, based on positive resident ballots which have since been achieved.

The council now plans to deliver over 1,000 council homes for social rent on its own land during the lifetime of the administration, plus 191 intermediate and 712 market sale with £60M additional GLA funding secured so far. In February 2023 the council also announced funding to buy 270 homes for use as temporary accommodation.

The report established new principles to govern future council schemes where private sales cross-subsidise the provision of affordable homes. For example, in future council schemes the balance of affordable housing between intermediate and social rent homes would be switched from 60:40 to 30:70.

In addition to large capital schemes, opportunities exist within the existing stock to solve individual families’ problems by adding rooms – for example, converting suitable one-bed homes to 2-beds as proposed by Westminster Community Homes, extensions and loft conversions. The council should make sure budgets are available to take such opportunities when they arise.

	<b>Social Housing Households</b>	26.9k (28.3%) – was 25.9% in 2011	Census 2021
	<b>Private Rented Households</b>	41.1k (43.3%) – was 39.7% in 2011	Census 2021
	<b>Households in Temporary Accommodation</b>	2.8k	WCC Housing, Feb 23
	<b>Temporary Accommodation in Westminster</b>	44%	WCC Housing, Feb 23
	<b>Waiting list for Council Housing</b>	10 years for a 2 bed 16 years for a 3 bed	WCC Housing

## Planning and affordable housing

The council's development plan policies should make the maximum contribution possible to meeting local housing need and increasing the supply of affordable housing. In recent years delivery of affordable homes through the planning system has been disappointing: in 2020/21 just 9% of new homes were affordable; in 2021/22 this declined further to 6%. At Autumn 2022, only 21% of homes on site were affordable. Private development activity remains at a low ebb.

After early discussions, the Cabinet Member for Planning agreed the council should undertake a partial review of the City Plan and commission a new housing needs assessment. As a first step, the 'Regulation 18' consultation<sup>10</sup> considered priorities and possible approaches. We held a round table discussion with officers in November 2022, making a formal submission shortly afterwards, and we have commented in detail on the proposals for the housing needs study as they have developed.

There will be several lengthy stages before a revised City Plan is agreed. At this point our specific recommendations would be:

- the council should remain wholly committed to achieving the current City Plan target of 35% affordable housing in developments across the city as a minimum, investigate the option of moving to 40% as some councils have done, and share the London Mayor's aspiration for the future that 50% of all additional homes should be affordable.
- the housing needs assessment should recommend a new definition of affordability based on the council's starting point that 'truly affordable housing' is a) social rented homes where the rents are set within the government's target rents regime or the Mayor's definition of London Affordable Rent; or b) intermediate homes targeted at key workers in alignment with the Mayor's definition of London Living Rent.
- in defining affordability in relation to incomes, the council should set a rate of between 35 and 40% of net incomes going on housing costs, but should avoid using 'average incomes', which are particularly misleading in the Westminster context, even in the most deprived wards.
- the council should pursue its policy to reverse the current 60/40 balance between intermediate and social rented homes (within the 35% affordable target), subject to the new housing needs assessment. This would be more in line with other London boroughs.
- the target should be to achieve a minimum of 50% affordable homes on public land and the council should actively and thoroughly review its own portfolio of

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<sup>10</sup> <https://www.westminster.gov.uk/planning-building-and-environmental-regulations/planning-policy/city-plan-partial-review>

land and buildings for development opportunities. The council should pursue the principle that public land in Westminster should remain in public hands, with council leadership on development wherever appropriate.

- the council should target intermediate homes to key workers who serve the community. We believe that there will be great support for a scheme which delivers homes to nurses, teachers, blue light workers, transport workers, and others who serve the community on modest incomes. To prioritise those in greatest need we support an income limit of £60,000 a year with some flexibility for two income key worker households. The council should also accept that 'intermediate housing' is no longer a short-term steppingstone to home ownership; it is a housing destination where tenants may stay for the long term. Shared and low-cost home ownership should be kept under review should they become more viable in future.
- given the scale of need for affordable housing in the city the council should seek a contribution to affordable housing from all schemes including those with fewer than ten homes, like policies adopted in other boroughs where the evidence suggests there is no direct correlation between scheme size and viability.
- the council should retain the City Plan policy (aligned to the National Planning Policy Framework) that affordable homes should be provided within each development wherever possible, off site as an alternative, with payment-in-lieu as the final and least favoured option. This policy is stronger in terms of mixed communities and payment-in-lieu offers poor value in terms of providing affordable homes elsewhere.
- where affordable housing is to be provided on site the social provider that is to own the affordable homes should be involved in scheme design and specification as early as possible and before planning consent is agreed, to enable the social provider's reasonable requirements to be included.
- the council should examine ways to ensure that viable 'build to rent' schemes provide a share of affordable homes at social rents.
- the council should remove the current City Plan's unusual restrictions on acquisitions which change the tenure of the property.
- the council should be proactive in encouraging suitable development: actively searching for new sites (e.g. working with faith groups, health service, car park owners, TFL, owners of single story buildings) helping to identify and assemble sites, using powers like CPO, and collaborating on sites that have stalled.
- In encouraging the achievement of higher numbers of affordable homes, we recognise that quality is also a key issue and that the City Plan's policies for design, place, environment, carbon-reduction, well-being, and open space must also be robust.

We have also commented on the council's 'retrofit first' policy in relation to the City Plan review and this issue is covered in the Commission's wider report.

## Registered Providers (RPs)

RPs, in the traditional form of housing associations, have had a major impact in the city over generations, often with the council's active support and financial backing. Today, RPs provide nearly 16,000 homes in the city and nearly 1,100 homes to help the council meet its duties to provide temporary accommodation.

In recent years, land and development costs in Westminster have meant RPs have been able to build more new homes with their funds elsewhere in London. This is understandable but does not help Westminster City Council to comply with its statutory duties to meet housing need, which is our primary concern.

Recent RP activity in Westminster has focused on buying 's.106' homes from private developers and providing TA, with only a little new build. Some RPs are looking to scale back their new development programmes due to major challenges concerning the condition of their existing housing stock.

Despite the constraints we were keen to explore with RPs whether their partnership with the council could be reinvigorated to deliver more genuinely affordable homes. We issued a discussion paper and held a round table which was attended by most of the significant RPs working in the city. We are grateful for their constructive input and their stated willingness to collaborate with the council in future. The Housing (Regulation) Bill, the Better Social Housing Review and the G15's (group of London's largest RPs) new 'Offer to London' all indicate that the time is right for the council and RPs to establish a new cooperative relationship.

We shared information about the difficulty of getting viable schemes in Westminster. Working with the council on its own land is the best opportunity, notably where the council has unfunded smaller sites or when future windfall sites emerge. Flexible partnerships led by the council might be an effective way forward, involving combinations of 'preferred provider' RPs, institutional investors, specialist 'intermediate housing' RPs, and smaller community-based organisations that might manage stock. The council could package small sites to get benefits of scale. Free land and council subsidy are necessary to make schemes viable, but the alternative is the council bearing the full development cost itself. We hope that this approach might also attract into Westminster more funding from the GLA's cross-London contracts with RPs.

The council should also encourage RPs to provide additional TA. The recent NHG initiative with Resonance's National Homelessness Property Fund<sup>11</sup> shows there is potential for new models of provision involving RPs. As substantial organisations

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<sup>11</sup> <https://www.nhg.org.uk/news/news/press-releases/deal-adds-590-new-homes-to-temporary-housing-portfolio/>

operating in the city, RPs should be important partners in a range of council initiatives, for example in preventing homelessness and tackling anti-social behaviour. The very positive response from RPs to the Commission's initiative around combined work in North Paddington will help set a new relationship.

**We recommend that the council and RPs should agree a new 'Compact'** which sets out the future relationship and commitment to cooperate. The Compact should cover:

- collaboration on housing delivery
- sharing information/benchmarking to implement the new regulatory regime and tenant engagement initiatives;
- co-operation on initiatives to help residents with energy and cost-of-living costs;
- sharing information and best practice on new approaches to procurement, fire safety, the treatment of damp and mould, tenancy sustainment and homelessness prevention;
- protocols on the sale of assets in Westminster and reinvestment in the city; and
- co-operating on initiatives in particular neighbourhoods including work relating to crime prevention, employment, social care provision, and placemaking.

## **Future resources**

We assisted the council to review the resources available to provide truly affordable housing: framing the negotiations with the GLA, setting the HRA budget for 2023/24 and considering the Affordable Housing Fund and the Community Infrastructure Levy. The HRA budget was a difficult exercise this year and we acknowledge the skill officers have shown in creating a budget which protects the capital programme, maximises the protection from inflation offered to tenants and begins to deliver on the manifesto commitments to improve services.

Funding of affordable housing has come under increasing pressure in recent years. The council has done well to use its own funding and GLA grant to provide more social rent homes, and it should go as far as it prudently can in future to put resources into affordable housing provision. While the HRA has been the central focus, there are limits to the borrowing that can be achieved through the ring-fenced account and the AHP (Affordable Housing Fund) is also finite. It was beyond our brief to look at the wider financial position of the council, but further work should be done to explore the use of the General Fund capital account and the extent to which the council's significant reserves can be used to support affordable housing or TA provision. As we have argued, RPs could be encouraged to do more in the city, contributing their resources to match council subsidy and free land.

Thinking ahead, there is great uncertainty over the current funding model for affordable housing. Government spending on affordable homes falls off a cliff after 2025/26,

dropping from £2233m to £529m on current plans. There is also an important shift nationally towards for-profit providers and the use of institutional investment and equity finance. Some commentators believe such investors will become key partners in delivery in the years to come. The council has to be alive to all of these possibilities. Although we are encouraging the council to develop partnership working and to investigate all sources of funding, we also believe the council should be clear about the tests it will apply. Rents should be genuinely affordable, standards should be high, tenants should be secure, and landlords should be accountable to and be engaged with their tenants.

## **In summary: a whole council approach**

The Commission's note to Cabinet in October identified further options to maximise delivery of truly affordable homes. The council agreed to commission consultants to challenge and review policy across the board. Drawing on the consultants' report and following further discussions with officers and the review team, we summarise below how the council should embed the aim of maximising social rented housing across the whole organisation.

The key requirement for a successful long-term truly affordable housing strategy is:

***An integrated council-wide approach with clear strategic objectives  
clear delivery plans, and more partnerships.***

To this end the council should:

### **Strategic Management**

- maintain the existing strong political leadership of development policy with no dilution in determination to maximise the delivery of social rented homes.
- review the council's entire portfolio of land and buildings – general fund as well as HRA, in and out of borough – to find additional supply opportunities. In assessing the best price for land, the council's cost-benefit should include the trade-off between income for land and the costs of homelessness.
- keep management arrangements under review so there is an overarching 'whole council' affordable housing delivery team involving all relevant council services.
- adopt its own clear definition of Truly Affordable Housing to guide future work, based on its strategic priorities to deliver social rented homes and intermediate homes targeted at key workers.
- define affordability so it takes account of the income distribution in each ward not misleading averages.
- publish an annual delivery plan covering all council housing supply initiatives.

## **Partnerships**

- agree a new 'Compact' with RPs operating in the city and involve them more heavily in a range of flexible future partnerships, adding resources and technical capacity.
- cultivate a range of new funding partners, notably institutional investors like pension funds, wherever the council's objectives can be secured. A flexible approach to future development packages (funding and delivery) would allow the council to 'triage' each possible scheme for the best solution.
- continue support for intermediate housing, which will be delivered in substantial numbers in council, RP, and private schemes, but re-purpose it to focus more clearly on key workers.
- maintain a watching brief in case a significant home ownership offer becomes possible in the future, accepting the current reality that LCHO and shared ownership are rarely viable in Westminster.

## **Prioritising acquisitions**

- integrate market acquisitions for permanent social rented homes into capital programme planning as it can provide homes more quickly and at a lower cost than new build.
- intensify the search for suitable TA close to home, reducing the burden on general fund revenue by maximising purchases of additional TA, investigating all financing options including greater use of the already strong general fund capital programme, RP resources, institutional finance, and joint venture partnerships.
- take on board the consultants' analysis that the acquisition option offers the strongest additional benefit: purchases could be achieved in-borough at higher cost, but significantly greater value can be achieved out-borough. As the viable price point for TA purchases is higher than for homes for social rent (because charges are higher), all options should be examined including street properties, portfolios and large building conversion.
- the council has delivered its manifesto commitment to end the sale of council-owned homes at auction except if they are in exceptional standards of disrepair. We think the council should keep this under review in case opportunities arise in future where it can be demonstrated that additional housing capacity could be achieved by, for example, selling studio flats in some parts of the city and buying family homes elsewhere.

## **Resources and viability**

- noting that cross-subsidy from private sale in new development is the most effective model available at present to achieve the highest possible levels of social rented homes, the council should actively lobby:
  - central government for additional investment and realistic local housing allowance levels;
  - the Mayor for greater recognition of the higher costs that have to be met to achieve viability in Westminster, to access a fair share of the London RP programme;
  - London councils and the GLA to bolster pan-London co-operation on allocations, mobility, TA procurement, and rough sleeping.
- investigate, to better understand, why council build rates are higher than the private sector, what higher standards derive from extra cost, using this knowledge to incorporate future requirements for higher standards and net zero carbon.
- review the valuation method used to assess HRA schemes, moving to a 50-60 year assessment of schemes where justified and if fit for purpose for the HRA.
- generate additional income by consistently applying target social rents to new homes (excluding regeneration returners) to support new development valuations, and by applying CPI+ rent increases to normal voids.
- the council should be determined in its resolve not to repeat the previous experience of RPs selling housing assets in Westminster and investing them elsewhere. Any sales must demonstrably be reinvested in the city.

## **Delivery**

- maintain an absolute commitment to achieving a minimum of 35% affordable housing across all developments, with 50% on public land, rising in future to meet the mayor's aspiration for 50% overall (see more below).
- adopt a clear council view that, in the wider development market, obtaining units on site through planning gain is more advantageous than receiving commuted sums from developers.
- encourage private development within a strong policy framework so as to maximise contributions to truly affordable housing, enhancing the council's role as a strategic and interventionist enabler, tackling stalled schemes and helping with land assembly, using powers like CPO as well as the council's influence.
- although we have not reviewed the council's management of its own land holdings, the council should ensure that its approach is proactive, clearly prioritising the release of land for housing from its own large asset base.
- concur with the consultants' analysis that the council has an appropriate mix of vehicles to undertake development, with Westminster Builds and Westminster Community Homes and the option of creating joint ventures.



- recognise that the existence of an RP within the council development family offers a real opportunity to create a test bed for more experimental approaches and 'problem solving' in very difficult cases. For example, we are attracted by WCH's imaginative scheme to convert suitable one-bedroom flats to two. By creating a small capital budget, WCH could use its flexibility to operate across sectors to explore bespoke solutions to seemingly intractable cases.
- the council should welcome practical small-scale suggestions to relieve housing need, such as making adaptations to existing homes, changing internal layouts, or adding rooms in loft spaces.
- the council should look to collaborate closely with those RPs that have a consistent Westminster focus, growing smaller housing organisations with a clear local commitment, and look at the potential of housing co-operatives and local Community Benefit Societies.



## **PART 3 - HOMELESSNESS AND HOUSING NEED**

### **Introduction**

To help the new administration to deliver its Manifesto commitment to tackle homelessness and housing need, we focussed on four specific areas:

- prevention and decision-making
- temporary accommodation
- allocations
- rough sleeping.

We are grateful to officers for several detailed presentations and their positive commitment to improving services. We had helpful meetings with RMG (the council's homelessness contractor), WHP (the group of agencies working on rough sleeping), Justlife, Cardinal Hume Centre, Zacchaeus 2000 Trust, LSE's Professor Christine Whitehead and Smith Institute's Leo Pollak.

Westminster has an existing Homelessness Strategy (2019-24)<sup>12</sup> and Action Plan<sup>13</sup>. These need to be revised in due course. The Action Plan proposed an overall ***Homelessness Partnership Board***, which was put in abeyance during the pandemic. The council participates in many boards that impact homelessness, but an integrated and comprehensive response is needed to homelessness and housing need issues, so this board should now be established, chaired by a senior politician, and including people with lived experience of homelessness.

### **Homelessness trends**

The upward trajectory of homelessness and housing need is unlikely to abate. LSE's Professor Whitehead explained the national and regional trends which are largely beyond local control. Modelling by Heriot-Watt University for the Crisis Homelessness Monitor indicates that, without effective policy changes, TA placements are set to almost double (as a percentage of all households) over the next 20 years in England.

***The council must put plans and funding in place over the next few years as best it can to assist more people being threatened with homelessness, more people being owed a duty by the council, and to provide more temporary accommodation (TA).***

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<sup>12</sup> <https://www.westminster.gov.uk/housing-policy-and-strategy/homelessness-strategy>

<sup>13</sup> <https://www.westminster.gov.uk/media/document/homelessness-strategy-action-plan---2021-update>

This is the inevitable local consequence of the enduring housing crisis. Access to private renting is getting harder, rents are rising, and evictions seem to be increasing as well. There is concern that promised government action to end 'no fault' evictions risks increasing homelessness in the short term if landlords take pre-emptive action.

Professor Whitehead showed that the lack of move-on accommodation is the critical factor in the increase in TA. The council has made a huge effort to mitigate these trends by increasing the supply of new social rent homes. However, 're-lets' of existing social homes are declining as existing tenants are less likely to move on.

We welcome officers' commitment 'to redesign this front-line service, consult with users by experience and utilising good practice and innovation from across the sector'. The Rough Sleeping Strategy will also be renewed this year and we support the commitment of the statutory and voluntary agencies to 'co-produce' it.

## Prevention and decision-making

**Prevention:** Early intervention, prevention and good casework are the most important areas for the council to invest in. Prevention was a stated priority in the 2019-24 Action Plan, but the work is becoming harder. Too many people approach the Housing Solutions Service (HSS) at a late stage (at relief rather than prevention stage). Even so, homelessness was prevented in a recorded 595 cases last year and 306 households accessed private rented homes through Westlets, in numerical terms an essential part of the service.

The department has ideas for improving 'upstream' prevention which should be pursued. There are several areas where we would like to see progress, for example:

- we expect the existing pilot based on close working between housing and environmental health to encourage the retention of tenancies through early intervention with private landlords and tenants to be effective and would like to see it rolled out widely.
- there is a strong cross over between early intervention and financial and debt advice, and we need to make advice services as accessible as possible, including face to face housing advice.
- all partner organisations should be regularly reminded about the 'duty to refer'<sup>14</sup> with the aim to maximise early referrals from all relevant agencies.

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<sup>14</sup> <https://www.gov.uk/government/publications/homelessness-duty-to-refer/a-guide-to-the-duty-to-refer#public-authorities>

- we are concerned about homelessness arising from social tenancies and all social landlords should be expected to increase their prevention work.

**Communication:** the need to improve communications was identified as an issue in the Action Plan. We welcome initiatives to improve public knowledge of the frontline service. The better the information, the earlier the intervention, the greater the chance of avoiding homelessness. Communications should:

- be more geared to the communities we serve, using existing networks.
- be more user-friendly online, with improved information and application.
- be clearer, including more helpful letters.
- be 2-way, using feedback from users to enable learning from front-line experience.

Although outreach services and home visits are available, the core service could be more accessible and should move to a less geographically peripheral location.

**Decision-making:** homelessness legislation is complex and difficult to operate, with a lot of case law. In 2020/21 HSS handled 3658 electronic self-assessment forms with 1524 being accepted as being 'owed a duty' - 333 a 'prevention duty' and 1191 a 'relief duty'. The 'main housing duty' was accepted for 365 households, 210 with children, 155 without.

Whatever the pressure in the system, people should not be deterred from seeking the council's assistance. 'Gatekeeping' is unlawful, not least because it is likely to be discriminatory. Cases must be decided on their merits and the council should review whether the performance target that aims to limit the number of acceptances per month should be retained. Homelessness is an extremely stressful service to work in, but there also needs to be an honest recognition of how the service is perceived and experienced, not least by young people who are most likely to discontinue engagement with assistance if deterred at an early stage. We were told that staff training is good, but every effort should be made to invest in front-line staff.

The service clearly has strengths: for example, we were pleased to note it has DAHA<sup>15</sup> accreditation and that the contracted consortium has consistently met performance requirements. Some of the weaknesses we have noted may arise from the pressure of the work. We have not been able to scrutinise the decision-making processes in detail, but the feedback we have had from casework highlights issues that need to be addressed in at least some cases, including casework management, the consistent application of policy, communication with applicants, minimizing errors, meeting timescales, and improving the quality of Homelessness Prevention Plans. Affordability

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<sup>15</sup> <https://www.dahalliance.org.uk/membership-accreditation/what-is-daha-accreditation/>

assessments could also be more thorough and should be undertaken earlier in the process.

More resources may be needed to achieve these improvements consistently. The service participates in the *Changing Futures*<sup>16</sup> programme to tackle multiple disadvantage, including vulnerable residents at risk of losing their home. Lessons learned should inform the 'whole person' approach to casework and lead systems change.

HSS seems to have a comprehensive internal review process, but the rate of overturning original decisions is too high – around one-third. Not getting decisions right first time creates uncertainty for applicants, is resource intensive and may also be disempowering for pressured staff. Too many decisions are also overturned during the various appeal stages, and at judicial review, leading to the wasteful award of costs against the council, as well as distress to the applicant. The council needs to have a better understanding of the factors underpinning this level of overturned decisions, to ensure that vulnerable applicants are not disadvantaged as a result, but it may also help reduce costs.

Officers should bring forward a report setting out the lessons to be learned from cases overturned either internally or externally, setting out changes that will be made to practice.

**Securing private lettings:** the council delivered its Manifesto commitment to suspend the policy of 'discharging' the main housing duty by securing a private tenancy (30 cases in 2021/22). This decision carries risk but in our view the household not the council should make the decision to accept a PRS nomination rather than wait for a social tenancy when the main homelessness duty is owed. Good casework, with households well advised about their real options, might achieve a similar result. There is a strong case for offering more generous support for households who choose the PRS option.

Securing a private letting to *avoid* homelessness is however vital to prevention and limiting the flow of people into council-provided TA. The service provided through Westlets and the Passage is critical, as are referrals to supported accommodation and schemes such as those for ex-offenders. What needs further consideration is the extent to which these solutions are sustainable. Officers say there is no real evidence of a 'revolving door' of people coming back into homelessness again after such referrals, but this crucial judgement should be carefully monitored.

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<sup>16</sup> <https://www.westminster.gov.uk/changing-futures>

**Delivering the service in future:** Westminster is unique in outsourcing its homelessness service, to RMG, which sub-contacts elements to Shelter and The Passage. The contract has been extended for two more years. We heard about the pros and cons of this provision being contracted: we are not able to make a judgement on that but would caution that any change must be well planned to avoid disruption to the service.

The council should:

- ensure that service redesign prior to retendering the contracts is based on genuine consultation with 'experts by experience' and relevant statutory and voluntary agencies;
- agree a re-tendering strategy as soon as possible, including a new market assessment to identify what organisations offer these services to ensure competition;
- decide quickly if any parts of the service, or indeed all of it, might be better provided in-house;
- ensure that requirements and performance targets set for the contract do not encourage gatekeeping and align with the council's Fairer Westminster strategy;
- ensure a strong emphasis in the specification on high quality casework, prevention, early intervention and getting decisions right first time;
- specify regular contact with each household in TA and the support services to be provided;
- ensure that the contractor is not distant or remote from the council and is integrated in practice with other important services.

## Temporary accommodation

On current estimates the council must plan to have at least 3200 good quality TA units by 2024/25 - the number has not been below 2600 since 2018 - and have the capacity to place at least 650 households each year into TA. Some households have been in TA for more than ten years, and some will wait 15 years or more. Of the current 2800 households in TA, around 1150 are in Westminster, with 1650 out of borough, including around 90 out of London (mainly Essex borders).

As evidenced by the Cardinal Hume Centre<sup>17</sup> and others, living in TA puts a huge strain on households. It can seriously hinder access to basic services, leaving them feeling isolated and powerless. It is a source of inequality and unfairness, and the council should assure itself that there is no discrimination in the placement of households as has been shown elsewhere<sup>18</sup>. There are around 3000 children in Westminster TA and

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<sup>17</sup> <https://www.cardinalhumecentre.org.uk/latest-news/report-lived-experience-of-families-living-in-temporary-accommodation>

<sup>18</sup> <https://www.insidehousing.co.uk/insight/discrimination-in-out-of-area-housing-placements-79884>

the impact on them can be profound and long-lasting. Running a high level of TA is an appalling systemic waste but the high cost is an inevitable consequence of the failure in supply of affordable homes. Ensuring that TA is of the highest achievable quality should be an absolute priority for a caring council, and investing now will make things more manageable down the road.

**Westminster Offer:** The council is working to improve the package of support for people living in TA. We support Cardinal Hume Centre's proposal that there should be a '*Westminster Offer*', designed by all key partners working together in consultation with users. It should cover the placement policy, support and regular contact from the HSS, clear 'signposting' of services, standards of accommodation including repair and furniture, storage of belongings, schools, travel, advice and independent advocacy and any special help for the half of homeless households in work. Voluntary agencies also provide important services to households in TA; the efforts of all agencies should be harnessed so the most comprehensive package of support possible can be offered. Support services should be co-ordinated through an overarching co-ordinating group, reporting to the Westminster Homelessness Board.

Floating support is available for households with complex needs (eg mental health, children with special needs) but additional capacity may be needed. It should be an absolute priority that no-one should slip through the safeguarding net: there must be a guaranteed referral system so every case is acted on, and this should be reported on regularly.

**Procurement of TA:** Westminster is reliant on leased private sector properties to provide TA (75%), procured from 25 providers, directly or via a RP. There is increasing competition for places across London, including other councils and the Home Office, but it is essential that Westminster should follow existing protocols to maintain some order in the market.

Only a tiny proportion of market properties are affordable under government rates, frozen for years, so viable procurement is inevitably at the poorest end of the market. The council requires providers to meet London-wide standards and undertakes around 500 inspections a year, which it plans to increase. Despite this, we are extremely concerned by examples from casework about unacceptable standards in some TA. The standards regime should be consistently and universally applied, there must be no compromise on fitness for habitation and all TA should be free from Category 1 hazards, have a minimum EPC rating and be free from serious damp and mould. The council should require an annual report on the outcome of inspections and compliance.

The council wants more TA in or close to Westminster - 43% is currently in-borough - to enable people to retain school places, jobs, and family ties. Additional in-borough

leasing to the appropriate standard is possible but expensive: estimated to cost around up to £180 per week per unit net to the council. Net TA spending is already predicted to rise from around £9m in 2021/22 to over £22m in 2024/25. Although offset by government homelessness prevention grant, this is a largely unavoidable financial risk. The council should look for opportunities for mitigation where it can such as longer leases (making premiums and repairs worthwhile), portfolios, building conversions, and new deals (eg Waltham Forest's purchase/repair joint venture funded by a privately placed bond).

Only 10% of TA is owned by the council itself. The council has made a huge commitment to acquire permanent properties for use as TA, worth £168m between 2023/27, but the council should go further if it can to maximise the General Fund capital budget available. The cost in capital mitigates the cost in revenue - and offers a better life to residents. Buying in-borough is more costly; buying out-borough is better VFM but brings other risks.

Registered Providers supply around 1200 TA units (often leased from private landlords) to the council. This is of strategic importance but, like all TA, standards are a great concern. Given the scale of the problem facing the council, RPs should be expected to offer more assistance in the TA market. The council and RP partners should investigate fully the option of working with institutional lenders to develop a long-term funding model for the provision of TA.

## **Allocations policy**

The detailed background to allocations policy is contained in the annual supply and lettings report<sup>19</sup> which projects allocations against each priority group. In summary, the council has only made 3162 lettings to social housing over five years, of which 545 were to Community Supportive Housing. This is nowhere near enough to meet rising levels of housing need.

We contributed to early discussions about the proposed review of allocations policy. We note that:

- properties for letting have been declining for many years; like the rest of London, Westminster's social housing 'churn' fell from 7% to 3% a year over the past decade;
- around 50% of lettings are bedsits or 1-bed homes whereas the greatest shortage is experienced for larger properties;

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<sup>19</sup> <https://www.westminster.gov.uk/media/document/social-housing-supply-and-allocations-2022-23>



- since 2019/20 the number of lettings to homeless households has been fewer than the number of households accepted as homeless;
- there are more than 30 categories of need and quotas within the housing allocations policy, it is very complex to administer and difficult to understand.

The allocations review must balance the needs of many different groups and enable the council to make the best use of its assets. It should be conducted in the context of the Fairer Westminster principles of openness and transparency, partnership and collaboration, diversity and inclusion. Rehousing people in affordable accommodation helps reduce poverty and inequality, can help people lead healthier and productive lives, and helps children to meet their full potential.

Accepting the huge pressure of need over supply, we highlight issues the council should consider during the review:

- changing to an open housing register which would reflect need more accurately;
- moving to a simpler scheme with a smaller number of priority bands, hopefully reducing the feeling that everyone is 'chasing points';
- acknowledging composite needs better (eg overcrowded household also with medical needs);
- amalgamating or closing some 'priority quotas' which have become notional in practice;
- reducing the importance of employment points, which tends to be a virtue signal rather than a useful tool; removing an anomaly by treating full time carers as employed;
- maintaining priority for long term Westminster residents in a balanced way;
- being more proactive about 'homeless from home' status as allowing applicants to wait and bid from home where possible can reduce the demand for TA;
- offering as much choice as possible while reviewing the value of the 'choice-based' lettings system: nearly half of all lettings are already direct offers and applicants get extremely frustrated by the bidding process;
- ensuring that the requirement for 'decants', which reduces supply to other categories, is seen as a real cost in regeneration decisions;
- reviewing the definition of medical priority to ensure the inclusion of learning disabilities like autism;
- making allowance for carers who may need to stay overnight;
- investigating alternatives to obtaining doctors' letters in medical cases given growing resistance from doctors;
- lobbying for greater pan-London mobility especially as the balance of the new build programme is focused elsewhere in London;
- investigating greater officer facilitation of mutual exchanges, looking to achieve more '2-way' and '3-way' swaps, and including RP stock;

- improving joint problem-solving with RPs over nominations and the implications of some RPs closing their internal waiting lists;
- identifying issues with letting 'Affordable Rent' homes which are substantially more expensive than social rent;
- tackling under-occupation more effectively through intensive casework and innovative approaches; given the cost of providing a large home by any other means, making the cash incentive scheme as generous as possible;
- investigating other uses of cash incentives and practical support to existing tenants considering moving out of London;
- refining and codifying local lettings plans to enable new development;
- using the principles in the Smith Institute report<sup>20</sup>, evaluating 'chain lettings', one of the few options open to the council to meet more need with the same stock;
- adopting a revised family quota scheme, offering social or intermediate homes to the adult children of tenants in over-crowded homes;
- investigating the causes of homelessness arising from social housing and the role early intervention and allocations policy could play;
- reviewing cases of households in the studio/1 bed queue waiting in TA for more than five years, given that there is less pressure in that queue;
- enhancing casework support for applicants, looking at all options to meet their housing need.

The council has a separate scheme for allocation of intermediate rented housing. It is revising policies on intermediate rent to focus it properly on meeting the needs of key workers earning up to £60,000. The allocations scheme should reflect this priority.

## **Rough sleeping**

Westminster has the highest number of rough sleepers in the country, and the number is rising. A recent street count found 250 people and the CHAIN data shows contact between agencies and 1,700 people in 2021/22. The data also showed that 45% were only seen once, 20% were women but there was only one person under the age of 18. Around two-thirds are non-UK citizens, often driven from their homes by poverty and discrimination. Services are responding to the complex needs and challenges of Roma communities, whose appearance on the streets is seasonal. Linked to homelessness there are many policy issues to address regarding health, immigration, benefits, women's safety and residents' real concerns about anti-social behaviour. There are deep concerns concerning mental health services following the abrupt closure of the Gordon Hospital.

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<sup>20</sup> <https://www.smith-institute.org.uk/book/housing-allocations-and-the-vacancy-chain-how-coordinating-chains-can-better-meet-housing-needs-and-tenant-choice/>

The numbers make the government's commitments to end rough sleeping by 2024 and 'for good' seem hollow. The *Everyone In* programme during the pandemic illustrated that the core problem is lack of accommodation. Some people become entrenched living on the streets, but there is a constant flow of new people who could quickly progress with their lives if they received an early offer of accommodation with support.

There is an almost bewildering variety of statutory and voluntary agencies involved with rough sleeping. Westminster commissions, or jointly commissions with the NHS, an impressive range of services, including early intervention, rapid assessment with short-term accommodation and support, emergency bed spaces during severe weather, reconnection with another area, and services for entrenched rough sleepers. Many of these services will be re-procured in the coming year or two. The council works closely with a wide range of partners in the voluntary and faith sectors, such as Connections at St Martins and Passage Resource Centre. There are several separately funded services like Street-Link, the Hospital Discharge Project, and others. The commitment of resources by the charitable sector on top of statutory funding is remarkable. There are several forums to try to improve coordination, and the Westminster Housing Partnership brings together all the main organisations in a productive way.

Westminster is embarking on writing a new rough sleeping strategy. All parties want this to be 'co-produced' by the statutory and voluntary sectors, this common commitment should be embraced. We cannot comment on the efficacy of individual services, but everyone emphasises the need to strengthen partnerships and collaboration to maximise impact. One small example of the impact of co-ordination is the council's role in leading the Faith and Volunteer Network which has effectively coordinated soup kitchens and helped deliver Covid vaccinations. Another is the working group of around 30 providers in 2021, ahead of the allocation of funding by DLUHC Rough Sleeping Initiative (RSI), which enabled WCC to prepare a funding plan recognising the importance of long-term funding certainty. Hard though it seems, some rationalisation, aligned to the new strategy, would enable each agency to play to its strengths.

By common assent the new strategy should focus on prevention, rapid intervention and the provision of high-quality integrated accommodation and support services, whilst retaining services directed at those who are more entrenched on the streets. It should reflect the lessons from the *Changing Futures*<sup>21</sup> programme to improve responses for people experiencing multiple disadvantage. It should aim to expand the Housing First model. It should aim to build capacity in voluntary and community organisations. It should tackle inequality by improving services for women, the LGBTQ+ community, those affected by modern slavery, and sex workers. It should also acknowledge the risks

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<sup>21</sup> <https://www.westminster.gov.uk/changing-futures>

in the system and especially the viability of accommodation projects that both require additional investment and are valuable assets that could be sold. A capital programme is required to, amongst other things, re-provide direct access hostel spaces that have been lost in the last ten years.

Everyone we talked to wanted to see the council become more effective in its political leadership role, challenging the dehumanisation of rough sleepers, pushing for change and influencing national and regional policy. We welcome plans to create a new **Rough Sleeping Partnership**, which should be linked closely to the **Westminster Homelessness Board**.



## PART 4 – HOUSING MANAGEMENT

### Residents Panel

The new administration wanted to achieve significant improvements in the housing management services that the council offers to its own tenants and leaseholders.

We decided that the best way to proceed would be to directly involve the 'experts by experience' – the council's tenants and leaseholders themselves. We agreed with the council to establish a Residents Panel to advise the Review.

The council selected a balanced group of 20 tenants and leaseholders from the resident engagement team's list of people willing to participate on city-wide housing management issues. The Panel met 5 times during the review, received excellent presentations from officers, and made pertinent and insightful comments. Exchanges were frank yet constructive and productive – we hope the positive ethos of the meetings will set a collaborative style for future engagement.

**We recommend that the existing panel should continue for the remainder of the year and that the council should set up a permanent arrangement for a city-wide panel in 2024** which represents the diversity of residents and all areas and types of stock. It should include a) representatives of Resident Associations around the city and b) independently selected residents from areas of the city not represented by a RA.

The council knows that high quality engagement is essential to building trust with communities. In housing it should go beyond 'good consultation' towards a 'co-production' model, where residents are directly involved not just in scrutiny but in the detailed development of policy and practice in partnership with the council.

### Rebuilding trust through delivery

Throughout the review a common narrative about the service emerged. It has gone through several disruptive events: the closure of the CityWest arms-length management organisation, a period of severe cuts in staffing and the closure of local estate offices, mounting criticism of declining service levels leading to a major reorganisation and a reinvestment in housing officers and surveyors and a new resident engagement team, the impact of Covid and lockdown, and finally the change to a new administration which had a critical assessment of the service and a new agenda.

It is no real surprise that the reorganisation and recent improvements have not yet been embedded or fully delivered. A common theme in the Panel's discussions was 'it doesn't

happen like that on the ground' or 'that's a great initiative but it hasn't had any effect yet'. Residents expressed general satisfaction with the direction of the service but were frustrated by the wait for it to arrive at the promised destination. Residents frequently said there was a need to rebuild trust through delivery.

Critical self-assessment should be the order of the day amongst social landlords given recent scandals arising from inadequate investment and poor culture. The Ombudsman's conclusion on Rochdale<sup>22</sup> was that 'the root cause of service failure ... was a propensity to dismiss residents and their concerns out of hand, with staff believing that they knew better and that the expectations of their residents were unreasonable'. It is not enough to say that this is not us: we have to demonstrate it is not us and remedy any shortcomings we find.

In Westminster there is undoubtedly a strong aspiration to provide a good and constantly improving service. We have not carried out a full inspection, but it feels like a service that the former Audit Commission would categorise as being on the cusp of a fair/good service but with 'excellent prospects for improvement'. The challenge will be to entrench recent and current initiatives in day-to-day delivery, achieving *consistency* in the service that is experienced by residents.

Consistency in customer experience is often believed to be the driving force behind satisfaction and trust. We would like to see a management action plan which maximises support for the front line, improves feedback loops, actively learns from complaints and casework, and drives change based on residents' actual experience of engaging with the service. The plan should also address likely new regulatory requirements around professional qualifications for housing staff.

The Panel's strong emphasis on delivery was reflected in wanting to see more information published on the service's performance against KPIs and benchmarking information.

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<sup>22</sup> <https://www.housing-ombudsman.org.uk/2023/03/28/ombudsman-finds-culture-of-othering-residents-lies-at-the-heart-of-rochdale-boroughwide-housings-issues-and-identifies-lessons-for-sector/>

## Local service delivery

Many of the new administration's commitments concerned local service delivery. The existing Service Centres are too remote, not linked to communities, scandalously so given the needs of some areas. The council is proposing to open a fifth Service Centre in the north of the city, based on Mozart, looking at options for re-opening estate offices elsewhere, and expanding the number of surgeries run in local areas – joining up with other services like CAB where possible. This is very encouraging, good progress is being made, and the additional staffing and costs needed for these initiatives have been included in the HRA budget for 2023/24.

Important changes are underway, for example:

- A new customer relationship management system is being rolled out which should improve the quality and speed of response to residents and allow a detailed customer service record to be developed;
- There are continuous improvements at the Call Centre. Residents should be able to contact their housing officer or other staff or arrange a call back or an appointment.
- The department is delivering the council's aim that all residents should have a named housing officer.
- The 'patch' for each housing officer will be comparatively low at around 450 tenancies each, enabling housing officers to become very familiar with their patch and the people living in it.

Housing officer patch sizes should be lowest on the most deprived estates, providing more intensive support for residents where good data suggests it is most needed. When fully staffed there will be a case for reviewing the role of housing officers. They are the eyes and ears of the service and should have a key role in, for example, helping prevent homelessness and ensuring that residents benefit from council initiatives like help with the cost of living.

A flagship feature has been the introduction of 'Community Thursdays', when officers, and councillors if they are able, speak on the doorstep to residents. So far more than 3,000 residents have been spoken to face to face. Repairs can be reported on the spot using a new App being trialled. Officers reported strong positive feedback not just complaints.

The Residents Panel welcomed the additional staffing, extra delivery points, planned Call Centre improvements and the Community Thursdays initiative. The key assurance they sought throughout was that initial contact would be followed up properly afterwards with some accountability if it was not. Many of the Panel's comments

echoed the Ombudsman's recent comment<sup>23</sup> that 'People's lives and welfare depend on the landlord knowing who they are, what home they live in, and what has been done previously.'

The Panel thought also that the quality of estate action plans could be significantly improved and that these should be regularly monitored.

## **Antisocial behaviour**

The Panel received a presentation on anti-social behaviour (ASB). In addition to the council's Public Protection team, housing has a sizeable specialist ASB team dealing with difficult or complex cases, and housing officers deal with low level ASB in their



patches. A pilot mobile security patrol has been introduced and appears to be working successfully. There were around 190 open housing ASB cases and actions being taken varied from resolving matters locally, liaising with other agencies like adult social care and the police, undertaking mediation and making acceptable behaviour agreements, to seeking possession of properties in extreme cases. Casework is very intensive and detailed legal processes involve collecting witness statements and attending court. The housing community safety team also manages cases of domestic abuse and serious youth violence.

The Panel's view was that there was a lot of excellent work on ASB, but residents are looking for consistent delivery on the ground. The council has recently agreed a new council wide ASB strategy: the Panel were keen to know how it would be delivered and to monitor its implementation.

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<sup>23</sup> <https://www.insidehousing.co.uk/comment/the-sector-must-address-the-creeping-normalisation-of-poor-behaviour-81002>



## Communication and engagement

The council consulted on a new resident engagement strategy in 2021. The plan that emerged had the Panel's support with some tweaks. Two priorities for the coming year will be to help the citywide Residents Panel to succeed and to invest in creating and strengthening local Residents Associations, ensuring that they're effective as well as representative and well run.

The Panel felt it vital that residents have good information about local Associations and how to engage with them. Resident engagement staff in each locality will help move this forward. Most residents are not represented by an Association, so other means are needed to make sure all residents can be engaged and consulted. Inclusivity should be crucial in all engagement work, and the Panel was particularly concerned to encourage plans to engage young people and to ensure the involvement of residents whose first language is not English.

Opinion was more divided on the idea of a Residents Conference. A successful online conference for leaseholders is held annually but there were concerns that a conference for all residents would be unwieldy and expensive. Those supportive of the idea thought the conference should be an open networking event involving community organisations, with workshops and stalls. It must be welcoming to young people and marginalised groups. There must be open interaction between attendees not just 'listening to the council'.

The Panel wanted to see improvements in the quality of communications with residents. There was strong support for the development of Apps to provide council-wide but also estate-specific information. Meeting the diverse needs of residents was the great concern: people without online access or whose first language was not English should also get the information they need. There was an appeal to not forget the many residents who live off-estate in small blocks or street properties.

The department is clearly making a huge effort to communicate with residents, with lots of channels available from printed magazines to texts and emails to social media. Improvements to social media are planned, a better texting system is being procured, and digital notice boards are being trialled. Contact both ways, in and out, is enormous, but there is a risk that it becomes too complicated with too many channels. Examples were quoted of communications containing jargon or being too technical or ambiguous, and the department should actively participate in council-wide initiatives to improve the quality of communications.

The Panel's view was that residents should have the choice of means of communication wherever possible. They welcomed the fact that the council is reviewing the content of the website and upgrading webpages.

The Panel were surprised by the sheer volume of calls to the contact centre, which had an astonishing 247,000 calls over 12 months with an average wait time of 52 seconds, with an additional 74,000 calls out of hours. The team also processes emails, which numbered 44,000, and the webchat service which had 2,319 users, and the MyWestminster portal was accessed 3,280 times – a number which seemed small relative to the others.

A common comment from the Panel was that the contact centre is okay, the issue is more to do with what happens afterwards, is the issue actioned, are repeat contacts needed, and is there accountability for follow-up? They also felt that residents needed a better understanding of what could be done through the contact centre, for example that they could book an appointment with their housing officer or a home visit. We would like to see the council strengthen responsiveness and accountability by enabling tenants to contact their housing officer directly by phone or text.



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## Repairs Charter

The repairs service is delivered through long term contracts covering general repairs and voids, gas, communal areas, lifts, district heating and aid and adaptations. The contracts are just over halfway through their ten-year term. It is a high turnover and relatively low-cost service. Around 71,000 jobs are done at a cost of around £23 million, with around £9m of capital works. Data for general repairs shows a first-time fix rate of 87% with 85% of appointments made and kept and a residents' satisfaction rate of 87% (independently verified) (all figures 2021/22). Plumbing is the biggest category of demand with 40% of all leaks being in the Pimlico District Heating Undertaking (PDHU).

The key challenges at present are:

- A very high rate of repairs done on an emergency basis, which inevitably involves more than one visit and is expensive and disruptive.
- Rising costs of materials, faster than the contract inflation based on CPI.
- Labour and skill shortages.

Officers reported on their improvement plan, which included:

- A stronger operating model with more inspections and tenant feed-back contacts, resident contact/visit for all stage 1 and stage 2 complaints and a new reporting App for out of office staff.
- Piloting improvements in air quality and a system of mould management (sensors and passive ventilation installed).
- Developing the list of supply chain contractors and reviewing sub-contractor management.

The Residents Panel appreciated the complex nature of the service and supported the improvement plans, especially the increase in resident engagement and an approach to damp and mould which accepts the landlords' responsibility and does not blame tenants' lifestyle. They accepted that the very high rate of emergency repairs had to be tackled.

Westminster seems to be a fairly typical London maintenance service, not an outlier. The Panel's concerns were that the level of satisfaction should be higher, that there were still too many reports of poor communication, missed appointments, jobs not fixed first time or to a poor standard of finish, jobs being closed peremptorily due to non-response from the resident, and residents having to chase jobs involving more than one visit. Given the major problem of plumbing leaks, residents wanted more clarity about the council's response in practice, especially when leaks occur between flats of different tenure.

There are important recommendations for all repairs services from recent Ombudsman reports. The Panel shared the widespread worry that exists about damp and mould. While welcoming the council's progressive initiatives in this area, feedback from casework suggests it is a significant problem in the council's own stock which may need to be tackled on a bigger scale. A recent finding of severe maladministration<sup>24</sup> against the council has raised the level of concern although we pleased to note that the Ombudsman also welcomed the council's learning from the case and the changes being made to improve the service. Officers should bring forward a report assessing the scale of the problem, addressing all the Ombudsman's proposals, and preparing for the implementation of *Awaab's Law*.

Further ideas raised in discussion, some of which could be added to the improvement plan, included:

- introducing a tenant sign-off for satisfactory repair completion;
- better engagement at local level between tenants and surveyors;
- proactive property 'MOTs' for vulnerable tenants;
- a repairs reporting App for residents;
- better case management to avoid residents having to self-manage their repairs, especially where more than one appointment is needed.

The Residents Panel supported the proposal to introduce a Repairs Charter and we looked at some examples. Negotiating this charter over the next few months should be a high priority for the city-wide panel and the council. The charter should include:

- standards for treating residents with respect, courteousness and empathy, respecting privacy, and responding to residents' needs e.g. if English is not their first language or they have a disability or vulnerability;
- commitments to meeting statutory and contractual repairing obligations, putting health and safety first;
- clear definitions of the landlord's and tenant's responsibilities for repair, defining emergency repairs, urgent repairs and non-urgent repairs, arrangements for inspections and tenant satisfaction monitoring;
- commitments to carry out repairs in one visit wherever possible with appointments arranged to suit residents;
- procedures for responding effectively to complaints and putting them right;
- plans to reduce the environmental impact of products used;
- proposals for publishing information on performance;
- a scheme for negotiating future improvement plans and a re-tendering strategy.

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<sup>24</sup> <https://www.housing-ombudsman.org.uk/2023/04/03/severe-maladministration-for-westminster-city-council-after-leaving-a-new-born-living-in-damp-and-mould/>

Over the next years, the priorities for the repairs service should be:

- to address key risks, especially cost inflation, for which more funding may be needed in 2023/24 and subsequent years;
- working with contractors to prioritise the improvement and consistency of day-by-day performance to increase satisfaction rates through an ambitious service improvement plan;
- to make further progress in prioritising planned maintenance over reactive repairs, for example building a data-driven asset management system which tracks components needing cyclical replacement;
- discuss and agree with residents the Repairs Charter and finalise it;
- urgently to roll out initiatives like the programme on damp and mould based on a full assessment of the condition of the stock, the Ombudsman's recommendations and the new regulatory requirements;
- once the Charter is agreed, start discussions on the tendering strategy for the next round of repair contracts with strong resident participation.
- undertake an assessment of the positive role that might be employed by a direct labour force in some parts of the repairs service in future.

## Major works

The major works programme is under review elsewhere, so we considered the aspect of consultation and engagement with residents. There were many historic complaints of poor consultation on specifications and work standards but a recognition that improvements had been introduced and recent experience was better.

There are now clear expectations for communication and engagement in advance of works, from the scoping stage and initial roadshows to statutory consultation, to engagement when the works were on site, treatment of defects and monitoring and satisfaction surveys.

The Panel wanted to see better engagement on the specification of works and improved accountability for the quality of work completed by contractors, with the council or individual leaseholders only being charged for work that had been inspected and met the required standards. A new council scheme enabling leaseholders to pay bills over a much longer period was welcomed. There was a strong request for a resident liaison officer to be on site as a point of contact whenever work is ongoing to deal proactively with immediate issues. There could be live satisfaction reporting like 'smiley faces' to identify discontent quickly.

## Leaseholders Charter

Over the years Westminster has had a high rate of right to buy sales leading to the current position where it has more than 9,000 leaseholders. More than half of these (54%) are now non-resident meaning that estates are now a complex mix of council tenants, resident leaseholders, and private tenants.

There was strong support for the introduction of a Leaseholders Charter, and we looked at some examples of what it might include. We felt that the Charter should not just be a restatement of the lease and should have equivalence between the council and the leaseholder, being about services not just responsibilities. In discussion, ideas included:

- respectful treatment of residents;
- dispute resolution and taking ownership when mistakes are made;
- clear arrangements for contacting the council, setting timescales for responses;
- active consultation on service charges, annual accounts, repayment terms for capital works and services like ASB, with action on feedback, learning lessons to continuously improve;
- improved consultation on specifications for estate services contracts such as communal cleaning and grounds maintenance;
- setting standards for repairs to communal areas and property repairs where it is the council's responsibility;
- information about wider services, e.g. domestic abuse or money advice for property sustainment, care and support;
- guidance on selling;
- monitoring information about performance against targets.

The Panel also thought the Charter should distinguish clearly between resident leaseholders and landlords. The number of homes that are let is a big issue as the council is frequently required to intervene on issues like short-term lets or antisocial behaviour. The council will normally only deal with the leaseholder, not their tenant, which can lead to a slower response. Residents would like more information about reporting short lets and sub-lets that are not allowed under the lease.

Leaseholders were very interested in the idea that they could employ the council's repair contractors on a paying basis, especially when similar works are needed for all flats regardless of tenure (e.g. installing air quality monitors and passive ventilation systems in a block). There are issues around contractual arrangements and liability, but leaseholders felt that such a service would enable them to keep costs down.

## Resources

We were consulted as the council developed its Housing Revenue Account budget for the 2023/24 year. There were difficult decisions to be taken in relation to the government's decision to cap rent increases at 7% at a time when the usual rent formula would have led to an increase of 11% or 12%. Rents for new tenancies are not capped and will rise by CPI + 1%. The cap impacted the HRA business plan. The HRA must balance the costs of the housing management service and support for the housing capital programme. We were pleased that the council has been able to:

- establish a fund of over £1 million to provide support for tenants who will not have the rent increase covered by benefits. We have been consulted on how this scheme might be implemented.
- review recharges from the council to the HRA for central services, reducing the charge by around £0.5 million. Further work should be done to ensure charges are fairly applied, and that all items are properly charged to the HRA rather than the General Fund (recognising that tenants are council taxpayers as well as rent payers).
- fund the first stages of manifesto commitments to improve services, with additional funding next year for extra housing officers and the opening of a new Service Centre and more service points.

For future years the priorities will include:

- to consolidate the costs of service improvements to make them permanent;
- to invest more in repairs: there are genuine cost pressures in the system and rising expectations for example in relation to the treatment of damp and fire safety;
- to prepare for the new regulatory requirements, including *Awaab's Law*, as compliance will involve some additional costs;
- to increase stock condition surveys and gain a better understanding of the investment that is needed through a detailed asset management plan;
- to fully review the boundary between the general fund and the HRA to recognise that residents on council estates pay for services as council taxpayers as well as rent and service charge payers;
- to stress test future rent scenarios: government policy on rents is still unclear. Over the past decade policy has lurched from rent cuts to rent increases beyond inflation to rent increases well below inflation. This is uncertain for tenants, especially under the current benefits regime, and makes long term planning for the HRA complex.

