

# Housing, Finance and Corporate Services Policy and Scrutiny Committee Briefing

<b>Committee date:</b>	<b>12<sup>th</sup> September 2016</b>
<b>Author:</b>	<b>Cllr Daniel Astaire</b>
<b>Portfolio:</b>	<b>Cabinet Member for Housing, Regeneration, Business and Economic Development</b>
<b>Please contact:</b>	<b>Madeleine Hale x 2621</b> <a href="mailto:mhale@westminster.gov.uk">mhale@westminster.gov.uk</a>

**Please find below an update on key areas of activity from the Housing, Regeneration, Business and Economic Development portfolio since the committee last met.**

## Housing

### **1. Church Street renewal - general:**

- The Regeneration Base at 99 Church Street is now open and the programme team work there making them more accessible to local stakeholders. This was announced both in the regular newsletter and through a specific mail drop to every address in the ward.
- The recruitment of a new Chair for the Future Steering Group (FSG) is complete and Tom Dacey, Chief Executive of Southern Housing Group, took up his role from 1<sup>st</sup> August. I am sure the Committee will join me in congratulating Mr Dacey on his appointment and we look forward to working closely with him.
- The review of the FSG and its working groups is underway, a facilitated workshop is planned for 14<sup>th</sup> September to discuss and finalise the changes agreed in principal at FSG on 20<sup>th</sup> June. As part of this, a newsletter will be produced on a bi-monthly basis.
- The business case for Cosway Street is complete and being taken through its approval process.
- Green Spine – the design team are due to report back to stakeholders with their proposed solutions in September. Amongst other places these will be displayed in 99 Church Street.

- The results of peer group research programme speaking to over 700 households across the ward are being collated and these will be used to inform the development of the programme going forward.
- The Arts and Culture Fund which awards between £200 and £10,000 for creative projects, has now awarded over £47k in grants with a further £28K pending approval. All of the projects awarded grant money benefit the people of the Church Street area and are rooted in the local region and have strong local connections.
- The previous Neighbourhood Upkeep procurement process was delayed slightly while improvements to the process were made. A revised and enhanced specification will be discussed with residents and taken to market in the autumn with a view to the contract being live in April 2017.

## 2. Delivering Church Street renewal specific sites

**Tresham Crescent:** The process of agreeing the final account is now in hand, the building seems to be performing well. Subject to agreement, the FSG AGM will be held there on the 20<sup>th</sup> September.

**Lisson Arches:** The work on site to divert services and create a development platform is proving extremely complex. The record drawings for service locations and for the foundation of adjacent structures are not wholly accurate or complete. The project team are in constant dialogue with FM Conway and the utility companies seeking to expedite progress. The team are adapting to the situation as it develops and aim to minimise the impact on the timeline as much as possible while still keeping residents informed of the situation.

**Luton Street:** Luton Street will provide 162 new homes with 60 new affordable homes (including 14 replacements) and is an important decant site for the next stage of the regeneration programme.

### Benefits to the council

- 57 new affordable homes (35% net new affordable) to assist with the decant programme for the Church Street regeneration.
- 3 court Sport England compliant Sports Hall for the local community.
- Project/ Community space – size to be confirmed.
- £3m public realm contribution to go towards improvements such as the Green Spine.
- £2.4m improvement works to 6 existing Council owned blocks surrounding the Luton Street development site.
- £9.7m land receipt (as per 2014 tender bid), which is subject to further negotiation post grant of planning consent.
- £450,000 Council Management Fee.
- An overage provision to allow the Council to split profit with the developer on a 50:50 basis on the private for sale units over £1,240 per square foot.
- Community buy in and support, seeing the first major housing regeneration project for Church Street come forward and delivered on behalf of the community.

Commercial negotiations with the developer have been protracted with offices seeking to maximise the benefits to residents and the Council Residents have had and continue to have a strong voice in the development of the design. Subject to planning and satisfactory conclusion of the negotiations construction work should start in the second half of 2017.

**Venables Street:** Conways are well advanced with the works and the new stores will be ready in late October.

**Orchardson Street:** The three flats were formally opened on 24<sup>th</sup> August and will remain open for residents to view and comment on until 17<sup>th</sup> September at which time they will be let to local families in acute housing need.

**Penn and Lilestone:** The occupants of Penn House will move to Lisson Arches when this is completed and dialogue continues on the requirements of the NHS for a floor or floors on the site. The ground floor is planned to be the Community Well Being Hub promised in the vote booklet for Church Street.

Corporate Property are delivering the project as the largest component is new office accommodation and the current intention is that any income obtained from rents will accrue to the General Fund.

**District Energy Scheme:** Work continues on the development of an outline business case for the project and a clear preferred technical and commercial option for delivery. A number of challenges are being dealt with to ensure that the scheme benefits existing residents and is a net generator of revenue for the Council.

**Master plan:** Peter Brett Associates, an engineering practice with significant experience of working with the public sector, are appointed to prepare a new and detailed master plan, including a clear delivery strategy for Church Street. The inception meeting was held on 25<sup>th</sup> August and a detailed work plan is in development. Central to the process is detailed dialogue with stakeholders. Events are planned with market traders and retailers on 17<sup>th</sup> September and with non-retail businesses on 22<sup>nd</sup> September. The master plan team will also be presenting at the FSG AGM on 20<sup>th</sup> September.

**Outcomes Framework:** Working with residents the programme team has developed a description of the outcomes to be achieved through the Church Street for All programme, including ways to measure progress. This has emerged from discussion of the Health and Well Being Hub. The framework sets out how other aspects of the programme such as the master plan or neighbourhood upkeep relate to each other and informs decisions on projects.

### **3. Housing Zone:**

Dialogue continues with the GLA (Greater London Authority) to ensure that the terms of their investment into Lisson Arches and the wider Church Street for All programme are appropriate and equitable. Regular Housing Zone Board meetings take place and the GLA are active supporters of our programme in Church Street, attending, for example, the initial meeting to discuss the master plan.

### **4. Ebury Bridge:**

Dialogue is continuing with residents and others interested in the delivery of new and improved homes at Ebury Bridge. The project team have two overriding objectives to deliver as far as is possible the commitments made to residents in the vote booklet whilst delivering a scheme that is financially viable for the Council. A detailed options review is taking place to examine ways to achieve this.

The first of the Soho Housing blocks has been acquired; negotiations are well advanced on the second block. When these are acquired and the tenants rehoused they, along with Edgson House, will be demolished.

## **5. Affordable Housing**

Dolphin Square have recently launched the Westminster Home Ownership Accelerator (WFOA), a new intermediate housing scheme jointly developed by Dolphin and Westminster that helps eligible households who live or work in Westminster to build up a deposit while renting a sub market rented property before moving on into home ownership.

The first 16 of 50 intermediate homes are currently being made available for letting at Dibun House in Maida Vale and applicants for the scheme are currently being interviewed prior to direct offers of accommodation.

Great Portland Estates (GPE) have completed the first 3 of 9 new affordable homes in Great Portland Street and Ridding House Street linked to GPE S106 obligations on a number of their new developments in the West End. The remaining 6 affordable homes are expected to be handed over in September. These affordable homes will be transferred to A2Dominion to which the City Council has 100% nomination rights.

Completion of a new build scheme located at Thorney Street SW1 (Clelland House) and delivering 67 affordable homes is anticipated shortly. This scheme that will deliver 37 social and 30 intermediate homes is being provided under a S106 agreement with Berkeley Homes. These affordable homes will be transferred to Dolphin Square. Nominations from the Council's waiting lists are currently being made to this new development.

Schemes that have recently secured planning consents that will deliver on site affordable housing include:

- 12 - 14 Greek Street W1 (Soho Estates) - 8 affordable homes;
- 59 Greek Street W1 (Soho HA) – 9 affordable homes
- Dean Bradley House, 46 Horseferry Road SW1 (Mayfair Charities Limited) - 3 affordable homes

Those planning applications pending that will deliver new affordable homes include:

- Hathaway House, 7D Woodfield Road (Meadow Residential) - 19 new affordable homes
- West End Green NW8 (Berkeley Homes) – variation to existing planning permission that will increase the number of affordable homes from 126 to 130
- Dora House, 60 St John's Wood Road, London (Central and Cecil) – Revised planning application for 139 affordable homes for use as sheltered housing

## **6. Housing & Planning Act update**

The Act received Royal Assent in May. Much of the detail to support implementation required regulations, which were expected to appear summer or autumn this year – but so far have not been published. June's referendum and ministerial changes may impact on the timetable for some regulations, although this has not been confirmed. The regulations are to come back to both Houses of Parliament for approval, so we will have opportunities to continue to shape them. Once more details are available, further work will be done to identify impacts and prepare for implementation.

## **7. Homelessness Legislation**

Bob Blackman MP (Conservative, Harrow East), who came second in the Private Members' Bill ballot, has introduced a Homelessness Reduction Bill 2016. It will have its Second Reading at the end of October. The Commons Communities and Local Government Select Committee will be conducting pre-legislative scrutiny of the Bill. The Bill places a greater emphasis on homelessness prevention and extends a duty to provide accommodation to the single homeless. The Bill is based on recommendations made by Crisis earlier this year and

its principles have been supported by the [CLG Select Committee](#), who recently published a report following its nine-month inquiry into homelessness (to which the council gave evidence).

## **8. CityWest Homes**

**Performance** - CityWest Homes performed well in Quarter 1 against its management agreement targets. Of particular note are rent collection and complaints handling. Rent collection performance is at the highest level on record for quarter one (98.6%). Complaints performance has also improved and satisfaction with complaint handling increased from 63% to 76% over the quarter.

**Customer Satisfaction** - This year CityWest Homes are working with the Institute of Customer Services to measure customer satisfaction independently. The ICS are now in the process of surveying a sample of tenants and lessees and the results will provide a benchmark on customer satisfaction against other service organisations across the UK, including John Lewis, First Direct and M&S.

**Service Transformation** - 2016/17 is a busy year for CityWest Homes as it works towards implementing a new target operating model for service delivery (to be presented to this committee); procuring digital technology to support service delivery structures and letting new repairs and major works contracts (to start in Summer 2017).

**Joint work with the Council** - CityWest Homes strategy has aligned its work closely to that of the Council and joint working continues on the digital and service transformation programme including joint procurement of CRM software and sharing IT infrastructure.

Work is ongoing in other areas across the Council, including environmental services, management of parking on housing estates, public health - keeping tenants in their home for longer; employment; homelessness from CWH households and rough sleeping on estates.

**Annual HRA business planning cycle** - CityWest Homes has prepared detailed projections for the 5-year and 30-year investment plans for existing stock. CityWest Homes are coordinating the programme and cashflow forecasts for HRA and housing regeneration and development projects.

**Resident Engagement** - The new local panels and Residents' Council have now all met and agreed priorities. The Residents Council has started the process to appoint a chair, who will also attend the Board meetings. This is expected to be confirmed by early October.

**Board Recruitment** - Two resident board members and an independent member are due to step down this year and recruitment is underway with the aim of selecting replacements by the end of October.

**Implementation of Housing & Planning Act 2016** – CityWest Homes has responsibility for implementing higher rents for high earning tenants ('Pay to Stay') and the sale of high value voids. Detailed regulations were due before the parliamentary recess but have now been delayed to the autumn. The planned implementation date remains April 2017 but with no clear details, this is expected to change.

## **9. Rough Sleepers' accommodation services**

In 2010 Westminster launched a literacy strategy in rough sleeping accommodation services. The pilot was hugely successful with 26 learners (and their corresponding 26 coaches) recruited in the first 6 months of the pilot. In mid-2016 the toolkit was re launched

in the rough sleeping pathway and a call for peer coaches and a new “Teach a Friend to Read” campaign was launched at the Homeless Health Conference. Since the re-launch, we have many learners and their peers taking this up.

The Council Rough Sleeping Team officers have been working with a number of providers on transformation of their services and developing new pathways into supported accommodation for those who present at Housing Options. This programme has encompassed developing more specialist resource in our accommodation services, developing systems to better demonstrate outcomes/value for money by providers, joint work with Housing options to identify those who have complex needs and offering them supported accommodation and in some cases, intensive support from officers to build in resilience to our services pending further funding pressures.

There has been a significant increase in rough sleepers using Novel Psychoactive Substances (NPS) – sometimes referred to as ‘Spice’; the result has been increases in anti-social behaviour, violence within services and service users refusing to engage with support because of the effects of these drugs. To address this, officers and commissioned services have teamed up with treatment services to educate staff and develop outreach programmes and treatment pathways. This is still a relatively new phenomenon but one that we are working hard to address.

## **Economic Development and Growth**

### **10. Markets**

The council continues to engage with the local community on the procurement of a market operator for Berwick Street. There has been further dialogue with the traders, including meetings on the 26<sup>th</sup> July and 10<sup>th</sup> August. Officers have received feedback from the traders on the potential for the future of the market and this will be fed into the tender process.

### **11. Business Improvement Districts (BIDs)**

Following the successful Marble Arch BID ballot outcome reported in the April report, The Fitzrovia Partnership has proposed to Westminster that a joint BID with Camden is considered as part of their new business plan which goes to ballot next year. Meanwhile HOLBA propose going to a second ballot in February and March next year.

### **12. Employment & Skills**

The council is working closely with the District Job Centre Plus to plan and implement a strategy to support residents who will be affected by the next phase of the DWP Welfare Reform programme due in the Autumn. The aim of this collaboration is to increase the level of support and employment outcomes for unemployed residents affected by the housing benefit cap. This is likely to reduce the expenditure of the council's discretionary housing payment budget.

The Economy Team is leading on a Borough wide revision of the measurement system for supported employment. A new internet based system is being designed to create more consistent and accurate reporting, with a strong focus on the long term unemployed.

Together with the virtual school, a new post is to be created to provide housing and employment advice to Looked After Children. This is a tripartite collaboration between Children's Services, Housing and Economy. This initiative is anticipated to lead more of Westminster's looked after young people to productive, working lives.

A plan has been developed to promote apprenticeship growth. As well as the internal apprenticeship targets, the aim is to support the business community to recruit 100 apprentices.

An Apprenticeship Careers Fair is being planned. It will be hosted by the City of Westminster College on the 16<sup>th</sup> November as part of Westminster Enterprise Week. The event aims to attract 60 exhibitors and 500 Westminster college and school students looking for work.

### **13. Enterprise**

The Business Unit has broken an interim target for 100 business requests for assistance since March. This is without significant advertising or promotion. The current clear up rate for business problems is over 90%. A new internal network of over 40 business champions across the council will assist with enquiries to the Business Unit.

Now in its second year, the council is working with businesses and entrepreneurs to bring an exciting schedule of activities and experiences across the 14<sup>th</sup> – 18<sup>th</sup> November. Westminster Enterprise Week is an official partner of Global Entrepreneurship Week, the world's largest entrepreneurship campaign.

To ensure The Week continues to develop, a bid will be entered to access Erasmus+ funding in return for sharing the Westminster Enterprise Week model with partners in Europe. The deadline for bid submission is the 4<sup>th</sup> October. If successful, this could secure 100% funding to deliver the programme for the years 2017/2019. This would enable an expansion of the activities of Westminster Enterprise Week to ensure the impact is experienced all year round. The bid would also benefit more young people including those not in Education, Employment or Training (NEET) and groups underrepresented in the Enterprise landscape such as Looked After Children and Care Leavers and young people with Learning Difficulties & Disabilities

### **14. Broadband**

BT have announced the first nine locations across the UK to benefit from a new Fibre to the Premises (FTTP) broadband product specifically designed for SMEs, offering ultrafast speeds of up to 1Gbps. Areas of Westminster will be some of the first in the UK to get access to this new capability. BT will be targeting business parks and high streets that do not currently have access to Openreach fibre broadband.

The new network will be rolled out over the course of the next few months, with communications providers able to offer ultrafast speeds to businesses from the end of December.

A £3m ERDF Bid to deliver a connection voucher scheme in Westminster has been submitted. Again, a City for All priority, the scheme will provide SME's with up to £1,000 toward the cost of a superfast broadband connection. This grant is at a 40% intervention rate, meaning the business will contribute 60%. It will provide £1,000,000 in investment and support a minimum of 1,000 businesses.

The application has been since accepted at outline stage and may progress to the submission of a Full Application. It is hoped a positive response to this application will be provided by the end of this calendar year.

**1<sup>st</sup> September 2016**