

# FUTURE <sup>OF</sup> WESTMINSTER COMMISSION



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## Chair's introduction

When the Future of Westminster Commission started its work last July the immediate challenge was the very wide scope of the policy and service areas the Council wanted us to review: increasing the supply of affordable housing, improving housing management and maintenance, tackling homelessness, addressing inequality and poverty, employment and the city's economy and meeting the net zero challenge.

We tackled this in a number of ways that have shaped the work methods and programme we have carried out over the eight months since then. First, we established four separate strands of inquiry and recruited four convenors to lead separate review groups on each strand – Karen Buck MP on fairness and equality, Steve Hilditch on housing, Claudette Forbes on economy and employment and Syed Ahmed on energy and the green transition. The Housing Review was significantly the largest undertaking with, in practice, three different reviews on housing supply, housing management and homelessness and housing need, each with their own sub groups and workstreams.

We also agreed purpose statements and priorities for each of the groups endorsed by the Cabinet, for example that the Economy and Employment Group should focus on how the Council enables more Westminster residents to share in the economic success of the City. With the help of the convenors and their extensive networks we were able to recruit more than 70 people with a great mix of expertise and experience including a new Residents' Panel on management of Council

housing to support the main Commission and its review groups on a voluntary basis. I am grateful to them all for the energy and effort of their contributions to the Commission's work.

Secondly, we agreed that we would work in tandem with Council officers and Cabinet Members in tackling the new administration's priorities and would use its commitment to a Fairer Westminster as the frame and context for our reviews and advice.

We often called this working 'in real time' which meant providing advice, support and recommendations as new proposals were worked up for decision by the Council – clear always that our role was advisory with decision making sitting with the Council and its Cabinet. A good example of this – and one of the earliest – was the joint work on changes to the Council's housing development programme which culminated in an officer report to the Cabinet in October supported by a Commission note which has enabled the Council to deliver more than 300 extra social homes.

This approach meant that a fair amount of the Commission's work was focused on immediate policy decisions facing the Council and also on providing input and advice to officers and Cabinet Members on issues that arose day to day as they tackled the Council's new priorities. Examples include advice from the Housing Review Group on prospective changes to the City Plan including a formal consultation response and on the Housing Revenue Account Business Plan and advice from the Fairness and Equality Group as the Council rolled out a new Cost of Living strategy including introducing free school meals for all primary school pupils in Westminster and then extending that policy to nurseries and Key Stage 3.

But the Commission has also worked and advised on longer term policy and service development in priority areas. So, on housing supply besides the initial work on the Council's own development programme the Housing Review Group has advised on a longer-term review by the Council on maximising the supply of truly affordable housing supported by external consultants. There are forward looking proposals on engaging the Council's tenants and leaseholders around the housing management service based on five

meetings with a Residents Panel convened through the Commission and important recommendations for the future on homelessness and housing need.

The Commission has also worked up some initial proposals that could help inform a future Transport Strategy for the Council supported by some pro bono work by Arup. And there are two other important areas which emerged from the Commission's work cutting across the different review groups.

First, the Commission has supported the development of proposals for a North Paddington Programme to address inequalities identified in the 2019 City Plan produced by the last administration which described North Paddington as "an area requiring co-ordinated intervention to tackle persistent levels of inequality." Following initial advice from the Economy and Employment Review Group the Commission has worked with Council officers to advise on a new place-based approach to improve outcomes for local people with detailed proposals reported together with Commission advice to the Cabinet in February. This approach has now advanced into delivery with the Commission supporting further stages of work including the creation of a new North Paddington Partnership Board.

Secondly, the Economy and Employment Review Group has worked with Council officers to advise on the Council's potential role in leading and enabling a network of anchor institutions to work together on common priorities including the North Paddington Programme. A series of meetings with partners is planned, focusing first on cost-of-living issues, then on inclusive recruitment and procurement moving on to tackling wider structural inequalities.

On both these important initiatives the Commission helped in securing additional support for the Council from Bloomberg Associates, Michael Bloomberg's pro bono consultancy which works in cities across the world developing and supporting best practice. Bloomberg Associates have worked extensively on London wide issues with the GLA, in particular on anchor institution networks. On the Council side this is being steered by the Chief Executive with the support continuing beyond the life of the Commission.

Much of the value of the Commission has come from this advice and support "in real time", and our report gives details of where the Commission or its review groups have provided advice on issues and support in developing Council initiatives such as the North Paddington programme, the cost-of-living strategy and free schools' meal policy.

But we agreed that it was important to produce a final Commission report which gave more details of the Commission and Review Groups' work and included key recommendations for the future. We decided to provide the Council first with a final report on the Housing Review as this was a substantial body of work on three separate reviews which deserved separate and detailed consideration. This was made public together with the Council's response at the May Cabinet meeting.

We agreed it was right to conclude the Commission's work after a year and believe it has shown the value of enabling external expert advice to the Council, including from the experience of Westminster's communities. The Council should consider how to retain the benefits of this both through community structures such as the North Paddington Partnership Board and the Council Residents Panel that the Commission helped establish and through expert panels/advisors in specialist policy areas such as housing supply and the path to Net Zero.

Finally, I would like to give particular thanks to Daniella Bonfanti, who has organised administrative and other support to the Commission's work, and to the four convenors who have led the work of the Review Groups. The convenors have played an essential and central role in our work, leading liaison and discussion with officers, agreeing work programmes and priorities, chairing meetings of the full group and sub-groups and preparing progress reports, advice notes and other outputs.

**Neale Coleman** CBE  
Commission Chair,  
Member National Infrastructure Commission,  
former GLA Director London 2012.

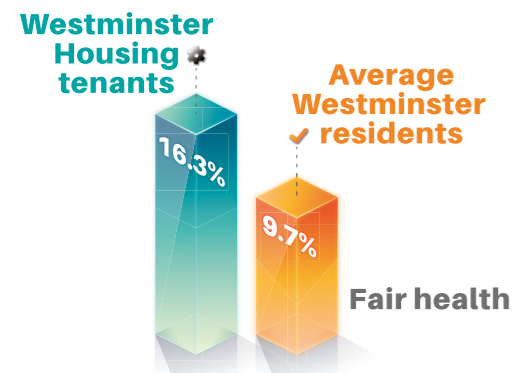
# Health

## Health Inequalities

### Health by Tenure



Westminster housing tenants are in **poorer health** than the wider population.



They are also more likely to report having **fair health** (16.3%) than the Westminster average (9.7%).

### Age and Unpaid Care

50-64 years old



Over 4,000 residents

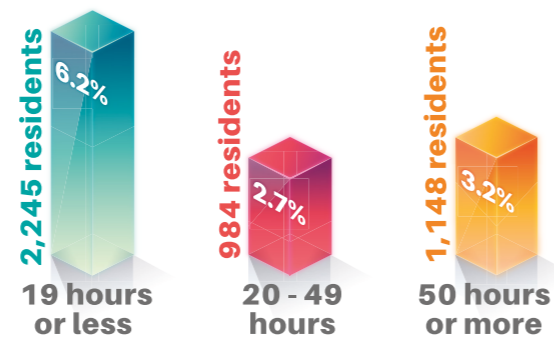
The age group most common to provide unpaid care is between **50-64 years old**. Over **4,000 residents** provide some unpaid care.



Westminster Housing tenants are more likely to report having **bad or very bad health** (11.8%) than the Westminster average (5.1%).



By contrast, they are significantly less likely to report having **good or very good health** (71.9%) than the Westminster average (85.2%).



(2,245 residents in this age bracket provide **19 hours** or less unpaid care in a week (6.2%), 984 provide between **20-49 hours** of unpaid care (2.7%) and 1,148 residents provide **50 hours or more** unpaid care (3.2%).

# Housing

## Overcrowding

### Bedrooms

**10.2% (9,711) of households** had fewer bedrooms than required (overcrowded) and **38.6% (36,629)** had more bedrooms than required (under-occupied).

The majority of households that are overcrowded are concentrated in **Church Street** (21.6%), **Westbourne** (20.9%) and **Queen's Park** (19.7%).

### Overall number of rooms

Westminster Housing tenants are more than **twice as likely to be overcrowded** compared to rest of the borough's residents.

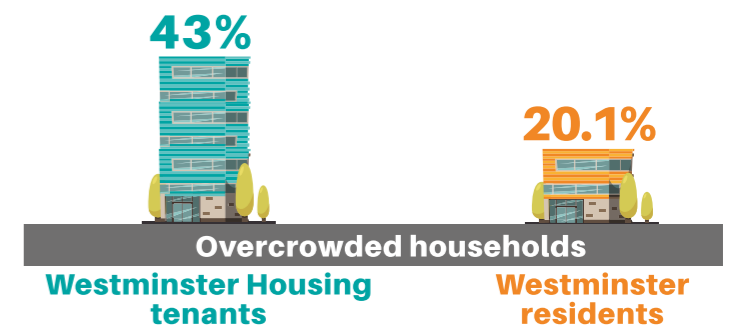
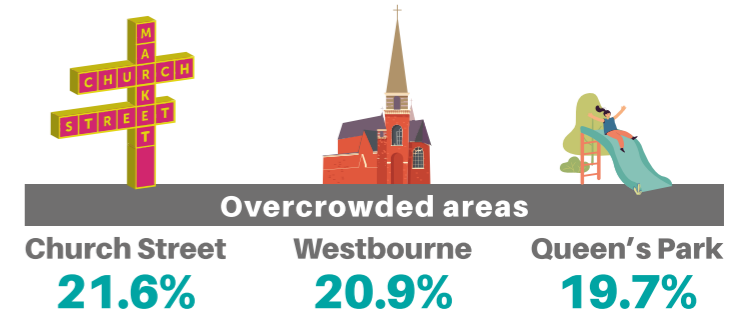
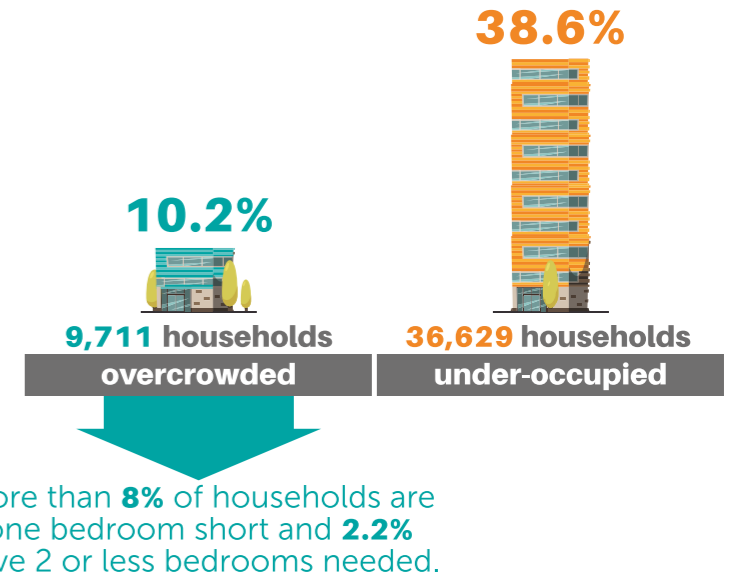
More than **43%** of Westminster housing tenants are living in **overcrowded households**, which is more than double to the Westminster average (**20.1%**).



Residents from **black ethnic groups** are almost **twice as likely** to live in overcrowded household as the Westminster average (38.3%).

Overcrowded households

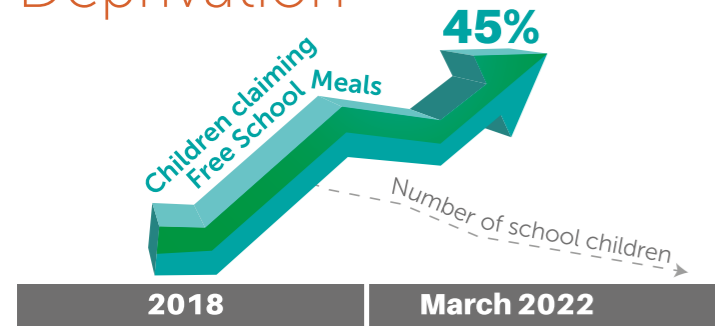
## FUTURE OF WESTMINSTER



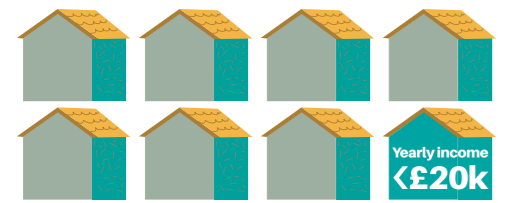
# Communities

## Deprivation

(Note here that published data for the 2021 Census does not yet cover deprivation dimensions with other dimensions e.g. tenure, ethnicity etc)

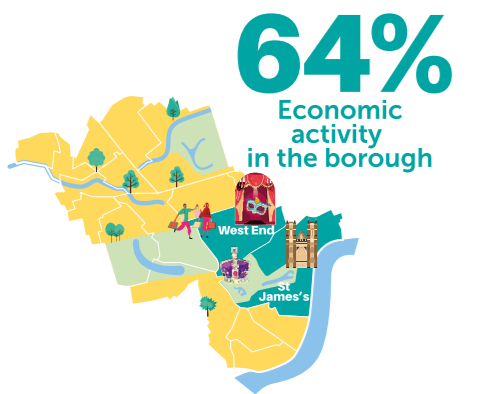


**45% more** children in Westminster were claiming Free School Meals at the end of **March 2022** compared with 2018 – despite a fall in the number of overall children. (School pupils and their characteristics, DfE June 2022)



**One in 8** households earn less (including all benefits, and earned income) less than **£20k** per year. (Paycheck, CACI 2022).

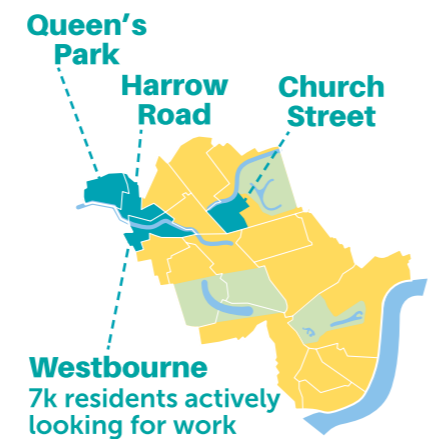
## Ward Level Economic Activity



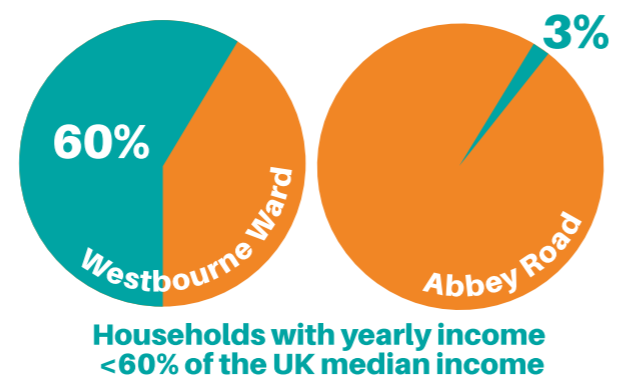
The vast majority of economic activity in the borough is located in the **West End** and **St. James'** (**64%**), these areas are home to a large proportion of commercial activity, retail, theatres and tourist attractions.



Of the 18 wards in Westminster, **9** produce **95.5%** of the GVA in the borough. (WCC estimates based on 2020 employee distribution and industry). (Estimated GVA for Westminster in 2020 was £72.1bn).



The Census 2021 suggested that there were 7k residents actively looking for work but unemployed – biggest concentrations in **Queen's Park, Westbourne, Church Street** and **Harrow Road**.



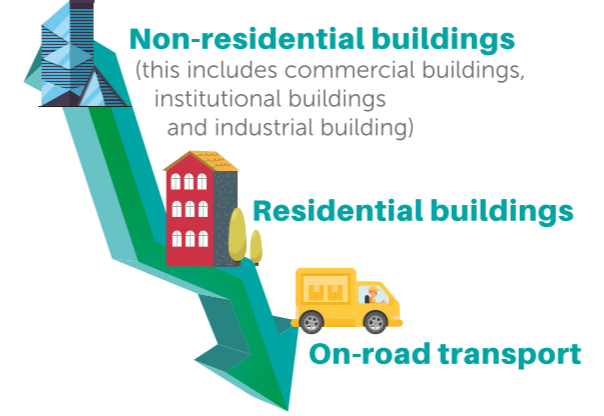
In **Westbourne Ward** almost a quarter of households have an income that is less than **60%** of the UK median income, compared to **3%** in **Abbey Road**.

# Environment

## Energy and Green Transition Review

Total emissions by source based on 2019 data from Anthesis which covers Scopes 1, 2 and 3 emissions from both CO2 and non-CO2 greenhouse gases.

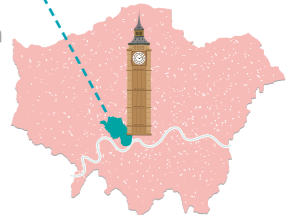
The three **biggest emissions sources** in Westminster in 2019 were (in descending order):



This includes Scopes 1, 2 and 3 emissions and CO2 and non-CO2 emissions.



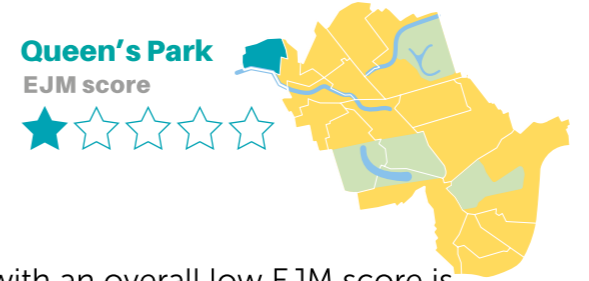
**Second highest emissions** of all London boroughs



Westminster had the **second highest emissions** in 2020 out of all London boroughs.

The emissions ranking is based on 2020 LEGGI data which includes scopes 1 and 2 emissions only.

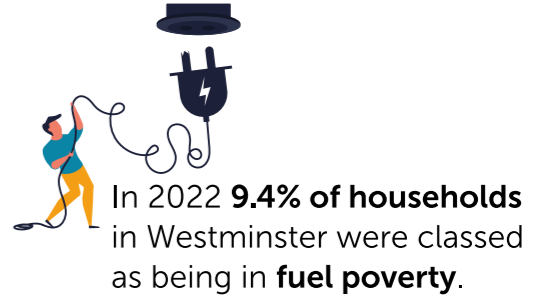
## Environmental justice measure



The ward with an overall low EJM score is **Queen's Park**, where the entirety of the ward is scored 1 (there are 5 levels, with 1 being the worst). That low score means that the area is likely to have a higher environmental impact in comparison to the rest of Westminster. **Church Street** and **Westbourne** wards also seem to be scoring low overall.



The estimated cost of **retrofitting** the councils corporate portfolio is approximately **£58 million**.



## Households dependent on heat networks

Westminster is the **4th local authority** with most households being **dependent only on district or communal heat networks**.

More than **8%** of households rely on that type of **central heating**, following City of London (18.6%), Southwark (10.6%) and Camden (9.4%).

Most of those households are concentrated in **Pimlico**, where the Pimlico District Heating Undertaking is operating.



## The commission's work programme

The Commission's role and terms of reference were agreed by the Council's Cabinet in July 2022. This provided for four review groups to be established to carry out the following strands of enquiry:

- **Housing:** Advise on increasing the supply of genuinely affordable housing to meet housing need in the city. As a priority 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.
- **Fairness and Equality:** Advise on policy approaches and initiatives that will enable and deliver a fairer, more equal and inclusive city.
- **Economy and Employment:** Advise on how the Council enables more Westminster residents to share in the economic successes of the city.
- **Energy and Green Transition:** Advise on ways to enhance and accelerate climate action supported and delivered by the Council to achieve the objective of achieving net zero Westminster by 2040.

In addition, it was agreed there would be a core Commission to provide expert external input and challenge the thinking emerging in each workstream to improve outcomes, introduce new ideas, and maximise opportunities by joining up thinking across the range of the Commission's responsibilities.

This final report provides details of the work of the four review groups, their membership and their conclusions and recommendations to the Council. During the course of their work the core Commission held four meetings in different parts of the city with an invited community audience to hear and consider progress with the review groups' work and invite feedback and then a series of meetings as the groups were preparing their final reports to look at links and common themes across the groups as well as two areas specifically included in the core Commission's terms of reference: the Council's approach to consultation on policies and service delivery and the Council's relationship with and support for the voluntary and community sector.

The members of the core Commission were

**Neale Coleman** CBE Commission Chair, Member National Infrastructure Commission, former GLA Director London 2012

**Steve Hilditch** Convenor Housing Review, Former Director of Policy Shelter;

**Karen Buck** MP Convenor Fairness and Equality Review.

**Claudette Forbes** Convenor Economy and Employment Review, Board Member Connected Places Catapult, Future of London, Independent Advisory Panel on Grenfell for UK Government.

**Syed Ahmed** Convenor Energy and Green Transition Review Director, Energy for London, Board member National Energy Action, Director Parliamentary and Sustainable Energy Group

**Professor Tony Travers** Director, London School of Economics

**Dr Naomi Katz** Clinical Director, Grand Union Health Centre, former Children's Lead West London CCG.

**Ben Commins** Executive Head, Queen's Park Primary School.

**Jackie Rosenberg** CEO, One Westminster, Deputy CEO, Paddington Development Trust.

**Phil Graham** Executive Director Good Growth, GLA.

**Andrew Travers** Former CEO, LB Lambeth.

## Inequality in Westminster

In addition to the review group recommendations set out in the next chapters this report also sets out some important Commission recommendations that are really council wide and draw on the work carried out by the separate reviews together with discussion among Commission members. These principally address the severe problems of inequality affecting residents in the city. The most striking single fact we found about Westminster was the gap in male life expectancy of 18 years between the poorest wards in the north of the City and the most prosperous wards. This is by some way the largest such gap - and to that extent Westminster is the most unequal borough - in the country. So, despite the wealth in the city the 14th most deprived Super Output Area out of 4,835 in London is in the Church Street ward with 60% of residents in that ward on benefits against 10% in neighbouring Marylebone and Regents Park. Median incomes in Church Street are £34,000 compared with £75,000 in Knightsbridge and Belgravia.

Besides the spatial basis and concentration of inequality in the north of the city and also in the Pimlico South ward there are significant pockets of relative deprivation across the whole city mainly affecting tenants in social housing and the poorest parts of the private rented sectors but also groups with protected characteristics including global majority communities. Council housing tenants are more likely to report having bad or very bad health (11.8%) than the Westminster average (5.1%). Council housing tenants are more than twice as likely to live in overcrowded households compared to the rest of the city's residents with over 60% of overcrowded households concentrated in three wards, Church Street, Westbourne and Queen's Park.

The impact of these inequalities on residents and communities has been very much exacerbated by the cost-of-living crisis and its effects. The Council's annual City Survey in 2022 showed that compared with 2021 the proportion of residents who felt they were financially comfortable had decreased in the Harrow Road ward from 51% to just 19% more than 50 percentage points lower than the 77% recorded in the Marylebone ward.

Tackling the health and other inequalities that underlie these statistics had already been recognised to an extent by the previous administration in the City Plan which identified the north-west wards of Westbourne, Harrow Road and Queen's Park as an "area requiring coordinated intervention to tackle persistent levels of inequality." This has rightly been given much sharper focus and priority now with the Council's city-wide Fairer Westminster strategy. Our cross-Council recommendations in this area reflect the need to support that approach with further changes to how the Council delivers that strategy including through its budget, review and delivery planning processes and organisational development. At the heart of these should be commitments to community engagement and co-production, much more focus on prevention and early intervention and with its partners developing appropriate neighbourhood service delivery.





## Prevention, early intervention and local working

The council is already emphasising preventative approaches and early intervention as part of its strategic approach to address inequalities as a key element in the #2035 collaborative programme with Imperial Health Trust that aims to cut in half the eighteen-year gap in male life expectancy between the richest and most deprived areas of Westminster. Similar mechanisms and tools will be needed to mitigate the negative impacts of climate change on the City’s vulnerable communities and residents. The council needs to build on this work to embed prevention and early intervention at the core of its approach.

There have been some encouraging projects and initiatives, some of which sprang up to meet the pandemic crisis. The Community Health Workers scheme on Churchill Gardens has also broken new ground and is due to be extended to other areas of the city and there has been strong early progress with the proposed North Paddington Programme. But we felt there needed to be a more comprehensive and better-defined programme of activity in support of this critical and very stretching objective.

We recommend that the Council should identify a clear programme of service reconfiguration and other initiatives that it will commit to in order to contribute to the #2035 objective recognising that overall the programme is a joint effort by the Council and Imperial Health Trust in collaboration with the voluntary and community sector and driven by local communities. It is important for the Council to commit the necessary resources for its part in the programme and this should be seen as a central element in

the budget process this year and in future years. We suggest that for this year the Council incorporate an element of external challenge in doing this within a formal process overseen by the Cabinet Member for Public Health and the Voluntary Sector and the Cabinet Member for Finance.

As part of its #2035 work the Council should target its data and intelligence work on understanding at a granular level those individuals and families which are at the highest risk of not being able to live a ‘good life’ in Westminster and those localities where investment in the public realm and community services has been disproportionately low. The staff undertaking this work will need to develop detailed, first-hand knowledge of those communities, the challenges they face and the resources available to support them. We therefore recommend the establishment of an early intervention data team, drawn from existing data and intelligence functions, to be based in a community facing setting in one of the more deprived areas of the City North Paddington, Pimlico South and/or Church Street with appropriate resources and with a remit to work jointly with VCS organisations, health services and schools that serve those diverse communities.

Over recent years the Council and other important public services have withdrawn staff from front line contact with residents and service users. So in the north west of the City, despite being prioritised in the City Plan, the only substantial Council presence has been the two libraries in Queen’s Park and Maida Vale. Both the Council’s One Stop Shop and the local Police Station have closed

as have nearly all the local estate offices run by the Council and RSLs with significant numbers of tenants. It had left the Council’s tenants on the Mozart estate, one of the most deprived in the City, with an inaccessible estate office a difficult public transport trip away in Westbourne Terrace. This all makes effective preventative working with individuals, families and communities very difficult and leaves many residents without digital skills or English as a first language isolated and struggling to access services.

Not only does this place Council services at a distance from the people and communities they are intended to support, but it also acts as a barrier to early intervention and addressing need in an integrated manner, as it tends to mean interaction with the Council is more likely to take place in silos via individual services or departments. The Council has made a good start in addressing this with the new North Paddington programme and a Council base established at Maida Hill Market, there are further plans for a new Mozart Estate office in Bruckner Street and for a substantial new family hub in Third Avenue in Queen’s Park as well as identifying potential sites for community hubs across the city.

The Council has also included substantial funds for investing in community hubs across the City as well as for further local estate offices and presence in its budget for future years. In developing these programmes, the Council should engage with local communities to work out which are the most important areas for locally based face to face service delivery and agree an affordable strategy for neighbourhood services that includes collaboration with other service providers such as the Police, local GPs, RSLs, employment services and VCS organisations. This should include mechanisms to ensure that the needs of families and individuals are considered and addressed in the round and should be a central part of the budget and delivery plan process for future years – on which we say more below - identifying a clear resourced timetable for delivering new local hubs and offices.





## Organisational Development, Budget and Delivery Review

The new administration in Westminster has articulated a set of priorities that mark a clear break from those of its predecessors. If the Council is to deliver the desired change, it will not be enough simply to develop new policies and programmes. These new priorities need also to be reflected in how it is structured, and the Executive Leadership Team needs to take steps to embed an organisational culture which supports their achievement – in particular, placing the voices of the City’s most disadvantaged and underrepresented communities at the heart of the Council’s approach to its work.

In order to progress this the Council also needs to look closely at how its staff and financial resources are deployed and whether and how they might be reoriented to support a stronger focus on the City’s most deprived communities and a preventative approach to service design and delivery.

Building a new relationship with all the city’s communities through effective, ongoing engagement is at the heart of the new administration’s approach. This will not happen only through goodwill, however, and Council staff will need the tools and skills to achieve this. We therefore also recommend the development and roll-out of training for all the Council’s staff, starting from the top, in effective community engagement and consultation, alongside further support for the central team with direct responsibility for delivering this agenda.

We received a detailed presentation of the Council’s financial position, associated risks and opportunities from the Director of Finance. We were pleased to see that the

Commission’s approach of working alongside the Council has already resulted in significant investment in response to the Commission’s work, for example in the Council’s housing development programme, its cost-of-living strategy and the budget provision for North Paddington. Looking forward, it is critical that decisions on the use of resources continue to reflect the wider priorities of the council around decent and affordable housing, prevention and early intervention tackling the cost-of-living crisis and achieving net zero.

We therefore welcome Council’s plans for a more fundamental review of Council priorities and resource allocation during 2023. This should involve deeper examination of resource allocation, Council capacity, capability and overall effectiveness within service areas identified by the Cabinet as priorities for review and for delivery of the Council’s Fairer Westminster Delivery Plan. We recommend that the priorities and the methodology, timetable and resources required for these reviews over the next two years should be identified and agreed as soon as possible.

Overall, the budget and delivery planning process should be based on the Cabinet’s priorities for the administration and its Fairer Westminster Strategy, and all funding decisions should be driven by that process. This would include Council Tax decisions, revenue and capital budget allocations, the strategy for allocating CIL revenues, and the use of all reserves and balances – in particular, examining the scope to repurpose any earmarked reserves towards the priorities set out in the Strategy and Delivery Plan and the #2035 programme.

The Council should also consider mechanisms to embed its strategic priorities in the approach to financial planning on a more long-term basis – in particular, considering the scope to introduce climate budgeting and the use of participatory or deliberative mechanisms to involve residents and communities more fully in this work.

We have recommended above the establishment of local hubs and offices in the City’s disadvantaged neighbourhoods, through which front-line staff might identify opportunities for early intervention and joined-up delivery. Such direct engagement with communities should not, however, be restricted to front-line staff: everyone in the Council, and particularly its most senior managers, should see it as a core part of their job, with firm expectations set around training in effective consultation and engagement. In support of this, we recommend that the Council establishes clear requirements for all staff to spend a proportion of their time in Westminster but outside City Hall, including being seconded or based in community based organisations, to be exposed to the challenges of front-line service delivery and to strengthen their understanding of and engagement with the City’s residents and communities, as part of developing a wider culture focused on tackling inequalities, responding to community priorities, and addressing the needs of people with protected characteristics.

## Cost of living

The Council has done impressive work on supporting residents affected by the current cost of living crisis, but we heard much evidence of how seriously vulnerable households were being affected and their health put at risk by the crisis. We recommend that the Council should continue to use every vehicle it can to support those affected by the cost-of-living crisis including by providing further targeted support to tackle fuel poverty.

Recent research by Sir Michael Marmot has warned of epidemic levels of fuel poverty in the UK that will cause “a significant humanitarian crisis with millions of children’s development blighted.” The Council does support a modest programme of fuel poverty interventions through a “Green Doctors” programme with support from the GLA’s Warm Homes Advice Service. There should be joint work across the Climate, Housing and Public Health teams to scale up significantly a targeted programme of energy efficiency advice and works in preparation for next winter drawing on support from the Council’s Carbon Offset funds. This could naturally be an integral part of the Council’s developing North Paddington programme and other place-based initiatives across the City such as the community health work in Church Street and on the Churchill Gardens estate.







## Voluntary and Community Organisations

In their work the Review Groups found much evidence of the important contribution voluntary and community organisations were making to the quality of life of Westminster residents, particularly in deprived communities. There were many examples of innovation and reach into communities that the council could not readily achieve. This had been particularly important during the pandemic when schemes such as local food banks and the Community Champions had supported residents, promoted vaccination and tackled isolation. It continues to be important in addressing the cost-of-living crisis, where again the sector had stepped up in addressing holiday hunger for young people and providing vital advice and hardship support to struggling individuals and families and will be critical also in dealing with the unavoidable impacts of climate change.

However, we also found that the sector was nothing like so well supported by the Council as in the neighbouring boroughs of Kensington and Chelsea and Camden. A major difference is the lack of core funding support to voluntary and community organisations; adequate core funding is strongly supported in good practice guidance to funders. Kensington and Chelsea's Voluntary Sector Support Fund provides £2.8 million in core funding over an 18-month period to local voluntary and community organisations; Camden provides £3.7 million/year in core funding through four grant programmes.

The new administration's election manifesto recognised that the voluntary sector in Westminster had been underfunded for decades and committed to tackling this and restoring a permanent central grants scheme offering longer term grants. This had not been addressed at the time of writing our report. We recommend that the Council should as soon as possible introduce a core funding

programme for the voluntary and community sector of similar scale to its neighbouring boroughs. As in both Kensington and Chelsea and Camden this programme should recognise the need for funding to smaller and emerging organisations and for those that provide capacity building and infrastructural support.

In addition, the Council should treat the sector with respect and as a more equal partner and should seek opportunities to strengthen its capacity and involvement on a more permanent basis. We recommend that the Council should work with the sector to develop a local Compact on relationships and processes, identify opportunities for community asset transfers and community ownership, and consider longer-term mechanisms to embed community engagement at the core of its strategy, such as participatory budgeting or citizen's assemblies. As a first step the council should meet regularly at Chief Executive/ELT level with key voluntary and community organisations in the City.

## Community engagement and consultation

The Council has made strong commitments to giving residents a greater say in how it operates and ensuring consultation is meaningful and genuine. We have already noted the importance of founding new approaches to service delivery on effective and inclusive engagement with communities.

Good work had been done led by the Deputy Cabinet member responsible on quality assuring significant consultation exercises. This had revealed very uneven quality across all the consultation exercises being run by the Council often with staff leading them not having relevant and necessary guidance, experience and training. We recommend that based on this work the council should re-examine and formalise its requirements for consultation and establish a central team responsible for ensuring that all consultation exercises comply with them.

The Council has also begun a number of area based initiatives aimed at more proactive and inclusive engagement with communities, in particular the North Paddington programme and new Steering Groups for Queensway and Edgware Road. These naturally supplement other existing and important arrangements

for engagement with Amenity Societies and local forums and the Council should evaluate and extend them as appropriate identifying good practice but also recognising that different parts of the City may need different approaches. The Council should ensure that its approach to community engagement is planned and delivered in genuine partnership with local voluntary and community sector organisations and not seen as its sole preserve. Voluntary and community organisations often have links into communities that are stronger than the Council's and should be resourced through funding or secondments to deliver community engagement in area based programmes.





## Making Change Stick

Broadly we think that the right way for the Council to monitor progress with the Commission's recommendations that it accepts is to embed them within its own service strategies and corporate and programme monitoring processes. So the fairness and equality review recommends an annual Council report on progress with its poverty reduction strategy, key recommendations on energy and green transition should feed into the review of the Climate Action Plan with the housing recommendations taken on board and monitored through the new housing strategy and the proposed Corporate Housing Improvement Programme. Some of the Council's corporate monitoring is structured around the Commission review group topics and that should facilitate corporate monitoring of key Commission recommendations. We recommend that following Council decisions on which Commission recommendations should be accepted a clear plan for this overall monitoring approach should be agreed as part of their implementation.

The Commission has also made a wide-ranging set of recommendations to reorient the Council's programmes, operating model and culture towards addressing inequality and supporting those communities which have historically been excluded from the wider growth and prosperity of the City. The extent of change that is achieved will depend strongly on the pace and ambition with which those recommendations are implemented and on the willingness of the Council to stick to the course that has been set.

Many of the Commission's recommendations are designed to embed different elements of these new priorities and ways of working – whether through culture change, training and development, governance and leadership,

consultation and engagement mechanisms or the reallocation of resources. Alongside this, however, in order to ensure continuing progress across the breadth of this programme of change, and that action is not reduced to specific recommendations in isolation, broader oversight and monitoring is needed.

In support of this, the Council should also consider what central programme resources are needed to support and manage the delivery of this programme, and ensure they are provided. These recommendations have the potential to drive significant improvements in the Council's relationship with the full range of its communities and citizens and in the quality of their lives, but to do so the right capacity needs to be provided and a long-term commitment made to the work that is required.

We did consider whether the Council should establish a steering group with some outside and independent representation to review its implementation plans, agree measurable objectives and monitor progress – holding the Council's feet to the fire for the delivery of the new priorities that it has set. But we think this is fundamentally a task for the Council's Cabinet advised by the Chief Executive and Executive Leadership Team and for them to consider whether any additional structures, processes or outside independent support would be useful. However, as one additional measure specific to the Commission's recommendations accepted by the Council we recommend that next year the Council should invite the Chair of the Commission, together with the convenors of the four sub-groups, to review and report on progress.





# Fairness and equality review

## Introduction

At the start of the Commission’s work the purpose of the Fairness and Equality review was defined as to ‘identify policy approaches and initiatives that will enable and deliver a fairer, more equal and inclusive city’. Between August and March 2022/3, the review group held seven meetings to hear evidence, see presentations and discuss options, around six broad priority themes:

- the cost of living crisis
- improving opportunities and the quality of life in the city’s most disadvantaged neighbourhoods
- ensuring residents have access to advice, advocacy and representation
- early years provision
- early help and support for older children and young people (including those most at risk from serious youth violence) and
- tackling health inequalities.

The members of the review group were

- Karen Buck** MP (Convenor)
- Helen Keenan** Managing Director, Project Hart, Grosvenor Estate
- Karen Barker** Head of Policy and Research, abrdn Financial Fairness Trust and London School of Economics
- June O’Sullivan** CEO, London Early Years Foundation, representatives from the Young Westminster Foundation
- Anela Anwar** Director, Z2K (Zacchaeus 2000 Trust)
- Imran Hussein** Director of Policy and Campaigns, Action for Children
- Filsan Ali** Director, Midaye Somali Development Network

The evidence received and considered by the review group included:

- highlights of 2021 Census detailing demographic and deprivation data
- information on local impact of cost of living crisis and Westminster’s response
- presentation on the extent to which poorer neighbourhoods are disproportionately affected by fear of crime, ASB and neighbour nuisance, and on responses to these to
- presentations on early HELP, mental health services provided to young people, serious youth violence
- presentation on the Council’s Community Investment Strategy
- presentation on the Council’s advice services review and impact of the cost of living crisis on the advice sector
- evidence video from residents in relation to the impact of the cost of living crisis from Young Westminster Foundation and London Mutual Credit Union
- presentations by Citizens Advice, North Paddington Food Bank, Birmingham University, Young Westminster Foundation, London Early Years Foundation, One Westminster, Mosaic and the BME Forum

The review group proceeded by starting from the evidence base and examining the effectiveness of existing Council policy and programmes that seek to meet the needs of more disadvantaged communities. In doing so it drew in particular on evidence of service users’ experience from the voluntary and community sector.





## Findings and recommendations

### There is great strength in our own communities - but they must be supported.

Westminster has an extraordinary, rich, and complex history of voluntary activity and organisation. This in turn reflects a wider history as the heart of the capital as a place of arrival for so many communities from across the UK and the world. Here to work, here to seek refuge, here to seize opportunities. It is a place of extraordinary diversity and of constant change. Communities gather, support each other, and celebrate their faiths, their cultures, their arts, and then often move on and out. This brings a massive energy to the city. But because there is often real struggle, especially when times are hard generally, needs are also great, and because costs are high and the population change so rapid, the organisations we depend on to reach into neighbourhoods and win the confidence of residents need more help, not less. This also must be a strategy with built in futureproofing to provide security and protection against the funding droughts which come around too often.

To address these needs we recommend that the Council should:

- ensure adequate and sustained investment in partner/umbrella organisations and bring them fully into planning for neighbourhood services.
- accept that Westminster has much to learn from community experiences and voices. Whilst resources are inevitably limited, and both councillors and officers have responsibilities to manage finances and determine priorities, everyone can benefit from a collaborative, open spirit of engagement.
- develop local infrastructure, with an asset base, to reduce the vulnerability of these organisations to short term variations in support.
- review on a regular basis access to space, facilities and workforce development (alongside core funding) for local and voluntary groups as patterns of need and services change
- embed an approach to reducing social, economic, and geographical inequalities across the work of the council and champion this in dealing with statutory agency partners, including the NHS, police, DWP and others. Whilst supporting individuals in need can be a vital part of this, it must also be based on a recognition that inequalities are structural not personal
- look for ways to ensure social value is secured across commissioning and procurement and supporting community objectives with an employment policy which prioritises local people into apprenticeships and jobs, especially where this offers career/skills progression
- encourage co-production with the community as a means of engagement to create joint solutions.

## Community, Family and Youth Hubs

A common thread linking so many strands of activity relating to well-being, health and quality of life is getting connected. Westminster may be physically compact, but it is a highly diverse, highly mobile city and far too many residents, especially those in the greatest need, clearly struggle to find out what is going on, or how to access it. For some there are major confidence barriers to getting involved - a lack of confidence which can be rooted in language, problems with digital access, fear or anxiety about expectations, in a negative view of the state or one of many other factors. Services which rotate between different venues and times can be particularly hard to negotiate.

Community and Family Hubs can play a vital role in overcoming these barriers, especially when there is certainty and predictability about where and when they can be accessed. Where these are also a base for community organisations to work and outreach from, they can be transformative - a lesson learned from Sure Start centres. Multi-generational activities can also be especially valuable in helping to break down barriers in areas where high mobility means people are less likely to know their neighbours than in the past.

A youth hub model has been heavily supported by WCC Early Help in partnership with the Young Westminster Foundation and the Avenues, St Andrews, Fourth Feathers, Churchill Gardens and Amberley. These work closely with the Family Hubs and specialist community services. Although this gives good coverage across the city, given some of the concerns, such as where young people feel confident about going, it would be useful to understand how well provision is taken up in areas such as north Maida Vale, the Warwick estate and Bayswater/Lancaster Gate.

The Council's commitment to developing hub networks is extremely welcome and will hopefully also help improve accessibility for NHS and other service outreach. Crucially, such hubs must be visible within and accessible to, residents in the most disadvantaged neighbourhoods as well as the more deprived wards. Above all, delivery must be in full partnership, as promised, with the community and voluntary sector.





## Poverty, hardship and the cost-of-living crisis

The review group's work began just as the full impact of the cost-of-living crisis began to be felt. Besides the overall rise in inflation energy and food prices rose even further with a devastating impact on household budgets. Private sector rents are prohibitively expensive in Westminster and, whilst the Government did address this to some extent by increasing Local Housing Allowances from April 2020 to assist during the pandemic, rates are significantly below average market values and have remained unchanged for the last two years. Many people on Universal Credit, in and out of work, have seen their incomes cut as a result of sanctions or restrictions, reducing their disposable income well below the notional level of entitlement. Some groups, including those with communal heating systems, or on pre-payment meters, have been particularly badly affected by energy costs due to the increased price of wholesale gas and electricity. Even before the impact of the COVID-19 pandemic and the increase in inflation people were already struggling. The main rates of working age benefits and tax credits were frozen for 4 years from April 2016. Westminster has a large number of households on pre-Universal Credit 'legacy benefits', mostly benefits for long term sick and disabled people, with mental health issues being a significant factor. Those people did not receive the temporary uplift given to Universal Credit recipients during the pandemic, and incomes fell substantially in real terms. The effects - for them and other groups, such as those whose incomes are restricted by the Benefit Cap and Two Child limit - limit their ability to heat their homes, eat well and participate in activities outside the home. Hardship and discretionary funds can play a vital role at a time of crisis, as we are seeing. It is vital that the delivery

of assistance is monitored to ensure take up is inclusive with information freely available to all

Westminster's different communities.

The review group strongly supported the measures taken by Westminster Council to assist the most vulnerable households during the crisis. This has included providing free school meals, first to primary age children, then extended to resident children in nurseries and into secondary school at Key Stage 3 from September 2023. The Council has also added to hardship funds and offered a tailored fund to assist renters whose incomes are too high to entitle them to means-tested help from Central Government but who are particularly severely affected by rising rents.

The Council cannot itself set benefit rates nor determine eligibility. It cannot alone raise the incomes of the tens of thousands of low-income households, although the companion section of employment in the Commission report covers ways of increasing opportunities for residents to develop skills and find good jobs. Working with local employers, Westminster can also continue to promote the London Living Wage.

What the Council can do is ensure that its services are, as far as possible, tailored to offset the disadvantages which flow from living on a low income and/or in a deprived neighbourhood. The review group identified some of the key areas as being access to advice and representation, early years and family support, youth services, access to leisure, safer neighbourhoods and the removal barriers to greater health. We also recognised that housing was one of the most serious challenges facing lower-income households - from homelessness to overcrowding and from affordability and insecurity in the private sector to disrepair and damp in any sector. This issue deserves, and so gets, its own chapter in this report, but we are in no doubt that tackling these problems would be one of the most important ways many of those in greatest need can be supported.

We recommend that the Council should:

- Follow up its work so far on the cost-of-living crisis with a more detailed poverty reduction strategy including an annual report to the Council on poverty and low income in the borough. This report should also cover debt and debt management, enforcement in respect of rent and Council Tax (policies and practice, numbers) and applications to/assistance provided by discretionary council funds.
- Adopt a proactive data-based approach to targeting its hardship schemes and other types of support to families and households in the greatest need.
- Review the operation of credit providers in the borough to ensure that bad credit providers are dissuaded from operating locally, and to consider the feasibility of supporting credit unions.
- Review its policy approach to promoting the London Living Wage with employers in the city to make it as effective as possible.
- Ensure that the support available on its cost-of-living hub is communicated in a wide range of languages and also that front line staff in the Council and partner voluntary and statutory organisations are made fully aware of the available support.





## A word of advice...

Without a well-functioning advice, advocacy and representation sector, the effective delivery of so many other services are seriously undermined. From consumer rights to tax and social security, from immigration to Utility Company debts, most people need advice some time in navigating an increasingly complex, often impenetrable, environment. As always, some people face additional barriers because of disability, literacy issues, lack of digital access, not having English as first language. And some people live under far greater pressure - private renters facing eviction, benefit recipients facing sanctions and deductions. Yet research shows that every £1 invested in early help pays back up to £7 in increased income and/or reduced costs, like court costs. Although Westminster has historically been reasonably well served in terms of level of provision, evidence now suggests that needs are escalating, whilst high costs also make it increasingly hard to recruit staff.

Figures provided by Westminster Citizens Advice Bureau show a worsening situation as the cost-of-living crisis intensifies. Over the two quarters Winter 21 to Winter 22, there was a 135% rise in the number of people seeking emergency support, including help from foodbanks, a 95% rise in those seeking help with energy costs and a 340% rise in the number requiring debt assessments. There has been a sharp rise in the number of sanctions applied to claimants, and homelessness is increasing, as measured both by rough sleeping, section 21 ends of private tenancies and homelessness applications to local authorities.

Local providers do a superb job in often complementary ways - from early help to support at Tribunals or court, but all services are overstretched. At the same time, it is always apparent, sometimes too late, how many people remain unaware of where and how they can get help. Neither does the Council have a complete picture of who is providing what service for who.

We recommend that the Council should:

- Carry out a more comprehensive audit of services across the sign-posting, advice, advocacy and representation sectors and how they serve local communities. This should include examining the need for open access services on the Advice Shop model, tribunal and appeal representation and looking at the potential for Refernet or other platforms to offer a more seamless service. The audit should also examine variations in need, take up, and outcomes across different communities to identify those who are finding it difficult access advice and measures to address this.
- Approach DWP at a senior level to agree a collaborative work programme on managing the Universal Credit migration process and ensuring that the move between benefits does not trigger arrears/enforcement action where this can be avoided.
- Improve support for workforce development in the advice sector, including developing create an apprenticeship scheme with its partners for local residents to gain the skills they need to fulfil advice sector roles in future and more support for volunteers including pathways into employment for them.
- Explore to identify levels of need and what support could best be provided for young people from school age into young adulthood. Young people are less likely to access formal advice services but face specific challenges, like mobile phone debts, and these can impact negatively on mental health.





## Getting off on the right foot - A quality early years' experience for all Westminster children

Good quality, affordable childcare is in the interests of both children - where it is of disproportionately greater benefit to the most disadvantaged - and working parents. Research by the Sutton Trust suggests that disadvantaged children are already eleven months behind their more affluent peers by the time they start school. Westminster has excellent nursery schools and not for profit providers but also some of the most expensive provision anywhere. And in common with other areas, childcare providers are struggling to recruit and retain staff. According to London Early Years Foundation there has been a decline in the number of people seeking employment in

the early years sector with the pandemic having had a big impact on staff retention. Staff also want to work more flexibly which does not suit the needs of nurseries and staff are less qualified.

Westminster specific concerns include the low take up of places for 2-year-olds, especially in the most deprived wards, the implications for providers and the maintenance of spaces in the context of the decline in the child population, and the high costs of early years SEND provision.

Take up of existing provision for 2-year-olds is lowest in the wards in the northwest of the borough, and in the poorest neighbourhoods generally. Currently 43% of 2-year-olds are not accessing available services, with some communities, including Turkish and Eritrean communities, particularly poorly represented. Additionally, children in many of the most disadvantaged households are least likely to be able to access early years provision for children because they are not working. This will include families where a single parent, or both parents, may have disabilities or long-term sickness, and a single parent is otherwise not in a position to work 16 hours. Even working families have changing requirements for childcare, with a high demand for part time places which does not fit comfortably with the way nurseries and providers are funded.

Whilst there is no definitive factor explaining differential take up, it is highly likely that confidence is a key component.

The outstanding work done by community projects like Family Lives Parent-Child Plus, and the Pre-Birth to Five programme helps break down barriers and build confidence, utilising peer-to-peer messaging. Although excellent, these initiatives tend to be small and time limited, and it should be easier to map them geographically and analyse them by demography.

The national Government Budget announcements in March 2023 included a welcome commitment to expand provision for children aged between nine months and two years, as well as additional free hours for children up to school age. There has also been a significant increase in the amount working parents on Universal Credit can claim for childcare. On balance, according to the Resolution Foundation, the way the new investment is structured will particularly benefit middle- and higher income earners, however. There is also no question that delivering the offer will also present major challenges to providers in all sectors, since the financial support for providers is only 10% of the estimated need, which may increase the incentive for some providers to increase the number of children per staff members, as the government has permitted.

It is not yet clear what the impact of the extended offer will be on the need for physical infrastructure (several nurseries have closed in Westminster in recent years, particularly in the poorer wards, but at least two higher cost private nurseries have opened in Queen's Park), for early years staff and for childminder and other home-based provision. There has been a marked decline in the number of childminders here, as elsewhere.

We recommend that the Council should:

- Conduct and maintain a full audit of provision across all early year's sectors - public, private and voluntary, as information is patchy. We need a better understanding of who is using which provision, where and at what cost. This audit should also cover pre-natal services from conception to the end of year one, to establish how to improve the coordination of services, especially those delivered by GPs, Midwives, Health Visitors and the Council.
- Work with key voluntary sector partners to carry out research into the barriers to take up of the existing offer for working parents, returners and low income families not in work, across different communities, and develop appropriate targeted promotional activity to increase take up, including the use of 'Childcare Champions'.
- Set a target for increasing participation by parents not in work for health or similar reasons, to ensure the children of economically inactive parents are not excluded and report on this annually.
- Publish an assessment of needs and provision for SEND children in each early years age cohort so as to design a future service model, accessible in both the north and south of the borough.
- Support early years providers with the delivery of part time places, including for parents who want full day provision but only for part of the week.
- Identify pressure points arising from the extended childcare offer in the budget, to ensure that children of poorer households are not in care settings with a lower ratio of staff per child than 1 to 4 (or as is age appropriate).
- Work with London Early Years Foundation and other interested providers on the development of the Early Years apprentice model for the next 10 years.





## Wraparound and holiday services

We know from pupil premium/FSM data that a high percentage of Westminster's school students are from more economically disadvantaged backgrounds. Schools also face challenges from high pupil turnover and now the falling child population seen across inner London. Whether wraparound or holiday schemes are aimed at enabling parents to work or at enriching and improving the lives of children (they should do both), in practice they are hard to provide under these circumstances. The drastic decrease in participation as the Council's play service was run down, then replaced by relatively expensive private provision, cannot be entirely explained by an overall drop in the number of children - only a little over a decade ago well over 1000 children were using the council's own Play Service. It became both too expensive and less convenient. So, we ended up with too little provision for those who need it most, including children without gardens, children in larger families and children of parents unable to work, amongst others. This in turn impacts on child health and family wellbeing.

The government's generally welcome commitment to expand childcare nonetheless still assumes a 38-year week, and, whilst encouraging wraparound care in schools and other settings, assumes this will be funded by charges. Yet charging is least viable where schools do not have a large cohort of parents able and willing to pay.

We recommend that the Council should:

- Support the Young Westminster Foundation in maintaining a comprehensive, up to date directory of wraparound and holiday schemes, with numbers, prices, and access/eligibility.
- Carry out an assessment by ward of the numbers and circumstances of children who would benefit, so consideration can be given to supporting schools willing but unable to offer such a service.



## Provision for children and young people

After hitting a low in 2015/16, when the Council removed funding from the youth service (as well as the play service and much of the out-of-school programme), there has been some significant rebuilding. The Young Westminster Foundation has played a vital role in fund-raising, promotion and co-ordination, and the staff and volunteers at centres across the city have done magnificently in holding the service together, even though a great deal of damage was done in the interim, compounded by the effects of Covid. The new administration invested quickly to ensure a summer programme in 2022 and aims to continue supporting projects working with young people across the city. A key issue is continuity with the short-term, stop-start nature of so much of the funding over recent years making it hard to retain staff or to plan for the future.

There is some evidence of parental reluctance to use youth services because of anxiety about negative peer pressure, thus potentially leaving those children isolated and without the opportunities participation can bring. Community youth services need to have capacity for outreach and confidence building with parents, via schools, faith groups, etc.

Paddington Development Trust is among those who have also identified a particular need amongst young people aged between 18-25, often not in employment, education, or training, and at risk of becoming victims of, or involved in, serious youth violence. This issue has been specifically highlighted by the violence on and around Lisson Green in the winter of 2022 but has wider applicability.

We recommend that the Council should:

- provide long-term confidence for voluntary youth service providers to enable them to plan evening and holiday provision with sufficient lead in time.
- liaise with providers over the provision of transport where necessary, so young people at risk/fearing street violence can participate and ensure that youth hub provision is accessible across all areas of the city.
- ensure sufficient capacity to deliver a comprehensive youth offer across the city, with particular emphasis on the most disadvantaged wards, with an immediate priority being to meet needs in Westbourne.
- investigate more ways for the voice and views of young people to be taken into account in commissioning youth services but also in decision-making across the Council.
- working with Young Westminster Foundation, PDT and others, aim to build parental confidence in the youth service while looking to develop alternative models of your provision for example in schools.
- audit the delivery of, and issues facing, supplementary schools in Westminster, building on the work by YWF and John Lyons Trust with a view to providing further support to them.
- address the needs of the cohort of young adults over the age for youth services but at particular risk from gang involvement/serious youth violence, identifying barriers to employability, skills, training, and enterprise for 18-25s. This would include continuing support for programmes such as Helping Hands Serious Youth Violence programme, and responding to insights from young people gained from the 18-25 study.
- facilitate additional capacity around consultation with/involvement by young people in service design, utilising the YWF needs analysis due to launch in autumn 2023.





## Increasing access to and participation in sports and leisure

Westminster is well served by leisure facilities and residents have access to world class parks and open spaces. However, access to a number of these facilities is limited because of cost and other factors, including, in some cases, booking procedures. It is, for example, often difficult for young people to access pitches for informal/self-organised games. Childhood obesity levels are very high, with 40% of children deemed to be overweight by the last year of primary school - double the level at reception. Inequalities in life expectancy, life limiting health conditions and mental health reflect patterns of income and housing inequality. And reflecting the experience elsewhere, women and girls are

particularly likely to stop participating in physical activity after school. Safety can be an issue for women and girls but serious youth violence - perceived and actual - also limits how and where boys and young men can go to play sports.

There are numerous community projects either based in or operating in Westminster, and the reach many of these have into more disadvantaged communities is significant. Many of them are organised and led by volunteers. Yet a common thread for them too is that they find the affordable provision quite restrictive, with commercial bookings taking precedence. There has, for example, been disappointment over access to the new Church Street leisure hub, and the Jubilee Hall which replaced the former Jubilee sports centre after the construction of the Moberly, and there are complaints about access to Paddington Rec and Academy Sports. Whilst there will inevitably be a balance to be struck between the need for commercial income, including that generated by Westminster's non-resident visitor population, the contribution being made by community/voluntary groups needs to be more fully recognised. Whilst community champions are recognised for their contribution at celebratory events, this does not always feed through into day-to-day problem solving.

We recommend that the Council should:

- prior to the negotiation of the leisure services relet undertake a community consultation programme with different user groups (schools, faith communities, parents, young people, women, older users) into access to sports and leisure, so as to better understand the issues regarding costs, booking systems, how community hours are utilised, the demand for different activities and the balance between organised activities and individual recreation
- ensure maximising social value is given due weight in strategic leisure plans and procurement processes
- conduct a regular audit of community sports provision and build relationships with community sports providers, to learn from their experiences with accessing affordable appropriate facilities. This should include an annual event with providers
- publish and keep up to date a directory of local providers, services and contact details, and hold an annual community sports conference supported by councillors
- review regularly all leisure service S106 agreements to ensure full compliance
- maintain focus on the project looking at designing and supporting spaces where girls can feel safe using outdoor spaces for activity and leisure.





## Loving where you live starts with feeling safe.

Everyone wants to have a home where they feel safe and positive about their local environment. In building a fairer Westminster, councillors for some of the most disadvantaged wards and estates have rightly been championing improvements in the built environment and in landscaping to bring the environment in poorer areas up to the standard of the best. There is no fundamental reason why standards of maintenance, street furniture, planting and so on should be worse in one place than another, any more than there should be variations in street cleaning, rubbish collection or lighting. Alongside this, attention must similarly be paid to people's sense of safety and comfort, at home and in their local streets.

Although levels of recorded crime in residential areas are not high – Westminster crime statistics are heavily skewed by the size of the day and night-time visitor populations – crime, the fear of crime and the experience of anti-social behaviour have profoundly life-restricting consequences. They impact on physical and mental health, reduce activity levels, especially after dark. And the impact is disproportionately (though not exclusively, of course) felt in the poorer neighbourhoods, including estates, by women and girls, young people and by global majority residents.

The decline in Safer Neighbourhood policing teams over the last 12 years has been profound, and in addition to reducing the visibility of on-the-ground police presence, will not have helped with the crisis of confidence in policing now being experienced across London and beyond. The council leadership has been and will continue to press for neighbourhood police teams to be rebuilt as much as possible, but we also know that community safety cannot rest with the police alone. Furthermore, writing in the immediate aftermath of the publication of the Casey Report into the Metropolitan Police, we know there is a major job to do in restoring public confidence in policing, especially amongst black/global majority communities, women, young people, and LGBTQ+.

The investment made by the Council in youth and children's services can contribute to a prevention agenda, but this can also go wider. There are areas within the residential areas of the city, for example, which feel unmanaged and unsafe, which in turn makes people less likely to pass through them, especially at night. The renewed focus on the redesign and improved management of the Maida Hill square could offer a model for improving some of these spaces, so they feel safer and more attractive places for people to meet and engage.

We also know from international research that the fear of crime is strongly influenced by levels of familiarity within someone's neighbourhood – the more people you recognise, the more likely it is you will feel safe. High levels of population churn in cities can work against this objective, but community activities, and visible services, such as community and family hubs, can help offset that.

It is not only in the street where crime, ASB and the fear of crime can have a profound effect. Neighbour disputes, whether over noise, shared spaces, or other factors, cause huge amounts of distress and unhappiness to many residents, and often prove extremely hard to resolve. Westminster has one of the highest proportion of residents living in flats anywhere in the country, and inevitably properties with poor sound insulation, confined communal areas or poor design (such as lighting at the entrance) cause more problems. The loss of localised housing offices (Council and Housing Association) has not helped by reducing local knowledge and locally based officers to help resolve issues. The review group heard that take up of mediation is low, which may reflect a lack of trust and confidence in the system, although the development of an app for reporting noise issues could assist those comfortable with digital reporting.

Finally, community based mental health services are significantly overstretched and the threshold is set too high to be accessible to many people with poor mental health but who are not in crisis. The Council has identified that there is a significant gap in support for this group.

We recommend that the Council should:

- Continue to press for more neighbourhood police officers to be deployed throughout the city.
- Identify resources and a plan for improvements to the public realm, playgrounds and street furniture focused on disadvantaged wards which have not previously seen much of this type of investment and review environmental contracts to ensure there is equity in delivery across the city.
- Monitor the impact of initiatives which increase the council's presence on estates and in the most deprived neighbourhoods, and report on whether this increases a) ASB reporting b) take up of mediation and c) how these council initiatives are viewed by residents of different demographics (such as age and ethnicity), to ensure they are increasing a sense of security and agency for all residents and not inadvertently reinforcing existing inequities or biases.
- Examine ways to improve and speed up the resolution of disputes which involve properties in different tenures/operated by different landlords.
- Set a timetable to report on the equalities impact assessment of the Anti-Social Behaviour strategy, to include a breakdown by age cohort, so it is possible to monitor the different experiences of those affected by area, age, gender, and ethnicity. This requires improved and standardised data which the Council aims to provide but is not currently available.
- Deliver the promised improved management of Maida Hill square, identify lessons which may be applicable to other neighbourhoods.





## Mind the gap - closing the life and health expectancy gap

Men can expect to live 18 years longer in Knightsbridge and Belgravia ward than in Westbourne. Women in Knightsbridge and Belgravia ward live 9 years longer than those in Westbourne. It's like losing a year or two of life for every bus stop going north on the 36 bus. The review group heard that, in addition, older people can expect to experience some 20 years in poor health, and more than 25,000 Westminster residents are living more than one illness or chronic condition. Over 10,000 older residents need help with self-care and more than 1,000 people are providing high levels of informal care, often at considerable cost to themselves.

Through the public health partnerships, there is a wealth of information about the factors driving inequalities in both health and life expectancy, with granular detail about the extent to which different factors impact on particular groups. Whilst some strategies potentially work across the board (smoking cessation, promoting exercise), others are highly specific, and the partnership work being undertaken through the Community Priorities

fund should be invaluable in helping to build up a detailed picture of need. What we already know, most recently from the experience of the vaccination programme, is that alongside high profile, multi-media messaging, there must be grassroots community involvement, support for peer-to-peer engagement with a particular focus on the impact on people with protected characteristics.

The #2035 programme objectives, which aim to halve the gap in life expectancy for people living in Westminster in 12 years, provide a welcome recognition of this principle, including in its objectives 'putting residents at the centre and working together on the challenges they prioritise'; 'creating proper partnerships...to solve problems and adapting solutions to local conditions' and 'mobilising a movement for change where we all teach one another and learn from one another' with a commitment to 'listen, connect, amplify and accelerate'. Under this umbrella, Westminster provides funding to some vital projects, alone and alongside the NHS, but there is far more to be done if

these important goals are to be achieved. The evidence from Community Health and Wellbeing workers in Churchill Gardens, for example, revealed the extent to which residents are unaware of many of the services which currently exist.

Alongside the more familiar patterns of ill health and disability, we are also becoming increasingly aware of the impact of poor mental health and the interaction with physical illness. We are also becoming more aware of the risks associated with loneliness, exacerbated for many by the pandemic. Whilst often associated with later life, when family and friendship networks can diminish, we also now know that this is a real issue of many young people. Westminster does, of course, face real challenges in this area, not least the exceptionally high population turnover, consequent upon the size of the local private rented housing sector. This makes tracking the impact of policies on the population base exceptionally difficult, and is, of course, itself potentially quite disruptive for organisations involved in community building. Overall, it is as easy to map poor health outcomes and reduced life expectancy as it is to map poverty. The greatest concentrations of need are in and around Pimlico in the south of the city, in the corridor stretching from Queen's Park to Church Street along Harrow Road, and on Council and Housing Association estates. These areas require levels of attention and investment they have not benefited from since the end of government funding streams like Sure Start, the Children Fund and the SRB over a decade ago. However, whilst this geographical framing is helpful, half of those in the lowest income groups do not live in the poorest wards and there is a substantial population in need in the cheaper end of the private rented sector. It is important not to miss out on identifying and targeting people in need across the city.

We recommend that the Council should:

- Using the framework of #2035 monitor and evaluate inequalities in health status and life limiting conditions as well as life expectancy, geographically and with reference to ethnicity, gender, and LGBTQ. Reducing inequalities in life expectancy can only be achieved via reducing inequalities in health status and disability first.
- Ensure that the principles behind #2035 are reflected in the level of funding and support given to the voluntary and community sector.
- Ensure that community research into barriers to health addresses lower levels of involvement by men and makes recommendations to increase men's participation.
- Consider ways of reporting the findings of the Joint Strategic Needs Assessment on health inequalities for global majority communities to ensure awareness amongst councillors and in the community.
- Make tackling loneliness a priority for the council, with a strand of activity aimed specifically at reducing loneliness amongst young people.
- Ensure there is a specific strand of health and wellbeing work focused on homeless households and those at risk of homelessness with strengthened requirements for signposting and referring homeless households to support services as part of its preventative and targeted approach, identify and focus on some small areas with a substantial private rented sector serving lower income households to identify needs- examples include the Bell Street area of Church Street and Fernhead/Ashmore/Portnall/Bravington roads in Queen's Park.



## 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 comprised Steve Hilditch (Chair), (Housing Strategy Consultant); Terrie Arafat CBE, (former Chief Executive of the Chartered Institute of Housing, former Director of Housing for the then Department for Communities and Local Government); Maureen Corcoran, (member of the Housing Ombudsman's advisory board, former Head of Housing for London at the Audit Commission); Dr Janice Morphet, (visiting Professor at the Bartlett School of Planning, University College London, former local authority Chief Executive); Steve Partridge, (Director Housing Consultancy, Savills); Sandra Skeete, (Chief Executive, Octavia Housing); Andy Watson, (former Chief Executive, Walerton and Elgin Community Homes); Andy Whitley, (former Westminster Councillor and Chair of CityWest Homes). 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; and rough sleeping. The group comprised Karen Buck (Co-chair), (MP for Westminster North and Shadow Minister for Work and Pensions); Steve Hilditch (Co-chair); Justin Bates, (housing barrister at Landmark Chambers and Deputy General Editor, Encyclopaedia of Housing Law); Joanna Kennedy, (former Chief Executive of Z2K); Frances Mapstone, (charity and homelessness consultant, former Chief Housing Officer at Westminster City Council); Giles Peaker, (Partner at Antony Gold solicitors, former Chair of the Housing Law Practitioners Association).

- 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.

Steve Hilditch chaired the meetings and Maureen Corcoran and Andy Whitley contributed from the review group.

1. <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.

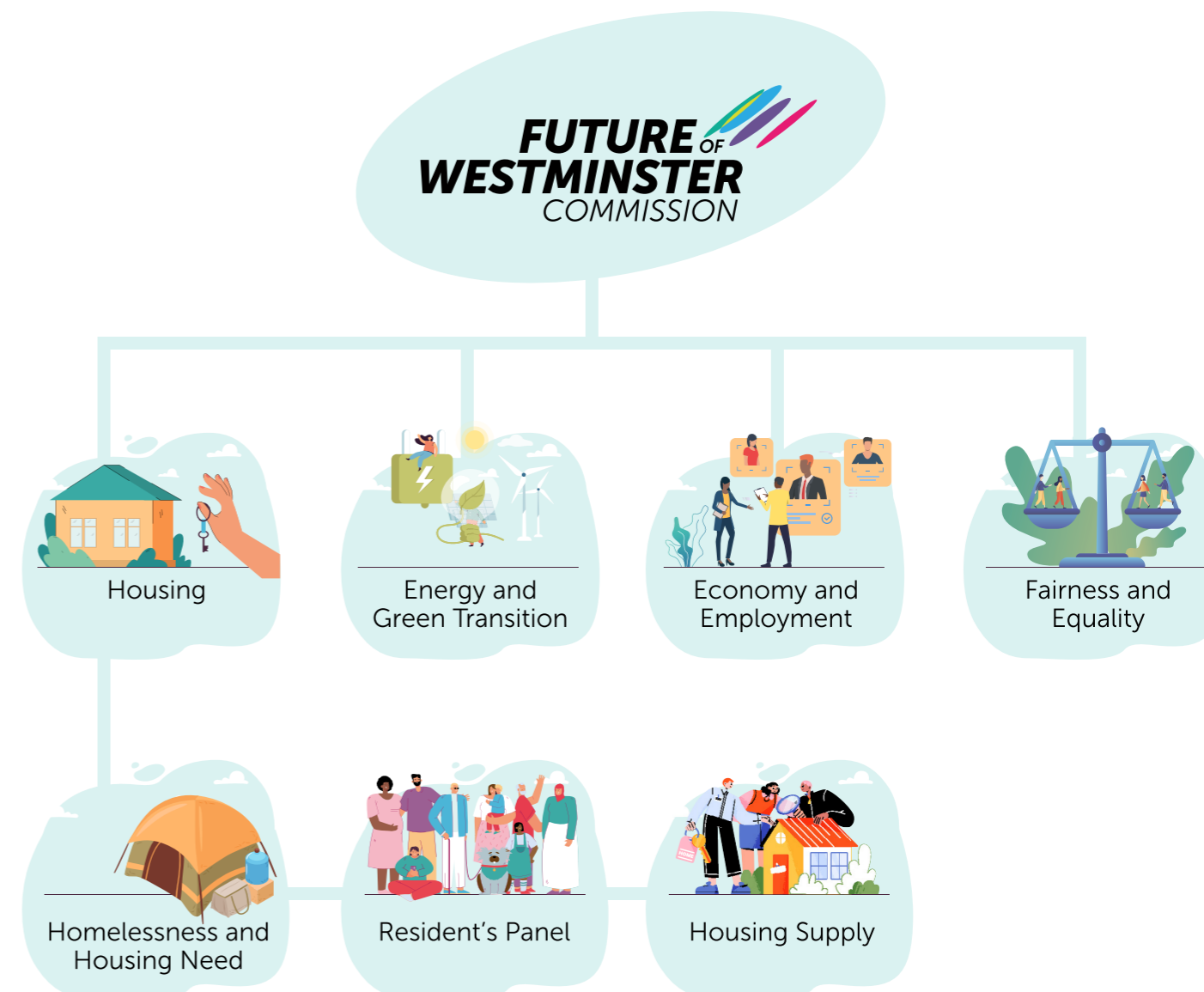
We are lucky that previous generations on Westminster City Council and the GLC built thousands of council homes on war damaged sites and redundant railway land, creating what is still the city's greatest housing asset. Housing associations provided thousands of affordable homes, initially through acquisition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

2. <https://www.westminster.gov.uk/housing-policy-and-strategy>  
 3. <https://www.westminster.gov.uk/media/document/city-plan-2019-2040>  
 4. <https://www.westminster.gov.uk/housing-policy-and-strategy/homelessness-strategy>  
 5. <https://www.westminster.gov.uk/housing-policy-and-strategy/rough-sleeping-strategy>  
 6. <https://www.westminster.gov.uk/housing-policy-and-strategy>  
 7. <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.



# 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>.

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,

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

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



## 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 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.

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

## 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 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.

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

## 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.

## 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.



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

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

## 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).**

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.
- 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.

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

**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 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.

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.



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

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

## 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 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.



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

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

## 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;
- 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.

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

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



## 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.

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 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**.



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

## PART 5 - 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.

22. <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.



23. <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.

24. <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/>

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.

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.



## Economy & employment review

### Mission & Objectives: A Fairer Economy

The purpose of the review agreed by the council at the start of the Commission's work was to advise on how the council can enable more Westminster residents to share in the economic successes of the city. Westminster, and London as a whole, is filled with economic opportunities, but not all residents share in these. The gap between affluence and deprivation in the city is stark.

The members of the review group were

**Claudette Forbes** (Convenor)

**Simon Harding-Roots** London Managing Director, Crown Estate

**Neil Johnston** CEO Paddington Development Trust

**Phil Graham** Executive Director Good Growth, GLA

**Diana Spiegelberg** Deputy Director, Somerset House Studios

**Stella Brade** Chair Watterton and Elgin Community Homes

**Stephen Evans** CEO Learning and Work Institute

**Matthew Jaffa** Senior External Affairs Manager Federation of Small Businesses

**Ruth Duston** MD Primera London, CEO Victoria and North Bank BIDs

**Andrew Travers** Former CEO LB Lambeth, Florian Bosch Head of HR, Vodafone UK,

**Jim Collins** Director London Strategy and Planning King's College London.

The review group agreed a number of priority areas to examine:

● **High Streets.** Here we explored initiatives to support local high streets allied to promoting economic and other opportunities for neighbouring residents with an initial focus on Harrow Road.

● **Skills & Employment.** We considered the best strategic approach to skills and employment and how economic opportunities could be opened up for the city's residents, particularly those with the highest needs and those from disadvantaged communities. We recognised that addressing this would serve to boost the city's economy.

● **Social Value.** Working with pro bono consultancy, Bloomberg Associates, we examined how the Council's social value and business community partnership approach could be strengthened to increase residents' share of economic success. Sarah Longlands, Chief Executive of the Centre for Local Economic Strategies provided helpful insights drawing on experience from other parts of the UK. Georgia Bowker from WCC supplier, RMG, highlighted their experience on this agenda from a procurement perspective.

● **Business Support.** We looked at what could be done to support Westminster's businesses at a time when they are facing unparalleled challenges.

Half day 'Deep Dives' were convened for each theme and those were preceded by a meeting of a sub-group to look in detail at data provided primarily by WCC officers and to help guide the discussion at the deep dives. Advisory notes were produced following each session setting out recommendations to the Council.

### Conclusions and recommendations

The review group convened a final session to review its recommendations. We considered how best the Council and its partners can make an impact in respect of the city's economy. There is the well recognised challenge of securing the continued success of the West End and St James, which is the engine room of the economy - 64% of the city's jobs and 63% of its businesses are located here - whilst simultaneously addressing economic inequality elsewhere and promoting inclusive growth.

The review group considered that, whilst the council has some important tools at its disposal to intervene in the former on which we say more below, global forces, national and regional policies and other factors beyond the council's control will be greater influences on this part of the economy.

The review group concluded that the most pressing issue for the council and its partners should be to address the needs of those constituents who are currently not benefiting from the city's prosperity. So we recommend that the council working with its partners move swiftly to prioritise efforts to provide support and channel resources to these underserved communities. This reflects both the council's greater ability to affect change and improvement for those residents and small businesses and the need to address long-standing disparities in economic and social outcomes between different areas and neighbourhoods of Westminster.

We also agreed that the council should still take steps where feasible to support the broader vitality of the city's economy, but in doing so should ensure that it is widening access to economic opportunity and not entrenching disadvantage. Its resources and staff time should remain focused overall on areas of economic disadvantage while still supporting measures the council could take itself to support the broader economy and to use its convening power with London-wide and national authorities and local employers and community groups. In doing so it could both increase opportunity and widen access to it.



With this in mind our work led us to seven strategic recommendations for the council:

## 1. To be clear about its priorities in terms of target and specific groups

Addressing economic inequalities requires a targeted approach whether that be geographical areas of need, such as North Paddington and Pimlico South, or specific groups. So micro and small businesses have been disproportionately affected by the current challenges facing businesses. Similarly, only one in ten out-of-work 50 - 64 year olds and disabled people get employment support each year. The council's proposed economic development strategy should set out very clear priorities and targets for council activity.

## 2. To adopt a place based approach with community engagement at its heart

We recognised that focusing on geographical areas of need provides a powerful way to integrate a range of activities for maximum benefit. On the basis of our analysis of Westminster's wards and neighbourhoods, our recommendation was that the initial area of focus for the Council should be the North Paddington area, but that the lessons from taking a targeted and place-based approach should subsequently be applied to other disadvantaged areas of the city.

The latest data in the 2022 Ward Profiles for Westminster show continuing very high levels of deprivation in the three North West Westminster wards of Westbourne, Harrow Road and Queen's Park, with 50% of residents dependent on means tested benefits and amongst these over 80% economically inactive and over 40% classified as disabled.

The work of the review group built on two major policy initiatives going back to the previous Council administration: the policies on the North Westminster Economic Development Area (now referred to as North Paddington) in the City Plan and the #2035 programme initiated by the Council together with Imperial College Healthcare and community partners.

The City Plan's policy in relation to North Paddington calls for 'coordinated intervention to tackle persistent levels of inequality'. The #2035 initiative aims to improve health and halve by 2035 the 18-year gap in male life expectancy between communities in North Paddington and those living in the most affluent wards in the borough. It aims to do this by addressing the wider determinants of health such as housing, employment and the environment and emphasises community engagement and

## 3. To work with anchor institutions and private sector employers to facilitate improved access to economic opportunities by other, less prosperous parts of the City

The Westminster Wards: Socio-Economic Profiles document, produced by the Council's Strategy & Intelligence team in 2022 recommended that the council should work to connect smaller areas of activity with the more established commercial centres as a strategy for achieving inclusive and diversified growth within the borough. One of our early recommendations was that the council should lead development of a strong Westminster Anchor Institutions Network building on work by the GLA and elsewhere in London. This was agreed by the council who with the Chief Executive in the lead are now working with Bloomberg Associates to develop such a network.

We recommend that the Council should:

- Encourage and, where possible, require anchor institutions especially those in the private sector to increase levels of procurement from Westminster-based SMEs, encourage the take up of existing initiatives such as the Mayor of London's Good Work Charter, target apprenticeship and employment opportunities at underserved communities in the city, support skills provision, and strengthen their presence in schools and colleges.
- Explore ways to develop place-based partnerships between anchor institutions/major employers and specific neighbourhoods.
- Develop a menu of social value offers, based on identified community needs, that can inform the work of the Anchor Institutions Network and the development of the council's procurement approach to social value.
- Facilitate mentoring and peer support relationships through pairing firms and senior individuals in the CAZ with young people and SMEs from disadvantaged neighbourhoods within the city.
- Maximise connections between CAZ-based employers and underserved communities in the city, for example through promoting school governorships, board memberships of community organisations, volunteering, schools outreach, and other routes.
- Ensure that planning decisions for commercial space in the CAZ promote the provision of affordable workspace, with priority access reserved for residents and SMEs from the city's underserved communities.

While some of these recommendations may be resource-intensive for the Council, they do not all need to be delivered directly. By funding and working in partnership with voluntary and community sector providers, the council could achieve the dual goal of supporting its disadvantaged residents and promoting the long-term health of the VCS and civil society in Westminster, as seen already for example in the relationships between private sector organisations and the Young Westminster Foundation.







#### 4. To develop a new shared vision for skills and employment through a Westminster Skills and Employment Board

Around 67% of Westminster residents aged 16–64 are in work, down from 72% in the year to June 2021. For context, the current UK figure is 75% and a year ago it was 74%. There are pockets of high worklessness with growth in the number of over 50s and disabled people who are outside the labour market. Most young people leave education with good qualifications and London has a high proportion of graduates in the workforce, but around one in four adults has low literacy, numeracy or digital skills – skills essential for life and work. Learning is also good for health and wellbeing and promotes civic participation. Productivity is high in London compared to the UK as a whole, but too many people are low paid and get little help to get on in their career or opportunities to progress.

All of this can make it difficult for employers to meet their workforce needs and for people to meet their ambitions for life and work. We need to change this and provide more help for people to get in to work and get on,

linked to action to work with employers to create good jobs and action more broadly to promote lifelong learning. In addition, the group recognised that many people commute in and out of the borough for work: Westminster residents have potential access to a wide array of employment opportunities and employers in Westminster can recruit from across London, the UK and to an extent, the world.

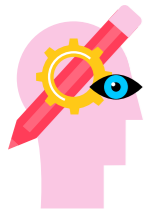
There is a wide range of partners that play a role in increasing and widening access to learning, skills and employment opportunities. These include the council, employers, colleges, adult education providers, training providers, employment support providers, central Government, the Mayor and Central London Forward. A key challenge is that there is a complex array of schemes that can be confusing for residents and employers, yet some groups, such as those who are economically inactive, are barely reached by these at all.

We recommend that the council should bring these partners and leading experts together to agree a clear vision for skills and employment for the city, measures of success, and a shared plan to deliver the vision. This should be done by establishing a Westminster Employment and Skills Board. Metrics could include 2030 ambitions for Westminster’s employment rate, proportion of people with at least level 2 qualifications, increased numbers improving their literacy and numeracy, and the proportion of people earning at least the London Living Wage. Progress against these metrics should be published on an annual basis along with an updated action plan to address any shortfalls. A first task for this board would be to map support for residents and employers, to identify and resolve overlaps and gaps.

We also recommend that the council and its partners should aim to ensure that 90% of residents have essential digital, literacy, numeracy skills by 2030. A plan to increase take-up of essential skills learning should be a core part of the shared vision and action plan – these skills are central to life and work and it is a great concern that one in five residents lack them and that adult literacy and numeracy learning has fallen 63% across London in the last decade.

Finally, it is important that the council take an evidence-based approach to policy and delivery. This should include ensuring independent evaluation of key employment and skills programmes to understand their impact. The council should disseminate local, national and international best practice on helping people into work and improving their skills, including through the new Westminster Employment & Skills Board.





## 5. To increase its support for micro, small and medium sized enterprises (SMEs) and Creative Industries

The council has developed a number of programmes to support the city's enterprises, and a broad range of wider support is available through the GLA-led London Business Hub. The majority of the city's micro businesses are located outside the centre. We recommend that the council should support development of a strong network of community business advisers, based in Westminster's underserved neighbourhoods, who can identify micro and SMEs that would benefit from support and provide signposting and facilitation to ensure that they are able to access the most suitable provision. This could be delivered directly by the council or through partnership with the voluntary and community sector. The Council's support for the Rebel Business School in North Paddington is a great first step towards this. The council's direct allocation through the Support Business pillar of the UK Shared Prosperity Fund would provide initial funding, which could be increased from council resources as appropriate.

Micro businesses, including freelancers and creatives, find it difficult to transition to SMEs. It is important to nurture early-stage businesses so that the city's self-employed are able to achieve their entrepreneurial goals. One of the main inhibitors to the self-employed transitioning is the difficulty in securing affordable workspace. We recommend that the council should identify opportunities to expand its enterprise spaces programme.

In addition, the Anchor Institutions Network can lead by example by making use of underutilised or vacant property within their estates. Anchor institutions such as the Crown Estate have valuable networks that can be leveraged on this agenda. A knock-on effect of the pandemic is higher vacancy rates in central London, meaning there has never been a better time to secure relatively affordable premises in prime locations. Organisations like the Crown Estate have small, serviced offices which are not well known about. We recommend that the council and its partners should work to jointly identify and market these opportunities.

The council should also consider working with industry bodies, businesses and Business Improvement Districts (BIDs) to create business clusters such as Green Tech or cultural business hubs to attract inward investment and create a circular economy in these areas.

Alongside this, we recommend that the Council should continue to review its own practices, and work with major employers and anchor institutions across the city, to maximise procurement spend with Westminster-based micro businesses and SMEs (particularly those from disadvantaged parts of the city). The council's policy approach on procurement and its new Responsible Procurement and Commissioning Strategy are very strong. Its roll out across council departments should be made a priority. The approach includes a focus on specific measures to ensure that smaller businesses are winning contracts. This includes targeting underrepresented groups. Measures aimed at increasing spend with smaller businesses are under consideration. These included setting more proportionate insurance requirements and financial thresholds for smaller, low risk contracts. The review group suggested additional metrics:

- Targets around the percentage of contracts awarded to small businesses, and within that to set targets and monitor performance in relation to ethnicity, gender, sexual orientation and disability.
- Percentage of spend or value of contracts awarded to local small businesses.

These should be developed as part of the monitoring of the Fairer Communities pillar of the Council's Responsible Procurement and Commissioning Strategy.





## 6. To focus on the right ways to support the economy of the CAZ alongside its resident population

Westminster's prosperity is clearly dependent on the continued success of London's Central Activities Zone, in particular the West End and city's other high-growth areas, but external factors beyond the council's control – global, national and regional events and policies – will inevitably be the dominant factor here. That is why we have recommended that the council's staff time and financial resources are targeted principally towards its underserved communities and neighbourhoods, where they can have the most tangible impact.

Nonetheless, it will still be important that the council continues to engage proactively with Government and London's Mayor to ensure that the wider policy context supports a strong recovery for Westminster's economy following a string of external shocks, such as Brexit, the pandemic, and a stalled national economy. And it will also be important that the council supports the continuing success of the West End, given its critical role in the local economy as an employer, a broader economic engine and a significant contributor of business rates to the treasury (the great majority of business rates income that Westminster collects is redistributed by central Government).

There are also interventions that the council can make to maintain and strengthen the attractiveness of the centre as a destination for both business and entertainment. These include funding enhanced service delivery and enforcement to address issues such as noise, street cleaning and anti-social behaviour (particularly in locations where these are recognised issues for residents and visitors), supporting new retail and hospitality opportunities that maintain the diversity and quality of the West End's offer, and

facilitating the activation of key night-time and cultural locations (recognising the need to work with and protect local residents) while safeguarding areas of comparative calm within the centre. As part of this, we recommend that the council should continue to work with Central London Forward, as part of its cross-borough programme on the future of London's Central Activities Zone, and with BIDs, industry bodies, landowners, employers and community groups.

An important issue will be the relative prioritisation of funding towards ongoing service delivery and enforcement versus capital investment in the public realm. The most significant interventions over recent years have tended to be in major capital projects (for example, on the Strand Aldwych). We recommend that the Council should consider reprioritising funding towards supporting the safe and well-managed activation of the West End, and mitigating its potential negative impacts, to ensure it continues to offer an attractive 24-hour environment for residents, workers and visitors of all ages and backgrounds and remains a world-leading destination. This may present challenges around flexibility between capital and revenue funds, but should be considered carefully by the council including maximising all opportunities to use Section 106, CIL and other external funding for this purpose.

While the right balance needs to be found between the needs of workers, consumers and visitors and those of local residents, maintaining the vibrancy of central Westminster as a cultural, tourist, retail, hospitality and business hub will be vital to the continuing prosperity of the city and to the breadth of economic opportunities available to many of its residents, particularly its young people.

## 7. To improve monitoring and evaluation of the impact of Interventions

We set out to examine the effectiveness of key programmes and projects. However, this was made more difficult by a comparative lack of performance data. We recommend that the council establish a more systemic approach to performance management, evaluation and reporting should be established. This should include independent evaluation of key programmes and an open data approach to measure the impact of key programmes and to guide future investment in its economic development programmes.





# Energy and Green Transition Review

## Background

Cities are critical to help achieve deep emissions reductions and it is positive to see that nearly all of London's boroughs have now declared a climate emergency and published climate actions plans to reduce their greenhouse gas emissions<sup>25</sup>. In September 2019 Westminster City Council (WCC) declared a climate emergency and committed to achieving net zero emissions target for the council and its operation by 2030 and for the whole of the city by 2040 (ten years ahead of the UK-wide net zero target of 2050). A Climate Emergency Action Plan (CEAP) for Westminster was published in November 2021, highlighting that the city has some of the highest carbon emissions by local authority area in the UK. The CEAP set out nearly 70 actions across five themes of Efficient Buildings, Clean and Affordable Energy, Sustainable Travel & Transport, Reducing Consumption & Waste and Green & Resilient City. The council has stated that the 2040 target will be especially challenging given that the council only has direct control over about 2% of city-wide emissions and that this target can only be achieved through close collaboration with key partners in the borough such as businesses, landowners, community groups and residents.

An update to the CEAP is planned in summer 2023, the outputs of which will be informed by a number of programmes currently underway – as well as a new Citizen's Climate Assembly and this output from the Future of Westminster Commission's Energy and Green Transition Group's work.

The new administration took office in May 2022 and to monitor progress against the CEAP's targets, the following governance structure has been established:

- **Climate Leadership Group (CLG):** This was established to provide the overall strategic direction of the climate programme, as well as holding it accountable for delivery. It includes all Cabinet Members and meets quarterly.
- **Named Cabinet Member for Climate Action:** Monthly briefing with Cllr Noble, Cabinet Member for Climate Action, Renters, and Regeneration, to update on climate programme progress and key projects – the first named cabinet member for Climate Action in Westminster City Council
- **Climate Emergency Delivery Board (CEDB):** This board meets monthly and is chaired by the Executive Director for Environment and City Management. The CEDB provides operational oversight of the climate programme and holds action owners responsible for reporting back on progress against their KPIs. The CEDB feeds challenges and recommendations up to the CLG.

## The Energy and Green Transition Group

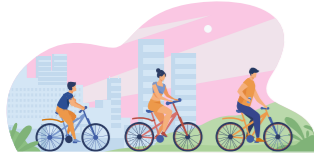
The Energy and Green Transition (EGT) workstream of the Future of Westminster Commission met for the first time in August 2022 and was tasked to examine the key emission mitigation challenges for Westminster, review relevant council action, and explore future actions to help set the city on a pathway to support a green transition and achieve net zero by 2040. The EGT was chaired and convened by Syed Ahmed (Energy for London/Community Energy London) and included a mix of policy experts and practitioners, including those especially knowledgeable around the built environment, some with a more national focus – and others who had extensive experience of working specifically in Westminster. Members of the EGT were as follows:

- Lucy Yu** (Centre for Net Zero)
- Louise Hutchins** (UK Green Building Council)
- Jill Rutter** (Institute for Government – but attending in a personal capacity)
- Cllr Ryan Jude** (Deputy Cabinet Member - Climate Action and Biodiversity)
- Lily Frencham** (Association of Decentralised Energy)
- Pancho Lewis** (Lancaster University)
- Tor Burrows** (Grosvenor Property)
- Anna Swaithe** (Crown Estate)

The group met on an approximately monthly basis from August 2022 to March 2023 and were supported by WCC officers Dr Amy Jones, Director of Environment and Damian Hemmings, Head of Climate Emergency. In addition to EGT members input, industry specialists on specific areas being examined participated during the process.

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





The initial August 2022 meeting of the EGT focused on identifying priority issues to examine in relation to the remit of the group and reflecting on the policies and programmes set out in Westminster's 2021 Climate Emergency Action Plan. A wide range of high-level issues were raised during this meeting which included:

- Identifying where the most significant opportunities for major carbon reductions.
- The need for the Council to 'lead by example'.
- Recognising existing emission-commitments made by organisations present in the borough.
- The central importance of behaviour change and 'citizen action' as an 'enabler' for change.
- Understanding co-benefits of emissions reduction in areas such as improving health, employment, reducing air and noise pollution.
- Be inspiring when designing public-facing programmes.
- Responding to climate adaptation was also raised – and costing in issues such as the impact of flooding on property prices.
- Whilst acknowledging the Council's 'Vision for 2040' – a need to establish nearer term goals.
- The provision of information to residents and businesses on key areas such as retrofit as well as effective communication of work underway.
- The need to explore new routes of funding climate action work in the city – tapping into new Green Finance initiatives.
- A community-focused study into how the Net Zero journey could be shaped, delivered and what impact it would have on residents in the borough.
- Crossover issues between the EGT and the other three Future of Westminster Commission working groups on Housing, Economy and Employment, and Fairness and Equality.
- And critically – increasing council resources around this agenda if the net zero goal is to be achieved.

However, with 86% of Westminster's emissions produced from the energy used in the city's homes, hospitals, shops, offices, hotels and other buildings the clear priority was to target the EGT's focus on routes to reduce emissions from buildings. Moreover, as policies to drive carbon reductions in new development are advanced in London, with a zero-carbon requirement already in place for all major development, the EGT therefore concentrated on the retrofit of existing buildings rather than the impact of new build. Most importantly it must be noted that the vast majority of buildings in place at the present time in Westminster will still be here in 2040. Hence the deep retrofit of these buildings is an absolute prerequisite if Westminster is to achieve its Net Zero goal.

Further consultation across the EGT narrowed down an initial 'long list' of issues to six areas of priority to help support the greater decarbonisation of existing buildings:

- Domestic Buildings Retrofit
- Non domestic Buildings Retrofit
- Energy Advice and Fuel Poverty
- Decarbonisation of Heating and Heat Networks
- Energy Data and Smart Energy
- Green Finance

In addition to these areas some parallel discussions between the Chair and EGT members were organised around a 'Net Zero North Paddington' project, the potential for supporting the uptake of community energy in the city, and also examining routes for the council to communicate its climate programmes more effectively to residents and businesses.

A number of further topics raised by members of the EGT could not be accommodated within the timescale that the EGT was to operate. These included some significant issues for Westminster such as decarbonising transport and promoting active travel, improving air quality, supporting green skills and green jobs, climate adaptation/resilience, enhancing green spaces in the city and also waste minimisation and recycling. These are important areas for consideration for Westminster and the EGT hope that they can be examined by any potential future iteration of the group and its work, as well as WCC's forthcoming Citizens' Climate Assembly.





The timing of the EGT’s review must also be viewed in the context of the following:

Local authorities have no statutory duty around climate change or instruments to compel others to act. The Committee on Climate Change state that “Local authorities have a range of existing levers that can be used to deliver local action that reduces emissions and prepares local areas to a changing climate. However these levers alone are unlikely to be sufficient to deliver local authorities’ Net Zero ambitions, due to gaps in powers, policy and funding barriers, and a lack of capacity and skills at a local level. Additionally, without some level of coordination from Government, the UK risks pursuing a fragmented strategy towards Net Zero<sup>26</sup>.”

Though the Government amended the Climate Change Act in 2019 to introduce a UK Net Zero target, there remains no core funding for councils or reporting requirements around emissions reduction and councils continue to have limited to no ability in helping shape Government energy or climate policy<sup>27</sup>. The recent Mission Zero report<sup>28</sup> by former Energy Minister Chris Skidmore MP, amongst many other organisations, have highlighted that national government need to do more to unlock the full potential of local government to support the achievement of Net Zero. In fact, WCC was directly cited in the report highlighting: “The absence of a legal duty or requirement for organisations to act on climate change and the decarbonisation agenda is a significant barrier to delivering on decarbonisation... the lack of any legal duty and associated powers for local authorities

to compel organisations to act on climate change means that much of our work is focused on facilitating change with local communities and stakeholders, rather than having the powers to require stakeholders to act...”<sup>29</sup>

However, the Government’s March 2023 major ‘Green Day’ series of energy and climate announcements did nothing to reverse this situation: whilst stating that “Local areas play an integral role in supporting the transition to net zero”<sup>30</sup> no new policy announcements or programmes were introduced to support local authority action on climate, energy or energy security. This was highlighted by EGT member Cllr Ryan Jude who, in response to the Green Finance Strategy 2023, launched as part of the Green Day package, stated that “...it falls short of providing the commitments that local authorities need to accelerate action today.”<sup>31</sup>

At the same time Government has made funding available to local authorities to accelerate building retrofit through a number of schemes that were introduced in 2020/21. These present a key opportunity for WCC but the funding landscape is highly complex (a number of schemes all operational at the same time, but with different delivery timetables and reporting requirements and criteria for qualifying households), the funding is provided over short-time frames, and money can only be secured by competitive bids.

Over 400 councils across the UK have responded to concerns to act on the climate emergency and have set out ambitious climate action programmes. Targets have been set, and councils are active in areas where they have control. But without greater action from Government on issues such as devolving regulation and funding around energy and climate down to councils no local authority can create a fully viable plan to achieve Net Zero locally. Hence the EGT’s work and recommendations below hence do not set out a ‘guaranteed’ pathway for WCC to achieve Net Zero. That would simply not be possible. They do however look to enhance and support the existing work that is in place, set out proposals for new areas of activity and will help place WCC in a stronger position to bid for future funding pots from Government as well as influencing other actors in the local area to help move the city towards Net Zero.

The EGT’s work also commenced at a time when the UK is experiencing unprecedented increases in the cost of energy as a result of Russia’s invasion of Ukraine<sup>32</sup>. Households and businesses across the city are having to consider their use of energy as never before and are looking for support and advice to help reduce their consumption and manage their bills. This cost-of-living crisis has also come at the same time as further evidence has been released on the impacts of our energy use on the climate, which clearly points to the fact that the pace and scale of action currently being

undertaken is insufficient to tackle climate change<sup>33</sup>. Extreme weather incidents are now becoming more widespread and pronounced with every increment of warming and are particularly intensifying in cities. Last summer saw this country experience its highest ever recorded temperatures, with urban areas feeling the full impact of the heat as evidenced by Westminster City Council having to initiate a Severe Weather Emergency Protocol (SWEP) to protect the most vulnerable during the hot weather in the city<sup>34</sup> as well as opening shelters to cope with flash floods<sup>35</sup>.

In addition to the recommendations that we set out below, the EGT provided ‘real time’ support to WCC officers, providing links to existing work programmes, contacts and data sources, which helped advance programmes already underway. It should also be noted that, though the work of the EGT was principally around activities concerned with the reduction of energy and carbon emissions, the proposals put forward also provide significant co-benefits in number of a other priority areas for WCC from improving citizen health to attracting inward investment to the provision new employment opportunities for local people and more.

26. Local Authorities and the Sixth Carbon Budget, Committee on Climate Change, December 2020  
27. Government point to the establishment in 2022 of a new Local Net Zero Forum as a key route for local authorities to engage on national policy. However, there is little information to date to point the effectiveness of the Forum’s work.  
28. <https://www.gov.uk/government/news/net-zero-review-uk-could-do-more-to-reap-economic-benefits-of-green-growth>  
29. Mission Zero: Independent Review of Net Zero Rt Hon Chris Skidmore, January 2023

30. Powering Up Britain – the Net Zero Growth Plan, DESNZ, 30 March 2023  
31. Green Finance Strategy ‘falls short’ of detail needed to accelerate net zero, Room 151, 30 March 2023  
32. Energy crisis stemming from Ukraine war ‘cost £1k for every UK adult’ The Guardian, 21 February 2023  
33. Urgent climate action can secure a liveable future for all, IPCC, 20 March 2023  
34. Extra support available for rough sleepers to keep cool during extreme heat, WCC, 18 July 2022  
35. <https://www.westminster.gov.uk/residents/floods/preparing-floods>





## Overarching Recommendations

### Strategic

The scale of action needed to achieve net zero at the local level is immense and will connect into - and affect - all layers of council day-to-day activities. This is a huge challenge, however it also provides significant co-benefit opportunities to help improve council services – from housing and transport to health and waste - by investing to modernise and increase the efficiency of these services, whilst also decarbonising these services. Work initiated in 2023 to establish a Local Area Energy Plan (LAEP) for Westminster will support and inform how the city can achieve its 2040 net zero carbon target as well as help accelerate the deployment of clean energy programmes in place, from retrofit to district heating. Hence, there is a need to use this research, alongside outputs from other initiatives now in play, to produce an updated and more wide-ranging Westminster Climate Emergency Action Plan (CEAP) that is ‘bigger and bolder’ and sets out a greater sense of urgency to act than its 2021 predecessor. The recommendations in this report detail what we believe ‘bigger and bolder’ should look like.

Alongside a revised CEAP, delivering the manifesto pledge to introduce a “Net Zero Test” for every major decision should embed the CEAP’s goals into the work of all other departments across the council and strategies, such as the planned new Infrastructure Delivery Plan for Westminster<sup>36</sup>. The council should also look to introduce new Green Budgeting practices to support decision-making processes, as recently set out by the ACCA.

National government highlights time and again the key role that councils will need to play to help achieve the UK’s Net Zero target but constrain the ability of local leaders to act to improve the energy efficiency of buildings, to accelerating the deployment of renewable energy. As a revised CEAP is developed, Westminster City Council’s political leaders should take a lead role in highlighting to the Government how the UK’s Net Zero target cannot be achieved without the consent and action of communities and councils. All national programmes, from the roll out of EVs to heat pumps to heat networks, retrofit to solar PV and more, all require the coordination of local authorities to succeed. WCC should work closely with cross-party council groups such as London Councils, UK100 and the LGA to help shape future national energy and climate policy.



### Citizen Engagement & Communications

Citizens are not simply ‘consumers’ who need better information to make the ‘right’ choices. They are agents of change who have ideas of their own about how to achieve climate policy objectives. They should, therefore, be treated as partners who can make change happen. This is a two-way process: WCC can learn by listening to citizens; and citizens can learn by listening to the Council. Crucially, however, involving citizens can also help accelerate change – this is needed given the ambition of WCC’s net zero target, which is well ahead of national government targets. The forthcoming Westminster Citizens’ Climate Assembly should therefore ensure that WCC reaches out to all voices not always involved in the climate debate – from residents, businesses and community organisations across the city to help inform the revised CEAP.

Following this year’s Citizens’ Climate Assembly, WCC should set out clearly how it will maintain a continued dialogue, consultation and feedback mechanism with stakeholders and residents on the progress of the revised CEAP. As part of this, it is recommended that a Citizens’ Climate Panel should be established to coordinate, feedback and advise on the progress of the CEAP. A number of councils have already introduced such panels, including LB Camden, who recently recruited for a second phase of their Panel up to 2025<sup>37</sup>.

Achieving net zero will involve changes in people’s everyday behaviour (including transport choices, home heating, and even health and diets), hence a deeper understanding about the rationale for citizen involvement beyond more conventional community engagement work is needed. A paper produced at the time of the 2021 Net Zero Strategy considering emissions reduction and successful behaviour change initiatives was published and withdrawn by Government<sup>38</sup>. The recent Government’s ‘Green Day’ series of policy papers were all but silent on ‘behaviour change’. Hence it is not surprising a recent House of Lords committee inquiry found that “the Government’s current approach to enabling behaviour change is seriously inadequate and will result in the UK failing to meet its net zero and environment targets”<sup>39</sup>. As has often been the case on climate change, local government needs to step in where national Government fails to do so. The recommendations from the House of Lords inquiry (and the ‘withdrawn’ report<sup>40</sup>), though targeted at national Government, include a number of areas that could be explored by WCC as part of a Westminster Behaviour Change workstream (working with a Citizens Climate Panel) which would help inform residents and businesses how to reduce their climate impact as well as supporting the rollout of CEAP programmes.

37. See <https://www.camden.gov.uk/citizen-panel>

38. UK meat tax and frequent-flyer levy proposals briefly published then deleted, The Guardian, 20 October 2021

39. In our hands: behaviour change for climate and environmental goals, HoL Environment and Climate Change Committee, 12 October 2022

40. Net Zero: principles for successful behaviour change initiatives, BEIS Research Paper, October 2021

36. See <https://bidstats.uk/tenders/2023/W16/796983474>



Finally, the EGT were informed through the process of their work of the many excellent programmes around climate and energy in play across the council. This included departments ranging from planning to housing, community engagement to smart cities and of course the climate emergency team. However, for Westminster residents and businesses it is challenging to understand 'what work is going on' in relation to delivering the climate emergency pledge, who to contact, what progress is being made, where excellence is being delivered (the recent PSDS and social housing retrofits being an example). Failing to 'shout out' about the good work that is being done will undermine efforts by officers and councillors alike. Westminster must ensure by the time it has finalised a revised CEAP in 2023 that it has a new climate and environment communications programme in place, learning from other borough examples<sup>41</sup>, and using existing print and digital routes but also new social media routes to 'shout out' the work it is doing to make the city a cleaner and greener place to live, and to ensure this is frequent and progress on engagement is adequately monitored. WCC programmes providing support to residents and businesses (especially SMEs) around energy and climate issues should be clearly identified, ideally with a named individual down as a point of contact. As a priority for this administration, and a crucial issue of our time, communication on the Council's action on climate should be made a communications priority for the council communications team.

## Resourcing Climate Emergency

The Climate Emergency Team and associated delivery teams for the CEAP's work programmes needs to be better resourced as soon as possible: without doing so undermines any chance of achieving the council's net zero ambition. The EGT welcome the fact that a number of new positions have been created within the team over the period of our work and recommend a review of the necessary posts and resource is undertaken throughout the process of updating the 2023 CEAP in order to ensure commitments can be delivered effectively. It should be noted that 'Energy and Green Transition' is a critical area for councils where significant amounts of funding – both private and public sector - are and will continue to come forward: WCC cannot take advantage of such funding without officers in place to apply, secure and manage this funding.

One immediate route to achieving this is to ensure WCC's Carbon Offset Fund is deployed more quickly and utilised more effectively – both in terms of allocating funding to projects but also appointing project management staff to support the delivery of projects. The latest GLA Carbon Funds Monitoring Report<sup>42</sup> indicates that as at 2022 WCC had collected close to £5m in funds and had secured a further £3.2m by legal agreement (but not yet collected). The report also highlights that "91 per cent of LPAs reported an increase in the amount collected or secured for collection since 2020" and with the 2021 London Plan extending the requirement for carbon offset payments for all developments in London (going beyond the original requirement for payments to apply to only new residential schemes), the scope of developments contributing payments will increase. On top of this, WCC is reviewing the level Westminster's carbon offset price is set at. Even with developers and planners correctly working to reduce the carbon impact of new development through the use on onsite measures, WCC's carbon

offset fund is likely to grow significantly over the period to 2025. Westminster should be deploying these funds to projects in the borough more efficiently than it has done so to date. In order to do this, the EGT recommends that Westminster's Carbon Offset Fund should be managed by the Climate Emergency team, with appropriate governance arrangements in place. The GLA's offset guidance<sup>43</sup> suggests that if "...additional funds are needed to pay for staff to develop and manage identified offsetting projects, we recommend a maximum of 10 per cent of the fund is allocated to this". If additional staff are required to 'develop and manage' projects, funds should be deployed to help with this. Part of their role could be explicitly about community engagement – to help promote the funds to communities and walk applicants through the process of applying for funding, as we know residents and others face barriers in both knowing about the existence of the fund as well as knowing how to apply for and secure funding. The EGT recommends that a Climate Community Engagement post being created.



42. <https://www.london.gov.uk/programmes-strategies/environment-and-climate-change/environment-and-climate-change-publications/carbon-offset-funds-report-2021>

43. Carbon Offset Funds, GLA, July 2022

41. See Newham Climate Now and BarNET ZERO





The EGT were briefed on WCC's Green Economy Programme, which is carrying out scoping and engagement work with partners to develop a Green Economy Strategy for Westminster. The Strategy will have three areas of focus from supporting businesses to lower emissions attracting; retaining net zero businesses in Westminster; and working with industry to understand current and future net zero skills requirements. Research undertaken for London Councils estimates that in 2020, there were approximately 234,300 green jobs in London, representing 4.4 per cent of total employment in the capital, and that Westminster is one of the main boroughs where these jobs are concentrated. This work<sup>44</sup> also projects that "this decade, green jobs could increase by 8 per cent per year, which is double the annual rate of growth in the technology sector during the last decade". The EGT would like to see the forthcoming Green Economy Strategy establish an updated baseline for the green economy in Westminster including identifying where there are gaps to achieving the city's net zero target; assessing the potential to increase educational and training opportunities<sup>45</sup> for residents in the skills and services to achieve net zero; supporting residents in understanding what a 'green job is' and ensuring that opportunities are available for all and non-exclusionary; developing employment opportunities by continuing to build links with employers in the city as well as ensuring that when the council procure services such as retrofitting

homes to developing heat networks or EV charging infrastructure, that opportunities for local businesses and residents are to be included in contracts wherever possible. The EGT also notes the work that London Councils has recently undertaken in producing their report Building the Green Economy Action Plan<sup>46</sup> and supports greater input by WCC in taking this Plan forward through its implementation phase as Westminster's own Green Economy Strategy develops.

WCC has as yet not fully evaluated the level of investment needed to achieve its net zero target, but an estimate of £3.33 billion has been made by London Councils with respect to retrofitting just the city's residential sector (see below). As residential buildings contribute 15% of Westminster's citywide emissions, a 'guesstimate' would suggest something like £20 billion+ to achieve net zero across all areas including buildings, transport, tackling waste and introducing climate adaptation measures. Westminster has recently commissioned a Local Area Energy Plan (LAEP) (see below), the output of which will include a breakdown of the costs of decarbonisation, which will provide further input to help evaluate the likely scale of investment required. Whatever the final number is – it will be beyond anything seen to date in terms funding initiatives to 'green' the city. Hence, a step change in activity is required in terms of WCC's efforts to secure new investment.

This will range from:

- Examining the scope for WCC to use its own core resources to drive action and leverage in new funding;
- Continuing to apply to the plethora of poorly coordinated Government grant schemes currently in place (LAD, HUG, SHDF, PSDS and so on);
- Effective management and use of the council's carbon offset policy and funds;
- Build on the recent successful launch of Westminster's £1m Green Investment<sup>47</sup>, which will direct funds to a series of areas from energy to transport to adaptation<sup>48</sup>, by continuing to explore routes for increasing the scope for crowdfunding green finance.
- Interaction with new routes targeted at local authority climate finance, including London Councils 3ci initiative<sup>49</sup>, the UK Infrastructure Bank (UKIB)<sup>50</sup> and the Mayor of London's Financing Facility and Green Bond<sup>51</sup> and
- Most importantly, developing Westminster's pipeline of 'green projects' to attract private sector investors actively wanting to invest in this sector.

The EGT recommend that a new Green Finance post be created with the WCC to take forward a new Green Finance vision and work plan for Westminster, including within this work plan all areas listed above.

44. Green Jobs and Skills in London, London Councils, December 2021

45. See Green Skills Adult Education Provision in London, GLA, January 2022

46. <https://www.londoncouncils.gov.uk/our-key-themes/climate-change>

47. New green investment scheme launched in Westminster to support local green projects and tackle climate change, 13 March 2023, WCC

48. See list of qualifying project types in WCC Green Finance Framework, 13 March 2023

49. <https://www.londoncouncils.gov.uk/our-key-themes/climate-change/3ci-formerly-ukccc>

50. UKIB's new Local Authority Advisory Service is to start shortly

51. See 'The Mayor's Financing Facility and London Councils' work on the Cities Climate Investment Commission (3Ci, formerly UK CCIC) A Joint Position Statement' – August 2022





## Data and Smart Energy

The Energy Systems Catapult highlights that “Data is the single biggest enabler of a decarbonised, decentralised and digitised energy future. It’s the tool that will bridge the gap between where we are now vs. where we need to be to achieve Net Zero carbon emissions by 2050”<sup>52</sup>. Critical to the delivery of all of the EGT’s recommendations is the need for improved energy data collection and management. Energy consumption data from larger point sources within the city down to understanding the age and efficiency of residential boilers will all be critical for the council to develop robust business plans when seeking external sources of funding. Some excellent work has been commissioned earlier this year to help map Westminster’s pathway to net zero through a Local Area Energy Plan. The LAEP is a data-led exercise, seeking the most granular level possible for each data type, and providing a systematic catalogue of each data type. This is an excellent first step and WCC should set out a plan in their CEAP for how they will take adopt a more data-led approach to identify and target interventions, working more collaboratively with WCC’s Smart Cities team and sharing (and learning) best practice with other London councils, many of whom have also commissioned their own LAEPs.

Westminster’s work around energy data should be informed by the five recommendations of the Energy Data taskforce as set out in the Modern, Digitalised Energy System study which – though aimed at national Government – have a number of important parallels for local government:

- Digitalisation of the Energy System
- Maximising the Value of Data
- Visibility of Data
- Coordination of Asset Registration
- Visibility of Infrastructure and Assets



Westminster’s net zero journey will involve introducing greater levels of decentralised energy generation, such as solar PV, heat pumps and energy storage, EVs, and even ‘smart white goods’ all connected to the local distribution network. This will lead to inevitable constraints on the network, as is already being seen in many parts of the UK. This will risk delaying connection of new generation capacity to the network, but also new demand load, such as new developments (offices, homes etc.), who already are experiencing significant wait-times for connection to electricity supplies in some parts of London<sup>53</sup>. The electricity network will also need to be more active – responding to times when excess power is available at times when there is low demand, but also to times when solar panels and wind turbines will generate less power. To address this, we can build more physical infrastructure, but we can also create a smart and flexible electricity system where we are able to match electricity supply and

demand efficiently. This can be done through “demand-side response” (DSR) action, with such tariffs are already being introduced to domestic customers<sup>54</sup>. Westminster should therefore look to develop a Smart Energy City Collaboration, working with stakeholders across the borough, including UK Power Networks, neighbouring boroughs and the GLA to better understand the demand side challenges as we move to a more active, smarter electricity distribution network in the city. Rooftop solar PV is already seeing significant increases in installation<sup>55</sup> in response to energy bill increases, and alongside this, the Government has announced a huge increase in its ambitions for solar PV – a fivefold increase to 70GW of solar by 2035. Hence as part of the Smart Energy City Collaboration Westminster should also out ambitions for the growth of rooftop solar PV projects and the increased use of electricity storage across the city, working with homes and businesses to accelerate the use of their deployment.

52. <https://es.catapult.org.uk/report/modernising-energy-data-access/>

53. London mayor ‘very concerned’ capacity of electricity grid is delaying development, Building, 29 July 2022

54. See Octopus Energy <https://octopus.energy/blog/intelligent-demand/>

55. Number of UK homes installing rooftop solar panels highest in over seven years, The Guardian, 26 April 2023



## Net Zero North Paddington and Community Energy

The Energy and Green Transition must also be a just transition. WCC should ensure that those who are most in need benefit first from the major new investments that will result from the delivery of the council's climate emergency initiatives. Recent work by WCC through its Environmental Justice Measure tool<sup>56</sup> clearly shows that a number of wards across Westminster, but most notably the north west of the city, specifically the wards of Queen's Park, Harrow Road and Westbourne – also referred to collectively as North Paddington – represent the most deprived areas of the city. The EGT recommend that as a priority WCC maps out what provisions it needs to make to ensure its revised CEAP programmes can be delivered early on – and effectively – in the North Paddington area of the city. These plans should be set out as a distinct section of the CEAP 2023.

The journey that communities will have to take to achieve net zero is poorly understood, and each community will have its own specific challenges reflecting not only the state of its local infrastructure, such as the fabric of its homes and the use of transport, but also the make up of the families living there, their income, health status, employment opportunities and so on. Key questions such as what precise interventions for retrofit will be required in what households; the timescales involved; what technologies are most appropriate or are most wanted by the community as well as which homes and buildings should be

tackled first – all of these issues need to be consulted on and tested with the input and consent of the community if net zero plans are to succeed in the ambitious timelines set out by the council. These are all fundamental issues that need to be understood by policy makers as the pace of retrofit increases. In order to do this WCC must get communities involved in helping shape the pace and roll out of programmes in their neighbourhoods and hence the EGT recommend that a community-led Net Zero North Paddington study should be commissioned by WCC to set out a shared vision on how to achieve net zero for the area. This study will build awareness of net zero and identify and prioritise areas for action through crowd sourced input from local community and youth associations, health forums and youth centres, and local business associations across issues such as building improvements, nature, food, travel, waste and so on. The study will also identify what aspects of their neighbourhood they would like changed as part of the journey to net zero and inspire confidence by setting out a plan for project development and delivery.

Community energy action is growing at pace across the capital with increasing numbers of groups identifying, developing and then funding projects through community share offers. The Mayor's London Community Energy Fund (LCEF) has been a major boost to support such initiatives – and is a critical to the sector as national Government has no policies in place at the

present time to support community-led energy projects. A number of boroughs are now helping drive local action by establishing their own borough-wide community energy fund – including Islington, Camden, Hounslow, Haringey and Southwark – with more anticipated this year<sup>57</sup>. The EGT recommends that similar to other boroughs in London, part of Westminster's carbon offset funds are directed to a new Westminster Community Energy Fund, with a dedicated Westminster Community Energy Officer supporting applications from community groups across the city. In addition, WCC should support identifying locations for community groups to develop projects, and use Community Energy London's new 'Community Energy Potential

Map' to broker conversations between groups and community building owners to help deploy projects. Finally, community groups input to support the delivery of WCC CEAP must be valued; budgets should be allocated in order for groups to be paid for their time and involvement in helping promote programmes and projects.

In addition to the above, recommendations on specific areas for action in the following three areas are set out below:

- i. Domestic Buildings Retrofit,
- ii. Non-Domestic Buildings Retrofit and
- iii. Energy Advice and Fuel Poverty and
- iv. Decarbonisation of Heating and Heat Networks.



56. <https://www.westminster.gov.uk/about-council/data/environmental-justice-measure>

57. See 'Setting up a Local Authority Community Energy Fund' Community Energy London, January 2023



## 1. Domestic Buildings Retrofit

Residential buildings contribute 15% of citywide emissions across some 121,000 residential properties. Approximately half the homes in the city are built pre 1900 and there are 56 different conservation areas covering 78% of Westminster. The city also has the largest private rented sector (PRS) in England with an estimated 52,700 properties, the largest tenure type, making up 43% of all housing. Improving the energy efficiency of homes has never been more urgent as a result of the dramatic increase in energy bills we have all experienced over the past 18 months.

A number of activities are already in place to support residents lower their energy bills through a series of home energy efficiency retrofit programmes. The EGT was provided a briefing on these initiatives by the council's Head of Sustainability in the Housing Team and they include:

- Westminster was successful under the Government's Social Housing Decarbonisation Fund (SHDF)<sup>58</sup> Waves 1 and 2.1 (March 2023) securing £3.3m and £4.8m respectively. WCC is also part of the Green Homes Grant Local Authority Delivery (LAD) and Home Upgrade Grant (HUG) GLA consortium bids<sup>59 60</sup>. A recent announcement of SHDF spend highlighted retrofit to 560 council houses over the next two years which measures being installed including Internal Wall insulation, secondary Glazing/Double Glazing, floor, loft and cavity insulation, storage heaters, Solar PV panels and wastewater heat recovery systems and external doors<sup>61</sup>.

- Improving the energy efficiency of Westminster's of the PRS is a high priority and is a key component of Westminster's Private Rented Sector Strategy 2021 – 2025<sup>62</sup>.

- Establishing a retrofit taskforce which is a group of experts and local stakeholders to develop solutions to the challenges of retrofitting Westminster's historic built environment.

- Retrofitting a one-bedroom terraced flat in Queen's Park to serve as an Energy Saving Show Home which was awarded "Best Net Zero Carbon Initiative" at the 2023 National Housing Maintenance Awards. The deep retrofit undertaken showed how raising the energy efficiency of a dwelling, alongside the integration of a air source heat pump, solar panels and energy storage, raised the EPC from band D to B, but also reduced energy bills to almost zero<sup>63</sup>.

- Recently publishing for residents a series of retrofit guides – the first of which as on how to make windows more energy efficient and a second on installing Air Source Heat Pumps (ASHP), which was released in January 2023.

- Actively engaging with London Councils 'Retrofit London Housing Action Plan'<sup>64</sup>.

The challenge of retrofitting homes has been more difficult for councils as a result of the failure by central Government to set out any national plan for improving the energy efficiency of homes. Despite calls from a wide number of organisations<sup>65</sup> for a national retrofit strategy, including the Mayor of London<sup>66</sup>, Government have continued to adopt a piecemeal approach to the issue. In addition, budgetary cuts to programmes have dramatically slowed down the rate of

energy efficiency work, with recent research highlighting that a 'decision in 2013 to cut government support for home insulation means that 10 million homes have missed out on upgrades that could have saved taxpayers up to £9 billion a year under the Energy Price Guarantee scheme<sup>67</sup>. A setback to driving energy efficiency work in the private housing/owner-occupier sector was the collapse of the Government's 2021 £1.5 billion Green Homes Grant programme where bad programme design meant that "homeowners and installers had a poor experience using the scheme. There were delays issuing vouchers to homeowners and paying installers, causing frustration. Homeowners also found it challenging completing applications, and were often asked for more information, which took time"<sup>68</sup>. Less than one quarter of the budget of this grants programme was spent.

Whilst WCC has been successful in securing funding from the various pots of funding currently available from Government to drive retrofit, they have found the funds challenging to use as a result of the requirements set out which include:

- Significant challenges in the bidding process
- Tight restrictions on eligible properties that qualify for funding
- More stringent retrofit standards being required (PAS2035)
- Restrictive delivery windows placed on local authorities
- The level of detail required in funding application process.

Hence, Westminster's ambition around retrofitting homes has to operate against a challenging backdrop of not having a national strategy in place; having to secure funding through competitive bids into short term/start-stop and complex Government funding programmes; and trying to engage with households when major Government schemes on home energy efficiency have been announced and then suddenly closed down.

One positive issue to note is that though the Government's Green Homes Grant, and its predecessor project, the Green Deal<sup>69</sup>, failed - data from both of these programmes at the time showed that households were interested in making their home more energy efficient. The dramatic increase in energy bills over the past year has further increased households desire to act on reducing their consumption of energy. Westminster's Climate Emergency Action Plan reported that during summer 2021, more than 350 people provided feedback to the draft recommendations in a series of face-to-face and online engagement events and an online survey and set a priorities 2 and 3 that WCC should "Support residents to improve the energy efficiency of their homes and reduce energy use" and that "Westminster City Council, landlords and homeowners to retrofit buildings to improve their energy performance and increase renewable energy". And feedback from visitors to WCC's Energy Saving Show Home stated that there was high demand for additional advice and support, including the provision of trusted advice around home surveys and bespoke retrofit, and links to trusted suppliers as well as financial support.

58. The SHDF provides funding to social housing stock to improve homes to Energy Performance Certificate (EPC) C standard.

59. The LAD scheme aims to raise the energy efficiency of low income and low energy performance homes with a focus on energy performance certificate (EPC) ratings of E, F or G.

60. The HUG is solely aimed at residents in off-gas heated homes; these are properties that are not heated via a gas boiler (ie in London these homes are typically electrically-heated with storage heaters).

61. £10m investment in retrofitting council homes to save residents more than £160 a year on energy bills, 29 March 2023

62. Private Rented Sector Strategy, 2021 to 2025, January 2021, WCC

63. See case study <https://www.westminster.gov.uk/tackling-climate-change-westminster/changes-at-home/energy-saving-show-home>

64. See <https://www.londoncouncils.gov.uk/our-key-themes/climate-change/retrofit-london-programme>

65. See the Construction Leadership Council

66. See MQ to the Mayor on National Retrofit Strategy 19 January 2023

67. Taxpayers facing £18 billion bill for failure to insulate UK homes, ECIU, 20 September 2022

69. Green Homes Grant Voucher Scheme, National Audit Office (NAO) 8 September 2021

69. See Green Deal and ECO, National Audit Office (NAO) 14 April 2016



## EGT Recommendations

During the EGT meetings WCC have stated that they will be creating a 'Clean & Affordable Energy Strategy for Social Housing' which will include a decarbonisation pathway for every Council home<sup>70</sup>. The EGT welcome this initiative but recommend it should form part of a more strategic homes retrofit offer for the city, rather than a piecemeal approach, and not limited by the funding cycles of Government retrofit programmes. A comprehensive Homes Retrofit Action Plan for the city is needed to give a clearer idea to all residents of a route for them to support their pathway to a net zero home. This would need take into account all tenures of building, setting out the scale of the challenge to improve the energy efficiency of homes from mansion blocks to terraced housing to tower blocks to the considerable number of homes across the borough connected to the communal heating schemes and also homes in conservation areas.

The EGT recommends that:

- WCC should publish a Housing Retrofit Action Plan for Westminster by summer 2024 with a central focus of:
  - A 'retrofit offer' for all income groups and all homes across the city
  - Speeding up delivery of retrofit programmes across the city for the residential sector
- This Action Plan should be informed – and also feed into – the work that London Councils is already taking forward through its Retrofit London<sup>71</sup> workstream – specifically its Retrofit London Housing Action Plan and 2022 Retrofit Implementation Plan

- The Action Plan should identify pilot areas of the city to trial area-wide retrofit projects. One of these should be North Paddington (see earlier section 'Net Zero North Paddington') with the pilot bringing together major housing associations, tenants group representatives, and local business groups to help shape the roll out. This should also look to routes to decarbonise terraced housing – which make up a considerable number of the homes in the city.
- The Action Plan must provide a clearer estimate on the total cost of retrofitting all housing in Westminster's to help inform future funding plans for retrofit (analysis<sup>72</sup> undertaken for London Councils suggested this total for Westminster to be £3.33 billion with an average investment per property of £23,570 to achieve an EPC rating of B for each home).



- As part of the 'retrofit offer' the Action Plan should provide tailored support for households, across a range of retrofit interventions, from fabric measures, to improvements in heating systems to the use of solar PV (building on the council's work through the Mayor's Solar Together programme<sup>73</sup>) and also extending to technologies such as heat pumps and energy storage. As part of this work, WCC should also take a more active role in the London Councils' workstream on 'Renewable Power for London'<sup>74</sup>
- The issue of retrofit in conservation areas is particularly challenging – with such areas covering 78% of Westminster there needs to be planning guidance for energy efficiency projects in conservation areas. Westminster should continue to develop its guidance for households on the scope for retrofit in conservation areas, supported by new research such as the recently launched 'Climate Emergency Conservation Area Toolkit'<sup>75</sup> by Architects Climate Action Network.
- The Action Plan must be cross departmental and also include support from the council's economy, jobs and partnerships teams to engage with the local labour market of installers and builders to link up their needs with local education and skills providers.
- The council should ensure it has sufficient resource in place to secure maximum funding from the numerous Government retrofit programmes in play. This includes SHDF, Home Upgrade Grant (HUG) and Green Homes Grant Local Authority Delivery (LAD) and - working with energy suppliers – the Energy Company Obligation (ECO4) and new ECO+/Great British Insulation. Suitable support must also be put in place to ensure that funding secured converts to measures delivered within the challenging timescales set by Government for all of these programmes.
- And once again – communication with residents is vital. Even after funds have been secured, WCC has sometimes found residents' reluctance to engage without dedicated council resources to communicate the benefits.

70. Examples already exist such as LB Haringey who launched a Haringey Council Housing Energy Action Plan 2023-2028 in January 2023 and LB Lewisham's Final report of the Housing Retrofit Task and Finish Group, February 2022

71. <https://www.londoncouncils.gov.uk/our-key-themes/climate-change/retrofit-london-programme>

72. Table 9 London Councils Pathway Report, v1.6, Parity Projects, 21 July 2021

73. At the moment, only Westminster residents who own their own home (or have permission from the landlord) can register for the Solar Together group-buying scheme.

74. See Renewable Power for London Action Plan, London Councils

75. <https://www.architectscan.org/conservation-area-toolkit-retrofit-homes> 3 February 2023



## 2. Non-domestic Buildings Retrofit

Commercial and institutional buildings contribute about 70% – by far the largest proportion – of the city’s greenhouse gas emissions. They represent some 55,000 businesses, ranging from large multi-national organisations to small and micro businesses. WCC report that 92% of its non-domestic properties have an EPC rating of C or below, which means that they will require deep retrofit interventions in order to reduce their energy and carbon impacts.

Westminster City Council currently owns or operates over 400 buildings and assets – split between operational buildings and a wider investment portfolio operated on a commercial basis. These buildings have a more ambitious target in the CEAP of decarbonising to net zero by 2030.

WCC works closely with the Westminster Property Association (WPA) which represents over 240 organisations with interests in Westminster’s built environment, including landowners, contractors, architects, and investors. In 2020 the WPA published Zero Carbon Westminster, a White Paper<sup>76</sup>, which included recommendations to both WPA members (which included capturing and report building energy data use, switching to renewable energy supplies, green leases and considering the embodied energy of materials uses) and the WCC (which ranged from introducing climate first’ planning policies, greater collaboration between building operators and planning around the retrofit of heritage buildings and wider uptake of Display Energy Certificates (DECs)).

To support businesses, reduce their energy consumption, over the past year WCC has:

- Launched a Business Energy Saving Scheme, which provides free energy audits and bespoke energy saving action plans for up to 1,000 SMEs across Westminster by 2024.
- Launched a pilot scheme for up to 100 SMEs to receive a free one-year licence and one-to-one support from award-winning Climate Essentials programme (a digital carbon monitoring and action planning platform).
- Launched a Sustainable City Charter<sup>77</sup> in partnership with the Westminster Property Association. This is a business-led climate action pledge for organisations containing eight commitments for reducing carbon emissions from non-domestic buildings and committing to net zero buildings by 2040 or earlier.
- Established a Retrofit Task force, focused on the specific challenges of retrofitting Westminster’s exceptional historic built environment.

National Government has committed to reducing energy demand in commercial buildings, but much of the policy in this area is either on hold or delayed. The recent ‘Green Day’ announcements from Government included:

- A pause to the rollout of the operational energy rating pilot scheme for offices stating, “prior to committing to a pilot the government is reviewing how this scheme would function within the policy landscape for commercial and industrial buildings”.
- That the minimum standards for EPC in owner-occupied commercial buildings are still being finalised<sup>78</sup>.

In terms of SMEs Government has, however, announced that it will establish by the end of 2023:

- A dedicated energy advice offering for smaller businesses to provide trusted advice to help them reduce their energy use, costs and decarbonise
- Look to deliver a pilot energy advice service (one-stop-shop) for SME businesses that offers subsidised energy audits and potential grant funding to support improvements in awareness of energy management and take up of energy efficiency investments

In terms of its own building stock, WCC has set an ambition to decarbonise its own operations to Net Zero by 2030 (this is ahead of the Government’s target for a 75% reduction in greenhouse gas emissions of the public sector estate, from a 2021 baseline, by 2037<sup>79</sup>). Westminster has been successful over the past two years in securing a total of £13m and £3.8m in grant funding through the Government’s Public Sector Decarbonisation Scheme (PSDS) working closely with the Mayor of London’s Retrofit Accelerator Workplaces (RA-W) programme to develop the business case and tender documents. This work has been challenging – having to deliver complex retrofit projects to tight timetables – as is required by the PSDS – and has involved installing solar PV panels on twelve corporate properties and plans to install PV panels on six blocks of social housing; installation of heat pumps in seven corporate properties, with plans to roll out heat pumps in further properties and social housing estates. WCC have also commissioned a strategic overview of how to best make use of the excess power from solar panels installed on housing communal sites.



76. Zero Carbon Westminster, A white paper on decarbonising the City’s built environment WPA, November 2020

77. Sustainable City Charter | Westminster City Council

78. All three points set out in ‘Responding to the Climate Change Committee’s (CCC) Annual Progress Report 2022 Recommendations’ HMG 30 March 2023

79. Powering up Britain, The Net Zero Growth Plan (page 60) HMG 30 March 2023



## EGT Recommendations

EGT members Grosvenor and Crown Estate highlighted the extensive and ambitious retrofit programmes they currently have in place, with some of the most challenging carbon reduction targets in the property industry, which they are working at pace to deliver across hundreds of often listed buildings in the city. Many other businesses and commercial building managers in the city will also have their own emission reduction plans in place, as can be seen through work undertaken by the Better Buildings Partnership (BBP)<sup>80</sup>. The city is also home to large number of institutional buildings, including the Palace of Westminster and the large Whitehall estate, hospitals, universities and so on, all of which are major energy consumers, and will have targets in place ranging from the Government's public sector emissions target, the NHS Net Zero plan and the Greening Government Commitments.

The February 2023 launch of Westminster's Sustainable City Charter is welcome as it provides new opportunities for increasing collaboration between the WCC and all these organisations. However, the scale of reduction needed across the non-domestic building sector to achieve net zero will require a major step change in action, which will require closer collaboration between WCC and building operators across the city.

The EGT recommends:

- Westminster's net zero ambitions simply cannot be achieved without a step change in its approach to retrofitting buildings in the city. This will require a comprehensive programme of work that will require a significant boost in resource by the council. And the time to act is now! Fortunately the landscape for advancing retrofit is as good as it has ever been in the UK (though admittedly still behind what we have seen in other major economies such as France and Germany) with:
  - Government commitments to funding retrofit to at least 2028<sup>81</sup> and Labour pledging to invest £6 billion a year between now and 2030 for low carbon heating and retrofit if it were to get into power
  - Gearing up by all local authorities to deliver retrofit
  - Greater coordination by London Councils through their pan-London retrofit work
  - Recent announcements by the London Partnership Board to focus on new routes to finance retrofit action later this year<sup>82</sup>
  - Significant industry action on retrofit steered by organisations such as the UK Green Building Council (UKGBC)<sup>83</sup>
  - New routes to finance retrofit through work by the Green Finance Institute<sup>84</sup> and others; and
  - And increased interest in making homes more efficient as a result of spiking energy prices<sup>85</sup>.

- The EGT recommends increased resource deployed to the Retrofit Task Group as soon as possible with the appointment of a Retrofit Programme Manger and team to expand the scope of the Taskforce's work, research and outputs. In parallel to the earlier recommendation for a Housing Retrofit Action Plan for Westminster – which the Retrofit Task Group should lead on with input from the WCC Housing Team – the Retrofit Task Group should coordinate all retrofit collaboration with Westminster's public and private sector building operators to set out an ambitious vision for decarbonising non domestic sector in the city, linking in current initiatives such as the Sustainable City Charter, the work with SMEs and so on.
  - Key themes for the Retrofit Task Force to address should include how to:
    - Improve the Westminster planning process to better enable retrofit
    - Better communicate the business case for retrofit
    - Make retrofit more appealing to differing stakeholder groups
    - Help accelerate getting projects started
    - Deliver retrofit at the scale and speed necessary
    - Approach retrofit for the most sensitive historic buildings
    - Deliver retrofit on hard to tackle apartment/mansion blocks with multiple tenures, leaseholders etc
- Following the work of the LAEP, the Retrofit Task Group should establish a Major Energy Users workstream to identify those buildings with the highest energy consumption and set out best practice for reducing their carbon impact.

- The Taskforce should also look to support commercial building operators to comply with future MEES targets, and exploring what roles such buildings could contribute as major anchor loads for future heat networks/ heat zones in Westminster (see section below on 'Decarbonising Heat' for further information).
- Similar to an earlier recommendation for domestic buildings, work across planning and energy issues to better understand the opportunities for retrofitting buildings in conservation areas and exploring opportunities for certain measures to be permitted development (such as RBKC has recently done for the installation of solar PV<sup>86</sup>)
- Expand Westminster's energy advice offer to SMEs, linking into potential new government initiatives to be launched shortly (see above), and most importantly, developed through a partnership programme with a network of SMEs across the city
- Go beyond energy to also address a wider range of issues around climate resilience and adaptation, looking at the impact of climate change on the built environment in Westminster, from increased heat to flooding incidents.
- Co-fund research for new guidance into a wider set of issues for commercial building retrofit such as the embodied carbon of materials for retrofit, planning and retrofit. WCC should liaise with the London Partnership Board on this area of research as soon as possible, as the Board is building on its Retrofit London<sup>87</sup> plan this year.

80. The BBP is a collaboration of leading property owners who are working together to improve the sustainability of commercial buildings. <https://www.betterbuildingspartnership.co.uk/>

81. £6 billion between 2025 and 2028 to fund energy efficiency and clean heat in building stock.

82. See Retrofit London paper at London Partnership Board Meeting, 16 March 2023

83. See <https://ukgbc.org/our-work/retrofit/>

84. Green Finance Institute launches new resource to supercharge green home retrofit solutions, GFI, 28 February 2023

85. Kingspan hails record year as insulation sales heat up, 17 February 2023

86. Solar Power for more homes in Kensington and Chelsea, 22 March 2022

87. See Retrofit London paper at London Partnership Board meeting 16 March 2023



### 3. Energy Advice and Fuel Poverty

The latest Government sub regional fuel poverty data (for 2020) reports that there are 10,737 households in Westminster identified as fuel poor out of a total of 113,697 households in the city – an average 9.4%<sup>88</sup> with LSOA data showing these households are typically concentrated in a few wards within the city. However, the time lag in reporting this sub regional data also means that these levels will not reflect the real incidence of fuel poverty in the city at the present time, as the significant prices rises that we have experienced came into effect from early 2022. National Energy Action (NEA) has estimated that the total number of households across the UK in fuel poverty increased from around 4 million in summer 2020 to 6.7 million in October 2022 and they expect it to reach 7.5 million households April 2023. This is more than double the official estimate for England. Hence it is likely that the number of households struggling to pay their energy bill in Westminster has more than doubled to over 20,000, with possibly one in three households in some part of the city in fuel poverty.

The typical domestic energy bill in Westminster in 2020 would have been around £1,500 for the annual supply of electricity and gas. This had increased by the beginning of 2022 to over £4,000, but the introduction of the Government’s Energy Price Guarantee (EPG) effectively capped the average energy bill to £2,500. Ofgem’s energy price cap is set for the April to June quarter at £3,280, but the Government’s EPG will provide support to keep this down to £3,000. The latest market data forecasts that energy costs will continue to remain higher than historically observed in the UK for some time to come, something that has also been confirmed by Ofgem. Westminster residents will also see a variation in their energy bill depending on if they are on a dual fuel contract, economy 7 storage heating, or connected to a district heating system, or as a prepayment meter user.

Improving the energy efficiency of Westminster’s largest tenure, the Private Rented Sector (PRS), is a high priority of the council’s PRS Strategy 2021 – 2025. This sets out that 2,500 PRS properties (4.5%) fail the basic Minimum Energy Efficiency Standards (MEES) and a further 13% could benefit from energy efficiency measures, such as insulation and double glazing.

Westminster has launched the following initiatives to help support residents with their energy bills:

- Green Doctors service provides free and impartial energy advice and support to vulnerable Westminster residents covering a range of energy efficiency measures. The scheme applies to residents eligible if household income is under £21,500, or households with people over 65 or with a long-term health condition or disability.
- The CEAP committed to launching this year “an expanded ‘Green Homes’ advice service to provide direct support to residents, prioritising the vulnerable and those in fuel poverty, to help improve the energy efficiency of their homes and cut energy costs”
- The Energy Advice pages of the Westminster website provides information and useful links to support households with their energy bills
- A MEES Plus Grant Policy and Pilot Scheme to deliver energy efficiency improvements and carbon savings in the private rented sector (PRS). The council’s MEES Enforcement Team, using data analysis and engagement with the sector, will identify a list of properties/landlords that are eligible for MEES Plus Grant funding. The Pilot Scheme aims to fund approximately 8 – 10 properties. The Government has proposed to increase the MEES standard in private rented homes from an ‘E’ to a ‘C’ rating for new tenancies from 2025 and for all private rented homes from 2028, however final conclusions on this proposal are still awaited.

The Mayor’s Energy Advice London service was launched in 2022 and signposts a comprehensive list of organisations that have the potential to provide support to households. The Government’s online energy advice support services Help for Households includes a detailed Help with your energy bills section which lists current support mechanisms that households can access. Government is planning to launch a national phoneline service shortly to support those consumers that need more targeted help or who are digitally excluded. In addition, regionalised pilots for in-person energy advice specific to the local areas are to be launched later this year.

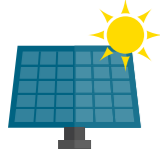
### EGT Recommendations

- There are good existing resources on WCC’s webpages ‘Help and support with rising energy costs’ and ‘Saving Energy at Home’ providing residents to information on how to reduce their energy costs. Advice to residents should be improved as part of the ‘retrofit offer for all’ (see earlier) through an improved area of the website on retrofit. Also, it is not clear at present if there are dedicated officers working in WCC on domestic energy advice and/or fuel poverty. Higher energy bills and the cost-of-living crisis will be impacting on Westminster residents for sometime to come and there needs to be a clearly identified officers within the climate emergency team to advance work in the area, reaching reach out to all residents, especially those who may not be able to access digital resources easily.
- WCC should build on the MEES+ scheme, to provides the output from these programmes to the GLA and other London councils, as well as informing a wider MEES+ scheme in Westminster.



88. <https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2022> - 2021 data will become available at the end of April 2023.





## 4. Decarbonisation of Heating and Heat Networks

The past 20 years has seen a dramatic reduction in the use of fossil fuels to generate UK electricity, leading to a rapid decarbonisation of our electricity grid. However, the vast majority of our buildings remain heated by fossil gas and decarbonising heat supplies via a shift away from natural gas remains the most pressing challenging to achieving net zero. The Government’s 2021 Heating and Building Strategy (HABS) set out a range of measures to drive alternatives to the use of gas boilers which included an increase in the use of heat pumps, the growth in district heating to displacing the use of fossil gas in the gas grid through use of low carbon and renewable hydrogen. Decisions around the future potential of hydrogen remain highly uncertain and the Government has stated that pilots currently being undertaken will feed into a policy decision on the role of hydrogen in heat decarbonisation in 2026. A review undertaken built environment professionals in 2021 of the potential of hydrogen as a decarbonisation route for heating in buildings concluded “it is unlikely that zero carbon hydrogen supplied via a re-purposed gas mains network will be available for the vast majority of buildings, for the foreseeable future.”<sup>89</sup>.

The ‘electrification of heat’ is to be achieved through the wider use of heat pumps with the recently released Heat Pump Investment Roadmap stating that the Government has a “Long term vision with an aim to grow the market to 600,000 heat pump installations each year by 2028 and up to 1.9 million a year by 2035, underpinned by ambitious policies”<sup>90</sup>. The 2028 target is an approximate 10-fold increase over the current rate. The Mayor’s analysis for London to achieve its Net Zero target for 2030 suggests that 2.2m heat pumps will need to be deployed in the capital by 2030<sup>91</sup>.

There is no definitive guide to the number of heat pumps in the city of Westminster. The most up-to-date source of information is the Microgeneration Certification Scheme (MCS) Installations Database<sup>92</sup>, which is open to use to MCS registered installers (and through a data sharing agreement with Ofgem and Government).



The Government’s support mechanism for supporting the uptake of heat pumps in homes, which operated from 2014 to March 2022 (when it closed), was the Domestic Renewable Heat Incentive (RHI). The latest data<sup>93</sup> includes information of technologies installed at the local authority level, and reports a total of seven domestic Air Source Heat Pumps (ASHP) were installed in Westminster through the RHI over its period of operation. There is no support mechanism in place for non domestic heat pumps (the BUS only support heat pumps up to 45kW capacity – equivalent to the heat load of approximate three domestic households) with the exception of supporting heat pump installs in public sector buildings, and WCC has succeeded in securing close to £17m which has supported the installation of heat pumps in seven corporate properties.

The Boiler Upgrade Scheme (BUS) succeeded the RHI and was introduced in April 2023 providing a grant of up to £5,000 for the installation of an ASHP. BUS statistics are not available at the local authority level – but data available shows a total of 602 applications were received as at February 2023 across the whole of London (5% of the total for England and Wales). Ofgem’s quarterly BUS statistics report that 274 grants for ASHP were paid in London by end of January 2023<sup>94</sup>. Recently released Government statistics of BUS vouchers issued by Parliamentary constituency<sup>95</sup> show that in Westminster North and Cities of London and Westminster installations were below five installs. WCC has secured funding under the Social Housing Decarbonisation Fund (SHDF) and is exploring routes for the installation of ASHP through this funding.

Heat networks are of particular importance to Westminster, as it is home to the major Pimlico District Heating Undertaking (PDHU), the first heat network in the UK, built in 1950. The 2023 Energy Bill will bring forward new legislation which will provide local authorities with new powers to designate zones where heat networks are preferred. Establishing new ‘heat network zones’ in the city – together with funding through the Government’s Heat Network Efficiency Scheme (HNES)<sup>96</sup> (directs funding for improving the efficiency of existing networks) and the £288m Green Heat Network Fund (supports the development of new and existing low and zero-carbon heat networks) - has the potential to provide Westminster with a major opportunity to improve and extend existing networks. The most challenging element of this work will be identifying routes to decarbonise the heat sources for these existing networks (all existing communal heat networks use gas boilers as their source of heat). At present, over 60% of all the council’s emissions come from heat networks – that is PDHU and a further 50+ communal heating systems on social housing estates across the city. A decarbonisation strategy for PDHU is currently being assessed, exploring the feasibility of different options including a heat pump to replace one of the main gas boilers. Upgrading these heat networks is not only essential in supporting the council’s goal of net zero, but there is also need to improve the efficiency of the networks to improve reliability of heat supplies to consumers, as well as driving down energy bills.

89. Hydrogen: A decarbonisation route for heat in buildings?, LETI, February 2021

90. Heat pump net zero investment roadmap, 5 April 2023 DESNZ

91. Mayor of London’s office releases new report setting 2030 net zero target for London, 20 January 2022

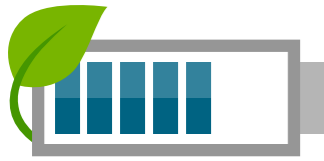
92. <https://certificate.microgenerationcertification.org/>

93. RHI Deployment Statistics, March 2023, DESNZ – see tab S2.6

94. <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-quarterly-report-issue-3-november-2022-january-2023> DESNZ, March 10 2023

95. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1141740/Boiler\\_Upgrade\\_Scheme\\_Vouchers\\_Issued\\_By\\_Parliamentary\\_Constituency.xlsx](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1141740/Boiler_Upgrade_Scheme_Vouchers_Issued_By_Parliamentary_Constituency.xlsx)

96. <https://www.gov.uk/government/publications/heat-network-efficiency-scheme-hnes>



## EGT Recommendations

Decarbonising heat supplies to Westminster’s homes and businesses will be the most significant – and difficult – element of the council’s goal to achieve net zero. Demand reduction is the first and most important element in relation to reducing Westminster’s reliance on gas heating – and hence the EGT’s recommendations around energy efficiency in homes and businesses (earlier on in this report) must always be considered as a necessary first step in any initiative in relation to the provision of clean heat.

The Government’s progress to date on supporting the uptake of heat pumps has been less than successful. A recent inquiry by the House of Lords concluded that “the Government’s Boiler Upgrade Scheme ... is failing to deliver on its objectives, following a disappointingly low take-up of grants<sup>97</sup>” Despite concerns about the suitability of heat pumps in many urban locations, increasing evidence is pointing to the fact that heat pumps can be installed in nearly all properties<sup>98</sup>. The Government has also recently announced that it will extend funding support for the BUS to 2028, which is a positive action. As a priority, WCC should reach out to residents to identify a mix of household types in the city that would welcome the installation of a heat pump as an alternative to their existing gas boiler, and look to provide some ‘hand holding’ to these households in securing BUS grants and through the heat pump installation process. In return, these homes should agree to take part in monitoring studies, and ‘open

house’ events to provide user experience to Westminster residents about the switch to heat pumps<sup>99</sup>. This latter point is particularly important as there is considerable contradictory information around the heat pump user-experience in the national press.

A shortage of relevant skills is another major barrier to take-up of the BUS. There are far fewer heat pump installers available than gas boiler fitters – estimated at under 2,000 heat pump installers in 2019 compared to 130,000 Gas Safe registered heating engineers – meaning households are more likely to be advised to replace a gas boiler with like-for-like and they must work harder to get a range of quotes for low-carbon heating systems<sup>100</sup>. Finding a suitable installer for a heat pump is a major first stumbling block for most residents who wish to switch from a gas boiler. Westminster’s new ASHP How to Guide<sup>101</sup> is excellent – but it provides only standard information in there to relation to finding a trusted supplier. To help support the deployment of heat pumps in Westminster, the council must go beyond simply signposting households to the MCS Approved Suppliers list and instead take a more active approach in helping households identify suitable suppliers, fast track applications that require planning, provide information on energy efficiency grants/support ahead of a heat pump install, monitor data on heat pump installs including changes to EPC banding issues<sup>102</sup>, and cost information as a guide for residents, update the ASHP guide with revised information by surveying residents who have had a heat pump installed and so on.

WCC is currently evaluating the performance of existing heat networks ahead of applying to the Government’s HNES funding. This is welcome – but the Housing Team should be provided with more resource and support as a priority in order to secure these significant funds from Government in order not only to improve the consumer experience of heat networks – but also drive down energy bills for residents the as soon as possible.

Heat network zoning will become a critical tool for Westminster to help shape the future of heat networks in the city. The LAEP work (referenced earlier) will help inform the feasibility of creating new and/or expanded low-carbon heat networks and communal heating systems in Westminster, but WCC can take action now by bringing together major heat (and cooling) heat users (hospitals, universities, housing providers, government and commercial offices) to explore how their anchor loads could form the cornerstones of future heat network zones across the city (the GLA’s Heat Network Manual<sup>103</sup> may help with this exercise); WCC could also look to LB Southwark who are pre-empting the Heat Network Zone by creating a Local Development Order (LDO) to extend existing networks and connect new loads within a specified location<sup>104</sup>; using the outputs of the LAEP work, create a ‘Heat Map’ for the borough so that planning can ensure it connects new building loads up to existing heat networks – or connect to a nearby development which has an existing or planned onsite heat network.

London Councils has seven workstreams currently in place to support boroughs achieve their climate emergency targets<sup>105</sup>. However, there currently is no activity around the decarbonisation of heat. As a borough with the most significant district heating scheme operating in London, Westminster should approach London Councils to take forward a new heat network work strand – potentially liaising with the GLA to get technical support for this work from the Local Energy Accelerator programme<sup>106</sup>. This initiative would help connect the many London boroughs currently examining the potential for heat networks, and support London in securing as much funding as possible from the Green Heat Networks Fund.



97. See HoL Environment and Climate Change Committee report, 22 February 2023

98. All housing types are suitable for heat pumps, finds Electrification of Heat project, Energy Systems Catapult, December 2021 and Heat pump retrofit in London, Greater London Authority, August 2020.

99. This project should be more typical of a switchover to a heat pump - not the deep retrofit (c. £40,000) of the Westminster Energy Saving Show home.

100. From Letter from Baroness Parminter to Rt Hon Lord Callanan, House of Lords Environment and Climate Change Committee, 22 February 2023

101. <https://www.westminster.gov.uk/planning-building-and-environmental-regulations/planning-and-climate-emergency/planning-householder-retrofit-how-guides/air-source-heat-pumps>

102. Under the current EPC methodology and present fuel prices, a better result will tend to be achieved by selecting fossil fuel heating rather than low-carbon heating (such as heat pumps). See Reform of domestic EPC rating metrics to support delivery of Net Zero, Committee on Climate Change, February 2023

103. See <https://www.london.gov.uk/programmes-and-strategies/environment-and-climate-change/energy/london-heat-network-manual-ii>

104. See Local Development Order - District Heating Network, Southwark, February 2023

105. See <https://www.londoncouncils.gov.uk/our-key-themes/climate-change>

106. <https://www.london.gov.uk/programmes-strategies/environment-and-climate-change/energy/low-carbon-accelerators/local-energy-accelerator>



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