

# **CITY OF WESTMINSTER**

## **MINUTES OF PROCEEDINGS**

At the Meeting of the Council of the City of Westminster held at 7.00 pm on Wednesday 7th March, 2018 at Westminster Council House, 97-113 Marylebone Road, London, NW1 5PT.

### PRESENT

The Lord Mayor, Councillor Ian Adams

### COUNCILLORS

Heather Acton  
Ian Adams  
Nickie Aiken  
Julia Alexander  
Barbara Arzymanow  
Daniel Astaire  
Richard Beddoe  
Rita Begum  
David Boothroyd  
Iain Bott  
Susie Burbridge  
Ruth Bush  
Melvyn Caplan  
Danny Chalkley  
Brian Connell  
Antonia Cox  
Thomas Crockett  
Peter Cuthbertson  
Tony Devenish  
Paul Dimoldenberg  
Christabel Flight  
Peter Freeman  
Murad Gassanly  
Jonathan Glanz  
Barbara Grahame

Angela Harvey  
David Harvey  
Richard Holloway  
Adam Hug  
Louise Hyams  
Aicha Less  
Patricia McAllister  
Guthrie McKie  
Tim Mitchell  
Gotz Mohindra  
Jan Prendergast  
Papya Qureshi  
Suhail Rahuja  
Robert Rigby  
Tim Roca  
Ian Rowley  
Karen Scarborough  
Andrew Smith  
Shamim Talukder  
Barrie Taylor  
Aziz Toki  
Judith Warner  
Jacqui Wilkinson  
Jason Williams

## **1 APPOINTMENT OF RELIEF CHAIRMAN**

Motion moved by the Lord Mayor and seconded by Councillor Tim Mitchell and resolved that Councillor Judith Warner be elected as Relief Chairman.

## **2 MINUTES**

The minutes of the proceedings at the Council meetings held on Wednesday 24 January 2018 were, with the assent of the Members present, signed by the Lord Mayor as a true record of proceedings.

## **3 LORD MAYOR'S COMMUNICATIONS**

3.1 The Lord Mayor referred to these as set out in the agenda.

## **4 DECLARATIONS OF INTEREST**

4.1 Councillor Ruth Bush declared that she was a Board Member of CityWest Homes and would be speaking in the debate on the Notice of Motion.

## **5 PETITIONS AND DEPUTATIONS, IF ANY**

5.1 Councillor Murad Gassanly presented a petition from local residents calling on the Council to replace the derelict Balmoral Castle pub with sheltered accommodation and community supported housing. The petition was referred to officers for reporting to the relevant Cabinet Member.

### **Statement by the Leader of the Council**

With the permission of the Lord Mayor the Leader of the Council, Councillor Nickie Aiken, advised the Council that Councillor Robert Davis, who was unable to attend tonight for personal reasons, would, for the duration of the Monitoring Officer's investigation, be stepping aside from the duties of Deputy Leader and as Cabinet Member for Business, Enterprise and Transport. The Leader set out how these functions would be covered by Councillors Astaire and Mitchell.

## **6 QUESTIONS**

### **Procedural Motion**

Moved by Councillor Tim Mitchell and seconded by Councillor Guthrie McKie and

### **Resolved:**

That Standing Order 9 be suspended to the extent only to allow that rather than Members, entitled to do so, being selected by draw to ask Questions the Lord Mayor call Members entitled to ask a question who indicate when asked by the Lord Mayor by show of hands at the meeting a wish to do so. The Lord Mayor, when calling Members, may have regard to the proportionality of the political groups on the

Council. The Leader of the Opposition shall still be entitled to ask up to 3 questions during question time which shall be for a maximum of 45 minutes.

The questions, supplementary questions and replies are included on the Council's website.

## **7 COUNCILLOR ISSUES**

### **(a) Westminster Residents and the London Economy**

Councillor Karen Scarborough spoke and Councillor Nickie Aiken replied.

### **(b) Education in Westminster**

Councillor Peter Freeman spoke and Councillor Richard Holloway replied.

## **8 STATEMENT ON URGENT MATTERS**

There were no urgent matters.

## **9 REPORT OF THE CABINET - 19 FEBRUARY 2018**

9.1 Following debate on the whole report, to which Councillor Nickie Aiken replied, the Lord Mayor put the recommendations in each of the paragraphs to the vote. In accordance with statutory provisions the recommendations in paragraph 1 of the Cabinet report – 2018-2019 Budget and Council Tax were put to a roll call vote undertaken by the Chief Executive, there voted:

**For the recommendations:** Councillors Acton, Aiken, Alexander, Arzymanow, Astaire, Beddoe, Bott, Burbridge, Caplan, Chalkley, Connell, Cox, Crockett, Cuthbertson, Devenish, Flight, Freeman, Gassanly, Glanz, Angela Harvey, David Harvey, Holloway, Hyams, Mitchell, Mohindra, Prendergast, Rahuja, Rigby, Robathan, Rowley, Scarborough, Smith, Warner and Wilkinson.

**Against the recommendations:** Councillors Begum, Boothroyd, Bush, Dimoldenberg, Grahame, Hug, Less, McAllister, McKie, Qureshi, Roca, Talukder, Taylor Toki and Williams.

**Absence or not voting:** The Lord Mayor, Councillors Church, Couttie, Davis, Evans, Floru, Hall, Mohammed, Roberts, Summers and Thomson.

The Lord Mayor declared the recommendations in paragraph 1 of the Cabinet report – 19 February 2018 adopted:

### **Resolved:**

1. That the Council note that the local element of Council Tax for 2018-2019 will not increase.
2. That the Council approve the following:

- (i) The 2018-2019 budget, as set out in the report, and the recommended Council Tax levels as set out in the Council Tax resolution at Annex C to the report and Annex 1 to the Cabine report;
- (ii) That local element of Council Tax be increased by 2% in respect of the Adult Social Care Precept as permitted by Government and anticipated in their Core Spending Power assumptions;
- (iii) That as a consequence of no change in Council Tax and the 2% increase in the Adult Social Care precept the local element for Band D properties be confirmed for 2018-2019 as £416.27;
- (iv) That having had regard to (iii) above, the Council Tax for the City of Westminster, excluding the Montpelier Square area and Queen's Park Community Council, for the year ending 31 March 2018, be as specified in the Council Tax Resolution in Annex C to the report (Appendix A) and Annex 1 to the report. That the Precepts and Special Expenses be as also specified in the Council Tax resolution for properties in the Montpelier Square and Queen's Park Community Council;
- (v) That the Council Tax be levied accordingly and that officers be authorised to alter the Council Tax Resolution as necessary following the final announcement of the Greater London Authority precept;
- (vi) That the Council approves the budget proposals presented to Council on 8<sup>th</sup> November 2017 which were approved in principle pending the completion of relevant external consultations as outlined in Section 18 of the report attached to the report as Appendix A.
- (vii) That the views of the Budget and Performance Task Group set out in Annex A of the report (Appendix A) be noted as considered by the Council
- (viii) That the draft estimated cash limited budgets for each service with overall net expenditure for 2018-2019 of £186.163m (as set out in Schedule 3 of Appendix A) of the report be noted;
- (ix) That the City Treasurer be required to submit regular reports as necessary on the implementation of the savings proposals and on the realisation of pressures and mitigations as part of the regular budget monitoring reports;
- (x) That the City Treasurer be delegated responsibility for any technical adjustments required to be made to the budget;

- (xi) That the cost of inflation, pressures and contingency be issued to service budget if and when the need materialises, to the limits as contained within schedule 4 of the report, Appendix A);
- (xii) The Council continues, as previously agreed, to make two further one off contributions into the Pension Fund of £10m per annum as well as a recurrent additional £4m contribution as part of the ongoing annual contributions as set out in paragraph 13.6 of the report (Appendix A);
- (xiii) That the views of consultees and consultation approach, as set out in section 18 of Appendix A be noted as considered by Council;
- (xiv) That the proposed use of new capital receipts be used under the freedoms of the Flexible Capital Receipts regulations be used to fund revenue expenditure on City Hall, Digital Programme and Pension Deficit Recovery programmes which lead to future ongoing savings (and subject to review at year-end to determine the actual costs, savings and financing by the City Treasurer) be approved;
- (xv) That the proposed use of new capital receipts be used under the freedoms of the Flexible Capital Receipts regulations to finance future revenue expenditure on other relevant and applicable programmes which arise in the future during the duration of the regulations and which lead to ongoing savings (and subject to review at year-end to determine the actual costs, savings and financing by the City Treasurer).
- (xvi) That the City Treasurer be delegated responsibility to transfer any potential surplus Business Rates revenue into a reserve to mitigate the potential impact of business rates volatility and to support future years' revenue budgets;
- (xvii) That the Council carries forward any unspent contribution from Discretionary Housing Benefits (DHP) into 2018-2019 to support payments while options to absorb the expected reduction in DHP payments from government are considered;
- (xviii) Following the consultation with Band H properties, the Council introduces the Westminster Community Contribution to allow the most expensive properties in the city to voluntary contribute towards supporting discretionary services that support the three priorities of youth services, helping rough sleepers off the streets at night and helping people who are lonely and isolated;
- (xix) That the Equality Impact Assessments included in Annex B of the report (Appendix A) be received and noted as considered as part of the approval of the budget proposals.

- 9.2 The Lord Mayor put the recommendations in paragraph 2 of the Capital Strategy 2018-2019 to 2022-2023 Forecast Position for 2018-2019 and Future Years Summarised up to 2031-2032.

In accordance with statutory provisions the Lord Mayor put the recommendations in paragraph 2 of the Cabinet report to a roll call vote undertaken by the Chief Executive and there voted:

**For the recommendations:** Councillors Acton, Aiken, Alexander, Arzymanow, Astaire, Beddoe, Boothroyd, Bott, Burbridge, Bush, Caplan, Chalkley, Connell, Cox, Crockett, Cuthbertson, Devenish, Dimoldenberg, Flight, Floru, Freeman, Gassanly, Glanz, Grahame, Angela Harvey, David Harvey, Holloway, Hug, Hyams, Less, McAllister, McKie, Mitchell, Mohindra, Prendergast, Qureshi, Rahuja, Rigby, Robathan, Roca, Rowley, Scarborough, Smith, Talukder, Toki, Warner, Wilkinson and Williams.

**Against the recommendations:** Councillor Begum.

**Absence or not voting:** The Lord Mayor, Councillor Church, Couttie, Davis, Evans, Floru, Hall, Mohammed, Roberts, Summers and Thomson.

The Lord Mayor declared the recommendations in paragraph 2 of the Cabinet report – 19 February 2018 adopted:

**Resolved:**

That the Council:

- (i) Approve the capital strategy as set out in the report attached as Appendix B;
- (ii) Approve the capital expenditure for the General Fund as set out in Appendix A of the report which is attached as Appendix B to the Cabinet report for 2018-2019 to 2021-2022 and future years to 2031-2032;
- (iii) Approve the capital expenditure forecasts for the General Fund as set out in Appendix A of the report which is attached as Appendix B to the Cabinet report for 2018-2019;
- (iv) Approve the expenditure forecast for 2018-2019 for the HRA as set out in Appendix B which is attached as Appendix B to the Cabinet report;
- (v) Note the capital expenditure for the HRA for 2018-2019 to 2022-2023 as in accordance with the 30 year HRA Business Plan and as included in Appendix B which is attached as Appendix B to the Cabinet report;
- (vi) Note the financial implications of the HRA capital programme including the references to the debt cap and the level of reserves as detailed in Sections 10.19 and 10.20 of the report which was attached as Appendix B to the Cabinet report;

- (vii) Approve that in the event that any additional expenditure is required by a capital scheme over and above this approved programme the revenue consequences of this will be financed by revenue savings or income generation from relevant service areas;
- (viii) Approve that all development and investment projects follow the previously approved business case governance process as set out in section 6.9 to 6.18 of the report attached as Appendix B to the Cabinet report;
- (ix) Approve that no financing sources unless stipulated in regulations or necessary agreements are ring fenced;
- (x) Approve that contingency in respect of major projects are held corporately with bids for access to those contingencies to be reported to the Capital Review Group in the event they are required to fund capital project costs, as detailed in Section 11.5 to 11.19 of the report attached as Appendix B to the Cabinet report. These total £594.505m from 2017-2018 to 2031-2032 but include a sum of £400m which is an allowance for general capital expenditure (eg highways improvements) in future years beyond 2021/2022;
- (xi) Note as approved last year, the Council plans to use capital receipts to fund the revenue costs of three eligible proposals – the refurbishment of Westminster City Hall (£18m), the Digital Transformation Programme (£3m) and a contribution to the pension fund deficit (£30m) under the MHCLG Guidance on the Flexible Use of Capital Receipts if considered beneficial to the Council's finances by the City Treasurer at year end;
- (xii) Approve the financing of the Capital Programme and revenue implications as set out in paragraph 13.22 of the report attached as Appendix B to the Cabinet report;
- (xiii) Approve the financing of the Capital Programme been delegated to the City Treasurer at the year end and to provide sufficient flexibility to allow for the most effective use of Council resources.

9.3 The Lord Mayor put paragraph 3 of the Cabinet report – Treasury Management Strategy Statement for 2018-2019 to 2022-2023 to the vote and on a show of hands declared the recommendations adopted.

**RESOLVED:**

That the Council approve:

- (i) The Treasury Management Statement set out in sections 5 to 7 of the report (Appendix C) to the Cabinet report;
- (ii) The Prudential Indicators set out in section 8 of Appendix C to the Cabinet report;

- (iii) The overall borrowing strategy and borrowing limits for 2018-2019 to 2022-2023 as detailed in Section 6 of the report Appendix C to the Cabinet report;
- (iv) Investment strategy and approved investments set out in Appendix 1 of Appendix C to the Cabinet report;
- (v) The Minimum Revenue Provision Policy set out in Appendix 2 of Appendix C to the Cabinet report;

9.4 The Lord Mayor put paragraph 4 of the Cabinet Report – Housing Investment Strategy and Housing Revenue Account Business Plan 2018-2019 to the vote and on a show of hands declared the recommendations adopted.

**RESOLVED:**

That the Council:

- (i) Approve the indicative HRA capital programme budgets for 2018-2019 to 2022-2023 attached to the report we considered to the Cabinet report.
- (ii) Approve the proposed allocations from the Council's Affordable Housing Fund to new supply programmes of £328m attached to the report be considered.

9.5 The Lord Mayor put paragraph 5 of the Cabinet report – Integrated Investment Framework to the vote and on a show of hands declared the recommendations adopted.

**RESOLVED:**

- (i) Approve and implement the Integrated Investment Framework set out in the report we considered (Appendix E);
- (ii) Approve that the target for the overall return on Council investments should aspire to match inflation;
- (iii) Approve that the benefits of investing in the Pension Fund should be used as a benchmark when evaluating other investments;
- (iv) Adopt the asset allocation percentages set out in the Framework and work towards achieving these;
- (v) Agree that the overarching objective of this Framework is to achieve an overall return on Council investments aspiring to match inflation, or to reduce costs and liabilities at an equivalent rate, whilst maintaining adequate cash balances for operational purposes, and not exposing the capital value of investments to unnecessary risk;



- (vi) Approve that investments in out-of-borough property developments should be considered individually and should outweigh the benefits of investing in-borough (which can have a number of non-commercial benefits eg place making) and in a diversified property fund. Individual decisions should be subject to Cabinet Member approval;
- (vii) Approve that the property and alternative asset allocation should focus on in-borough, with out of borough options being explored as and when they arise and subject to Cabinet Member approval;
- (viii) Approve the establishment of an Investment Executive, comprising the membership set out in paragraph 55 to implement, monitor and report on the investment strategy. The Investment Executive will meet half yearly, supplemented with ad hoc calls and meetings in times of change.

9.6 The Lord Mayor put paragraph 6 of the Cabinet report – Pay Policy 2018-2019 to the vote and on a show of hands declared the recommendation adopted:

**RESOLVED:** That the Pay Policy be adopted for publication.

## 10 NOTICE OF MOTION

10.1 The Lord Mayor advised that the Minority Party had selected for debate the Notice of Motion. The Notice of Motion was moved by Councillor Tim Roca and seconded by Councillor Paul Dimoldenberg. Following debate to which Councillor Roca replied the Lord Mayor put the motion to the vote.

A formal roll call vote was demanded and granted by the Lord Mayor. The Chief Executive conducted the vote. There voted:

**For the motion:** Councillors Begum, Boothroyd, Bush, Dimoldenberg, Grahame, Hug, Less, McAllister, McKie, Qureshi, Roca, Talukder, Taylor, Toki and Williams.

**Against the motion:** Councillors Acton, Aiken, Alexander, Arzymanow, Astaire, Beddoe, Bott, Burbridge, Caplan, Chalkley, Connell, Cox, Crockett, Cuthbertson, Devenish, Flight, Freeman, Gassanly, Glanz, Angela Harvey, David Harvey, Holloway, Hyams, Mitchell, Mohindra, Prendergast, Rahuja, Rigby, Robathan, Rowley, Scarborough, Smith, Warner and Wilkinson.

**Absence or not voting:** The Lord Mayor, Councillors Church, Couttie, Davis, Evans, Floru, Hall, Mohammed, Roberts, Summers and Thomson.

The Lord Mayor declared the motion as **LOST**

**11 REPORT OF THE GENERAL PURPOSES COMMITTEE: 28 FEBRUARY 2018**

11.1 The Lord Mayor put the recommendation in paragraph 1 of the General Purposes Committee report Members Allowances Scheme 2018-2019 to the vote and on a show of hands declared the recommendation adopted.

**RESOLVED:** That the Members Allowances Scheme attached to the report of the General Purposes Committee (Appendix G) be approved.

**12 CLOSE OF MEETING**

The meeting ended at 9.45pm

**CHAIRMAN:** \_\_\_\_\_ **DATE:** \_\_\_\_\_