



CITY OF WESTMINSTER

MINUTES

Finance, Planning and Economic Development Policy and Scrutiny Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Finance, Planning and Economic Development Policy and Scrutiny Committee** held on **Tuesday 28th June, 2022**, Rooms 18.06.08, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

Members Present: Councillors Concia Albert, Paul Fisher, Sara Hassan, Patrick Lilley, Ralu Oteh-Osoka, Ian Rowley and Paul Swaddle

Apologies for Absence: None received

1 ELECTION OF CHAIR

- 1.1. The Committee clerk Jack Robinson-Young opened proceedings with the election of a Chair for the Committee.
- 1.2. Councillor Lilley proposed Councillor Fisher, which was seconded by Councillor Albert.
- 1.3. There were no other Candidates proposed for Chair of the Committee.
- 1.4. Councillor Paul Fisher was elected as Chair of the Committee.

2 WELCOME AND INTRODUCTIONS

- 2.1 The Chair of the Committee Councillor Paul Fisher welcome Committee Members, Officers and Councillors present to present reports.
- 2.2 The Chair laid out the proceedings for the Committee which were two Portfolio Updates to be followed by a discussion on the Work Programme.

3 DECLARATIONS OF INTEREST

- 3.1 There were no declarations of interest.

4 CABINET MEMBER FOR PLANNING AND ECONOMIC DEVELOPMENT - PORTFOLIO UPDATE

- 4.1 Councillor Barraclough presented to the Committee and apologised for the late arrival for the written report and explained that in future he hoped the report would be with Members sooner for them to digest. Councillor Barraclough began by explaining that going forward with his portfolio he was keen to adopt green policies to fall in line with the declared climate emergency. Councillor Barraclough explained that at present the Council did not have an economic development strategy and he was keen to address this as the West End has for too long been the sole major source of income. He stressed that it was not enough to simply rely on the West End although the West End was a crucial part of the borough and would of course still be supported by him and his portfolio.
- 4.2 Upon questioning, the Committee asked about the value of Pride to the borough in economic terms to which Councillor Barraclough would endeavour to provide an economic answer to and agreed that the value of Pride went far beyond pure economic terms. The Committee also enquired about subsidised working space and how to encourage tenants into shops. Councillor Barraclough explained that subsidised working space was continuing and operated on an initial subsidy that was reduced over time to avoid a cliff edge in terms of costs for businesses. In reply to how to encourage tenants into premises, the Committee was informed that there is a strategy in place for tenants that the Council looks unfavourable on with a larger scale plan for Oxford Street.
- 4.3 The Committee also asked about subsidised office space purely for local businesses. Councillor Barraclough explained that there are no residential criteria targeting local people. The Interim Director of Economy Haylea Asadi explained that the Council does work to encourage employers to look within the borough to fill vacancies and we as an Authority support between 400 – 600 residents annually to find employment.
- 4.4 The Committee then turned to the issue of social housing and Councillor Barraclough was asked how he saw the levels of affordable housing manifesting and what the residential sector could sustain. In reply, Councillor Barraclough explained that no policies had been changed yet and any changes will be evidence based. When asked about the Intermediate Housing Scheme and changes to be made to this, Councillor Barraclough explained he would prefer the levels to be towards the lower end, like the London Living Rent and that he believed shared ownership schemes are inappropriate.
- 4.5 The Committee asked Councillor Barraclough about the rollout of fibre broadband and what can be done about the ‘notspots’ where there is little to no coverage. The Committee was informed by the Executive Director of Finance and Resources, Gerald Almeroth, that for the remaining 3% without coverage, there were plans to come forward but they were still in the design stage.
- 4.6 Councillors sought clarity on the opening comments regarding the West End being the focus for the borough. Councillor Barraclough again reiterated it was not about bringing the West End down but trying to bring the rest of the borough up to that level

4.7 ACTIONS:

1. For Councillor Barraclough to present the economic development strategy to Committee, when formed.
2. To provide the Committee with an answer as to the economic boost that Pride gives to the Westminster economy.
3. For Councillor Barraclough to present to the Committee any changes to policy on social housing and affordable housing.
4. For an update from the Executive Director of Finance Resources on the steps taken to address the remaining 3% of "notspot" areas for broadband.

5 CABINET MEMBER FOR FINANCE AND COUNCIL REFORM - PORTFOLIO UPDATE

- 5.1 Introducing his report, Councillor Boothroyd informed the Committee of his key priorities which included delivering cost effective services, developing the Medium-Term Financial Plan, refreshing the Responsible Procurement & Commissioning Strategy and the consideration of insourcing among other items.
- 5.2 Councillor Boothroyd apologised for the late arrival of his report explaining that since completion there has been three issues to draw the Committee's attention to. 1) The Census has been completed with Westminster Council being one of three Local Authorities having seen a reduction in people since 2011. This was due to the timing of the Census being conducted during the third national lockdown in March 2021 when many of the local population would not have been within the Westminster borough. To address this, a scheme called "Lost Londoners" had been implemented. 2) A report had been issued that day for 100% non-domestic rates for new retailers in the West End that are currently vacant, Councillor Boothroyd said he was inclined to move this forward. 3) Councillor Boothroyd had attended a meeting regarding widening recruitment efforts and how to increase diversity of Westminster Council employees and how to increase the number of Westminster residents who work for the Council.
- 5.3 Councillors questioned the Cabinet Member on how residents felt digitally excluded from Council services so often using digital means to communicate and advertise services. In reply, Councillor Boothroyd said there was often presumptions that everyone can engage. He went on to explain that there are some freepost arrangements but are relatively expensive.
- 5.4 The Committee then enquired about the Councils procurement strategy and what changes the new administration may make. There was a particular focus from the Committee on the social value element and what percentage this may take up of the strategy. When questioned, Councillor Boothroyd explained that no firm decisions had been made on altering this percentage.

Regarding small businesses and the blocking affect that social value requirements may have on them, Councillor Boothroyd explained that this was a well-made point and may indeed prevent small businesses from entering the procurement process.

5.5 The Committee asked about the restructuring at Berwick Street with a Cabinet Member Report from March 2022 saying the deal was worth £10.8million up to the lease break clause, that was a shortfall recovery of £700,000. Councillors asked that if the lease is seen out then there will be a £3.4million benefit, is this an overly optimistic picture? Councillor Boothroyd explained he was not the Cabinet Member at the time, and this was agreed prior to the Local Elections.

5.6 The Committee then sought to receive an update on management and governance of properties controlled by Westminster City Council. It was of particular concern for the Committee that there should be no mismanagement of this as it can easily lead to detrimental financial cost. Councillor Boothroyd explained that this topic regularly featured in his briefings and do have a role in raising revenue for the Council and he is aware of other Councils that have not closely monitored this and the repercussions.

5.7 The Committee enquired on the delivery of services and if the new Cabinet Member expected to see any practical changes from changes in funding. Councillor Boothroyd that there were potential implications for immediate estimates to be revised down and that Westminster Council would receive less funding from Central Government in the next funding round. Councillor Boothroyd reiterated the new administrations pledge to note raise Council Tax. The timeframe for this would be in the coming months. The Executive Director of Finance Resources then addressed the Committee, reassuring them that Westminster Council has a comparatively high level of reserves as a buffer against any big shocks.

5.8 ACTIONS:

1. To update the Committee on the ongoing work of the "Lost Londoners" scheme.
2. To inform the Committee if a decision is taken by Councillor Boothroyd on the report for 100% non-domestic rates for new retailers in the West End area
3. To inform the Committee if the percentage of social value on the Councils procurement strategy is changed

6 WORK PROGRAMME

6.1 Councillors on the Committee asked that meetings be arranged and then stuck to for the ease of diary management as at the previous Full Council meetings, additional scrutiny panel meetings had been requested. Councillors were keen to facilitate these meetings but wanted adequate prior knowledge of scheduling.

6.2 Committee Members noted their concerns about timings and if Cabinet Members due to present to the Committee would have enough time to report, for example, having the City Plan fully formed. The Chair of the Committee said that they would receive notification from any Cabinet Member due to present if they were not able to come to Committee with a meaningful report.

6.3 ACTIONS:

1. To schedule all upcoming meetings at the earliest availability and to inform all Members of the dates.
2. For Cabinet Members to notify the Committee if their scheduled report to present is not meaningful enough to warrant time allocated.

7 ANY OTHER BUSINESS

7.1 There were no further items of business

The Meeting ended at 21.30

CHAIRMAN: _____

DATE _____