



**CITY OF WESTMINSTER**

# MINUTES

## Overview and Scrutiny Committee

### MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Overview and Scrutiny Committee** held on **Thursday 5 October, 2023**, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

**Members Present:** Councillors Concia Albert, Lorraine Dean, Paul Fisher, Angela Piddock (Chair), Rachael Robathan and Jason Williams.

**Also Present:** Natalie Evans (Head of Responsible Procurement and SRM), Councillor Adam Hug (Leader of the Council), Ed Humphreys (Director of Commercial Partnerships), Stuart Love (Chief Executive), Clare O’Keefe (Lead Policy and Scrutiny Advisor), and Pedro Wrobel (Executive Director of Innovation and Change).

#### **1 MEMBERSHIP**

- 1.1 The Committee noted that this is the first meeting of the Overview and Scrutiny Committee.
- 1.2 The Committee noted that Councillor Tim Mitchell sent his apologies due to being unwell and passed their best wishes to him.

#### **2 DECLARATIONS OF INTEREST**

- 2.1 There were no declarations of interest.

#### **3 MINUTES**

- 3.1 The Committee approved the minutes of its meeting on 22 June 2023.

#### **RESOLVED:**

- 3.2 That the minutes of the meeting held on 22 June 2023 be signed by the Chair as a correct record of proceedings.

#### **4 WORK PROGRAMME 2023-2024**

- 4.1. The Committee reviewed the work programme for the 2023-24 municipal year and queried the timetable of a Member Development and Training item.

4.2 The Committee noted the absence of a Leader or Chief Executive Update item and queried how their portfolios would be scrutinised. The Committee understood that there is a process under way for this and if there is something specific in the Leader's portfolio that the Committee would like to look at, it can be raised for inclusion on the work programme.

4.3 **ACTION:**

1) That the Committee will be updated in due course on suitable timing for a Member Development and Training item.

**5 POLICY AND SCRUTINY COMMITTEE UPDATES**

5.1 The Committee received a verbal update from the Chair of the Vulnerable Adults, Health and Communities (formerly Climate Action, Housing and Regeneration) Policy and Scrutiny Committee, Councillor Albert. The Committee was updated on the following:

- The Committee received a written update on fire and building safety regulations.
- The Climate Assembly was discussed, as well as the Private Rented Sector Charter.
- The Committee undertook a successful deep dive into Anti-Social Behaviour, aided by a comprehensive report.
- The Committee raised the issue of hostel use and how this is monitored by the Council and expressed its wish that this is scrutinised in the future.

5.2 The Committee received a verbal update from Councillor Fisher for the Housing and Regeneration (formerly Finance, Planning and Economic Development) Policy and Scrutiny Committee. The Committee was updated on the following:

- The last meeting of the Committee was brief as it was due to consider the Oxford Street Programme following the consultation carried out, but it was unanimously agreed by the Committee to postpone this until the results of the consultation had been analysed, and it should come back to the Committee.
- The Committee received updates from the Cabinet Members Councillors Barraclough and Boothroyd.
- The Committee discussed the updates, including the positive indicator of private finance contributions towards the Oxford Street Programme made by the signing of the memorandum of understanding with the New West End Company.

5.3 The Committee received a verbal update from the Chair of the Climate Action, Environment and Highways (formerly Communities, City Management and Air Quality) Policy and Scrutiny Committee, Councillor Williams. The Committee was updated on the following:

- The Committee received updates from Cabinet Members on tackling serious youth violence, pavement licenses, the restructuring of the Public Protection and Licensing directorate, Regent's Street and parking charges.
- The Committee held a review of the Strategy Groups, including examining external engagement and the lifespan of the Groups.
- The Committee also investigated public conveniences modernisation, including contactless payments, working with Transport for London, the planning required and improvement of facilities.

5.4 The Committee received a verbal update from the Chair of the Young People, Learning and Education (formerly Children and Adults, Public Health and Voluntary Sector) Policy and Scrutiny Committee, Councillor Piddock. The Committee was updated on the following:

- The main focus of the Committee was to analyse the Gordon Hospital closure, and had representation from the Central and North West London NHS Trust who were questioned extensively by the Committee. The Committee made it clear that the Council is concerned about the closure of the hospital which had provided beds to those with acute mental health needs.
- The Committee received a verbal update from Professor Manthorpe on her research work.
- The Committee also examined the Young People and Mental Health report.

## **6 FAIR TAX AND ECONOMIC CRIME IN WESTMINSTER**

6.1 The Committee received an introduction to the Fair Tax and Economic Crime report from Councillor Adam Hug (Leader of the Council) who detailed the Council's available resources to assist the call to tackle fair tax and economic crime. The Committee also heard from Pedro Wrobel (Executive Director of Innovation and Change) who provided an overview of the local and national context of economic crime. The Committee asked questions on the following:

- Collaboration with other local authorities: whether the Council has partnerships with other local authorities, including neighbouring boroughs, to help tackle economic crime, encourage learning and share methods and expertise.
- Costs of pursuing business rates: the cost of pursuing the £9m worth of outstanding business rates and whether this outweighs the benefits. Although pursuing business rates is an exercise that officers do day-to-day to fulfil the statutory duty of the Council, the costs especially in regard to pursuing the outstanding business rates in court could be seen as outweighing the value of the business rates pursued.
- Questions to existing suppliers and bidders for new tenders: the purpose of having optional questions if the responses do not have an impact on the procurement, recognising that the Council is doing the best it can within the

confines of the law and making clear commitments to fair tax practices. Whether legal advice has been given regarding transparency of which organisations elect to answer the questions and what the Council can do internally with the data.

- Tax avoidance: the estimated extent of tax avoidance in the Council's taxation chain.
  - Avoidance vs evasion: the importance of using the correct terminology when referring to these two distinct terms when publishing documents.
  - Empty properties: the powers the Council has to deal with empty properties as, whilst a concern to the Council, it is not illegal. In addition to specific Council powers, what other bodies can help to bring transparency to the opaque nature of extent, type and use of overseas ownership of properties in Westminster.
  - Companies House: investment and resources are key to ensure paty directors on Companies House and phoenixing does not become worse than it already is. The Council's undertakings to support the work of Companies House, which had begun in 2015, and the importance of helping it to move forward at a greater pace.
  - Business rates: the firms who owe the Council millions in unpaid business rates and whether the issues are predominantly with the freeholders or the letting agents, how easy or difficult it is to differentiate them, as well as how the business rates reforms discussions are progressing.
  - Artificial tax avoidance: the definition of what constitutes artificial tax avoidance.
  - Public Contracts Regulations: whether the legal advice from the Fair Tax Foundation of the Public Contracts Regulations is public, and whether the Committee could have sight of this.
  - Pheonixing: the powers of the Council and the National Crime Agency to tackle this.
  - Pressure on candy stores: the effect of candy stores, and their substantial negative media attention, on the Oxford Street property development market and whether the Council has data on the tipping point of this.
- 6.2 The Committee heard a brief statement from Stuart Love (Chief Executive) on the purpose of the optional questions to existing suppliers and bidders for new tenders. The Committee further understood that the questions raise awareness and set the tone of the Council's intentions in the fair tax arena. The Committee noted that these practices are already having beneficial implications.
- 6.3 The Committee provided thanks to the work of Council to tackle economic

crime and encourage fair tax practices. The Committee recognised that it had been over a year since it was first spoken about at a meeting of the Full Council and, whilst acknowledging that it is going to take time, it is pleased with the concentrated work to ensure the Council has maximum effect where it can. The Committee noted its pride in being part of a Council willing to lead the way in improving transparency, creating a context of uncertainty in the pasty market and denouncing unethical practices.

#### **6.4 ACTIONS:**

- 1) That the Committee will receive information regarding the cost and value of pursuing outstanding business rates, including the average cost of pursuing them in court.
- 2) That the word 'evasion' in paragraph 5.7 will be amended to 'avoidance' in the published report.
- 3) That the Committee will receive a definition of artificial tax avoidance.
- 4) That Officers will investigate whether the legal advice from the Fair Tax Foundation of the Public Contracts Regulations can be shared, and, if not, a summary of the advice given to the Procurement team will be shared with the Committee.

### **7 BUDGET SCRUTINY TASK GROUP UPDATE**

7.1 The Committee received a brief overview of the Budget Scrutiny Task Group (BSTG) update report from Councillor Paul Fisher (Chair of the BSTG). The Committee noted that the improvement options noted in the Summary Report from the last cycle of budget scrutiny were reinforced by the recommendations made by the Centre for Governance and Scrutiny in their Improvement Review.

7.2 The Committee understood that the BSTG is therefore going to operate slightly differently this year with emphasis that this is a positive step forward and that the amendments to the process will enhance scrutiny of the draft budget.

7.3 The Committee noted that the process will be under close review and feedback from all stakeholders is welcomed.

7.4 Councillor Fisher thanked Members who are a part of the BSTG and noted that he was looking forward to the formal meetings in November.

7.5 The Committee stated that the briefing session held on 25 September was informative and that the training session on 16 November will be equally useful.

#### **7.6 RESOLVED:**

- 1) That the Committee approved the revised Terms of Reference for the BSTG, including a formal change of name; and

2) That the Committee noted the process of the BSTG to be adopted for the 2023/2024 draft budget.

## **8 SCRUTINY IMPROVEMENT TASK GROUP UPDATE**

- 8.1 The Committee received a verbal update of the work of the Scrutiny Improvement Task Group from Councillor Angela Piddock (Chair of Policy and Scrutiny). Councillor Piddock thanked those cross-Party Members who sit on the Task Group for their contributions to robust discussions, their commitment to improving Policy and Scrutiny and their recognition of residents and stakeholders who have been kept at the forefront of the improvements.
- 8.2 The Committee noted that the membership of Task Groups generally will be open to all non-Executive Councillors to draw on the incredible wealth of experience and expertise that Members have. The Committee discussed the importance of using Task Groups as a way to deep dive into particular areas of work undertaken by Cabinet Members.
- 8.3 The Committee acknowledged the importance of Policy and Scrutiny and expressed that strengthening the process must be central to all recommendations. The Committee raised concern about the Cabinet Member's roles in Policy and Scrutiny going forward and the importance of scrutinising the work they undertake.
- 8.4 The Committee understood that there are still details which the Task Group are working on, including that which relates to Cabinet Members, information-sharing and questioning. The Committee noted that the new process will need time to bed in.
- 8.5 The Committee raised the importance of Policy and Scrutiny driving its own work; the Centre for Governance and Scrutiny identified opportunities for improvement and Members should take control of the improvement process to ensure that Policy and Scrutiny is as powerful and impactful a tool as it can be.
- 8.6 The Committee noted that feedback is welcomed and a briefing note for Policy and Scrutiny Members will be circulated soon.

The meeting ended at 19.58.

**CHAIR:** \_\_\_\_\_

**DATE** \_\_\_\_\_