



CITY OF WESTMINSTER

MINUTES

Budget Scrutiny Task Group

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Budget Scrutiny Task Group** held on **Thursday 14 November, 2024**, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

Members Present: Councillors Cllrs Fisher (Chair), Hassan, Piddock, Pitt Ford, Rowley, Sargent and Williams.

Also Present: Stella Abani (Director of Economy and Skills), Gerald Almeroth (Executive Director of Finance and Resources), Deirdra Armsby (Director of Town Planning and Building Control), Councillor Geoff Barraclough (Cabinet Member for Planning and Economic Development), Councillor David Boothroyd (Cabinet Member for Finance and Council Reform), Coreen Brown (Head of Sport Leisure and Active Communities Services), Joginder Chana (SFM City Management and Communities), Councillor Paul Dimoldenberg (Cabinet Member for City Management and Air Quality), Lyndsey Gamble (Head of Corporate Finance), Richie Gibson (Director of Culture and Place Shaping), Nick Haverly (Financial Consultant – HRA), Debbie Jackson (Executive Director of Regeneration, Economy and Planning), Councillor Ryan Jude (Cabinet Member for Climate Action, Ecology and Culture), Councillor Aicha Less (Deputy Leader and Cabinet Member for Children and Public Protection), Frances Martin (Executive Director of Environment and Communities), Georgina Nash (SFM Strategic Projects and Commercial Lead), Mickey O’Connell (SFM Commercial), Clare O’Keefe (Lead Policy and Scrutiny Advisor), Philip Robson (Director of City Highways), Rikin Tailor (Director of Finance), and Mark Wiltshire (Director of Public Protection and Licensing).

1 WELCOME

- 1.1 The Chair welcomed those present to the Budget Scrutiny Task Group (BSTG) meeting.
- 1.2 The Chair gave an overview of the BSTG process including how early input enables transparent robust scrutiny of the draft Budget proposals, provides the opportunity for maximum impact and holds Cabinet Members to account.
- 1.3 The BSTG noted that Councillor Matt Noble (Cabinet Member for Regeneration and Renters) had sent apologies due to illness.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 MEDIUM-TERM FINANCIAL PLAN

3.1 The BSTG noted that the Medium-Term Financial Plan (MTFP) was discussed in detail during its meeting on Tuesday 12 November 2024 and there were no further questions.

4. ENVIRONMENT AND COMMUNITIES 2025/26 DRAFT BUDGET

4.1 Councillors Paul Dimoldenberg (Cabinet Member for City Management and Air Quality) and Aicha Less (Deputy Leader and Cabinet Member for Children and Public Protection) provided overviews to the Environment and Communities 2025/26 draft Budget, supported by Frances Martin (Executive Director of Environment and Communities). BSTG Members noted that Councillor Ryan Jude (Cabinet Member for Climate Action, Ecology and Culture) had a prior commitment so would be joining the meeting later, and that a section of the Communities draft Budget proposals was scrutinised at the BSTG meeting on 12 November 2024.

4.2 BSTG Members queried:

- Public Protection and Licensing net expenditure: whether the expenditure between the Public Protection and Licensing service areas can be broken down into more detail to determine the liability for the Council in each area.
- Contracts and employers National Insurance (NI) uplift: the amber risk presented by the uplift in employers NI feeding through to the labour costs of Council contractors, the importance of forecasting those costs and the high level of uncertainty this brings, particularly as a majority of the Council's delivery sits with contractors even if it will be the contractors responsibility to reconfigure their businesses to work more efficiently within the new NI parameters.
- Combined salary and technical consultancy costs for new roles to support District Heating Network capability and capacity: the breakdown of this investment, the remit of the roles, the high salaries of the roles and the requirement of significant technical ability in a complex area and competitive market.
- Electric Vehicle (EV) network income: there have been increased measures to support growth of the EV sector, including E-Bikes, whether the Council has the legal power to enforce fines for E-bikes and therefore benefit from the additional income, the potential opportunity for this in the future, and the impact on air quality that the growth of the EV sector has made in the City.
- CCTV rollout: if the CCTV rollout could be deemed a pressure within the Public Protection and Licensing service area, whether there are unanticipated costs, such as lamppost suitability and what is included in contingency plans.
- Bulky waste charges: the increased collection charges and how this figure has been derived, whether this proposal adequately considers issues of fly tipping across the City especially if this increase could be a disincentive to dispose

bulky waste correctly, how stakeholders have been engaged with this proposal, and whether promotion of the actions by those who do dispose of bulky waste in the correct way will be considered.

- Market security barriers: whether this is considered value for money, how they are important to ensure the safety of important areas of the City and the costs relating to threat vulnerability assessments, labour and maintenance.
- CASCADE IT system: how this system will deliver efficiencies regarding abnormal vehicle loads travelling through or into the City, when those efficiencies will be realised, how new the system is and details on whether it is cloud-based.
- Vaults management plan: the underlying assumptions for the additional fee generation, the estimated amount of vaults across the City, how the known number of defective vaults could be used to predict latent defects and the importance of being proactive to avoid areas of the City being shut down to undertake major repairs.
- Late night levy modelling: how this proposal has emerged from discussions during Westminster After Dark engagement, the basis of the estimate of income, including ratable values, model and profile.
- Late night levy income: if the Council does adopt a late night levy and how 70 percent of the levy income would be allocated to the Metropolitan Police whose activities would take into consideration the shared Safer Westminster Partnership strategic objectives, and the importance of receiving an update on the proposed allocation of levy resources from both the Council (in receipt of 30 percent) and the Metropolitan Police (in receipt of 70 percent).
- Private Rented Sector licensing scheme: the implications on budgeting and forecasting if this scheme is not implemented, how it is a cost recovery business plan, the number of wards brought into the scheme and the metrics used to determine criteria.
- Commercial green waste and flexible plastics income: how this additional income has been calculated, how many stakeholders are estimated to use the service, discussions with target users and how it is uncertain at present due to the legislation dates not being set.
- Public conveniences: whether the figures factor in periods when they are out of action, and how predictions are based on real figures and usage.

4.3 The BSTG referred to the grants programme to fund a series of supplementary advice services and noted that that this should be discussed in the meeting on 19 November 2024 which is due to consider the Community Voluntary Sector proposals.

INFORMATION REQUESTS

4.4 That the BSTG will receive the net expenditure for the Public Protection and Licensing service areas.

4.5 That the BSTG will receive more details relating to the CASCADE IT system.

4.6 That the BSTG will receive information on numbers of known vaults across the City and defective vaults, and how this data could predict numbers of latent defects.

RISK

- 4.7 The BSTG noted the risk rating of the uplift in employers NI, which is likely to feed through to the labour costs of Council contractors.

RECOMMENDATIONS

- 4.8 The BSTG recommended that the proposed Bulky Waste Service charge increase is reviewed to consider whether this is the right choice for Westminster stakeholders.
- 4.9 The BSTG recommended that the Westminster After Dark item scheduled to go to the Overview and Scrutiny Committee on 25 February 2025 includes more details on the proposals to implement a late night levy.
- 4.10 The BSTG recommended that if the Council does decide to implement a late night levy, the Overview and Scrutiny Committee should consider requesting an update on the proposed allocation of levy resources from both the Council (in receipt of 30 percent) and the Metropolitan Police (in receipt of 70 percent).

5. REGENERATION, ECONOMY AND PLANNING 2025/26 DRAFT BUDGET

- 5.1 Councillor Geoff Barraclough (Cabinet Member for Planning and Economic Development) provided an introduction to the Regeneration, Economy and Planning 2025/26 draft Budget, supported by Debbie Jackson (Executive Director of Regeneration, Economy and Planning).

- 5.2 BSTG Members queried:

- Advertising on Council regeneration hoardings: the evidence behind the forecast, whether it is a proportionate and realistic level of anticipated saving, concerns that it could adversely affect residents who live in close proximity to regeneration sites, the advertising consent approvals process and grounds for refusing advertising applications.
- City Promotions, Events and Filming income: ensuring the maximum level of income is generated, costs are competitive and the team is proactive.
- Private sector income: the importance of using the private sector to alleviate financial pressures on the Council and generate savings whilst ensuring the additional burden is reasonable, including the uplift on Fees and Charges, Building Safety Levy and Community Infrastructure Levy/ Section 106 administration fees.
- Reduction of staffing costs: how removing staff in areas of key service delivery can leave the Council vulnerable compared to roles of a different nature where teams are more able to absorb the additional work from those removed posts.
- Westminster Adult Education Service funding: how this Service is grant funded, which could pose a significant risk, but the income sources, savings and reserves that the Service is afforded mitigates this risk and how this

Service could operate as a ringfenced budget even though it is formally a part of the General Fund.

- North Paddington Streets Programme: the impact of the employers NI uplift on local retailers and businesses operating on Westminster's high streets and the importance of ensuring that there is enough investment provided so the Programme can fulfil the transformational change anticipated.
- Building Control services: what this breaks down to, the difficulty in recruiting high calibre staff to ease the burden on the current team, the risk of underestimating the additional cost of service demand and the challenges to quantify demand.
- Retrofit Task Force: what the work relates to, including what the permanent member of staff would be required to undertake.
- Planning application levels: how the Council's planning application levels are currently stable, even if lower than pre-COVID-19 pandemic levels, which is reflective of national statistics, and how the Budget last year accommodated for this.

5.3 The BSTG referenced the Oxford Street announcement by the London Mayor in the Regeneration, Economy and Planning operating context and agreed that this would be discussed in the meeting on 4 December 2024 which is due to consider the proposed Capital Programme.

5.4 The BSTG noted its preference to consider Revenue and Capital draft Budget proposals together.

INFORMATION REQUEST

5.5 That the BSTG will receive additional information on the Retrofit Task Force.

The meeting ended at 20:07.