

CITY OF WESTMINSTER

MINUTES OF PROCEEDINGS

At the Meeting of the Council of the City of Westminster held at 7.00 pm on Wednesday 21st September, 2022 at Westminster Council House, 97-113 Marylebone Road, London, NW1 5PT.

PRESENT

The Lord Mayor, Councillor Hamza Taouzzale

COUNCILLORS

Barbara Arzymanow	Aicha Less
Concia Albert	Patrick Lilley
Gillian Arrindell	Patricia McAllister
Geoff Barraclough	Alan Mendoza
Liza Begum	Tim Mitchell
David Boothroyd	Matt Noble
Ruth Bush	Ellie Ormsby
Nafsika Butler-Thalassis	Ralu Oteh-Osoka
Melvyn Caplan	Angela Piddock
Maggie Carman	Robert Rigby
Md Shamsed Chowdhury	Rachael Robathan
Lorraine Dean	Tim Roca
Tony Devenish	Ian Rowley
Paul Dimoldenberg	Cara Sanquest
Laila Dupuy	Caroline Sargent
Robert Eagleton	Karen Scarborough
Paul Fisher	Mark Shearer
Ed Pitt Ford	Selina Short
Jim Glen	James Small-Edwards
David Harvey	Judith Southern
Elizabeth Hitchcock	Max Sullivan
Adam Hug	Paul Swaddle OBE
Louise Hyams	Jessica Toale
Ryan Jude	Aziz Toki
Amanda Langford	Jason Williams
	Jacqui Wilkinson

APOLOGIES: Councillors Sara Hassan and Iman Less

1 APPOINTMENT OF RELIEF CHAIR

- 1.1 Motion moved by the Lord Mayor and seconded by Councillor Matt Noble, that Councillor Cara Sanquest be elected as Relief Chair.
- 1.2 Motion put, and on a show of hands, declared **CARRIED**.

2 MINUTES

- 2.1 The minutes of the proceedings at the Council meeting held on Wednesday 22 June 2022 were, with the assent of the Members present, signed by the Lord Mayor as a true record of the proceedings.

3 LORD MAYOR'S COMMUNICATIONS

- 3.1 The Lord Mayor referred to these as set out on the agenda.
- 3.2 The Lord Mayor invited two Youth MPs, Kaden Pradhan and James Balloqui, to address the meeting on the work of the Youth Council and their priorities for the year.

4 DECLARATIONS OF INTEREST

- 4.1 There were no declarations of interest.

5 STATEMENT ON URGENT MATTERS

- 5.1 There were no urgent matters.

6 PETITIONS AND DEPUTATIONS, IF ANY

- 6.1 There were no petitions or deputations received.

7 QUESTIONS

- 7.1 The questions, supplementary questions and replies are included as a recording on the Council's website.

8 COUNCILLOR ISSUES

8.1 Tackling the Drug Problem

Councillor Maggie Carman spoke and Councillor Aicha Less replied.

Housing Major Works in Little Venice Ward

Councillor Melvyn Caplan spoke and Councillor Liza Begum replied.

9 FUTURE POLICY PLAN

9.1 No items were selected for debate.

10 REPORT FOR FULL COUNCIL: APPOINTMENT OF INDEPENDENT PERSON TO THE AUDIT AND PERFORMANCE COMMITTEE

10.1 RESOLVED:

- 1) That the appointment of an independent person to sit on the Audit and Performance Committee for a period of four years be approved;
- 2) That authority to finalise the role description, skills, competencies and person specification attached as Appendix A be delegated to the Director of Law, in consultation with the Chair of the Audit and Performance Committee/General Purposes Committee.
- 3) That approval for the recruitment of the Independent Member be led by a panel consisting of the Chair of the Audit and Performance Committee, the Chair of the General Purposes Committee and a nominated Opposition Group member. The panel would be advised by the Director of Law, Director of Finance and Head of Governance and Councillor Liaison.
- 4) That the Members' Allowances Scheme be amended to provide a remuneration of £2,500 per annum to the Audit and Performance Committee Independent Member.

11 REPORT FOR FULL COUNCIL: MEMBERSHIP OF THE WESTMINSTER SCRUTINY COMMISSION

11.1 RESOLVED

That the size of the Westminster Scrutiny Commission be amended from 5 members to 7 members.

12 REPORT FOR FULL COUNCIL: TREASURY MANAGEMENT STRATEGY STATEMENT (TMSS) AMENDMENT

12.1 RESOLVED:

That an amendment to the Council's borrowing strategy, allowing greater flexibility in the range of financing options available, be approved.

13 NOTICES OF MOTION

Motion 13a - Dirty Money

- 13.1 The Majority Party had selected for debate the notice of motion as set out on the agenda. The notice of motion was moved by Councillor Adam Hug and seconded by Councillor Ellie Ormsby.
- 13.2 Councillor Paul Swaddle moved and it was seconded by Councillor Ian Rowley that the notice of motion be amended, as follows:
1. ~~Westminster City Council is bringing forward a new commitment to tackle dirty money and poor tax conduct, as part of our work to tackle the ill-effects of dirty money on Westminster residents, and nationally on legitimate businesses and communities across the United Kingdom. We want to create a more equitable economy in Westminster, which puts our residents and communities first.~~
 2. ~~The pressure on organisations to pay their fair share of tax has never been stronger. With the cost-of-living crisis impacting the most vulnerable in our society, it is only right that the council takes the lead in the promotion of exemplary tax conduct and supports those businesses who pay their fair share of tax – contributing to the vital funding front-line services need.~~
 3. ~~Two thirds of people (66%) believe the Government and local councils should at least consider a company's ethics and how they pay their tax, as well as value for money and quality of service provided, when awarding contracts to companies; despite this around 17.5% of public contracts in the UK have been won by companies with links to tax havens.~~
 4. 1. The council is currently investigating unpaid business rates of £7.9m from 30 shops on Oxford Street and continues to pursue these taxes, and is working to enforce against those candy stores and other tenants who are failing to fulfil their legal obligations. ~~Failing to contribute fairly is an extremely broad issue that directly impacts funding for vital public services, for example it has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK £17bn per annum in lost corporation tax revenues.~~
 5. ~~The Centre for Public data has uncovered that within Westminster there has been a 300% rise in the number of properties registered to owners in Jersey since 2010, and a rise of 1,200% in the number of properties registered to owners in Russia. Westminster had 12,104 registered titles owned by individuals based overseas – 9% of all its registered titles, more than any other local authority. This number has trebled since 2010. We are proud of the diverse resident population of Westminster, but this data suggests something troubling, that the use of Westminster as a location to hide ill-gotten gains in the property market is spiralling out of control.~~

6. ~~The use of Westminster property to legitimise illicit gains inflates property prices, reduces housing options for residents and diminishes the status of Westminster as a place to do business. We will tackle this head on and call on our partners to do all they can to end these harmful practices, leading the way with a new Westminster Against Dirty Money Strategy.~~
7. ~~This starts with adopting the Fair Tax Mark offers a means for business to demonstrate good tax conduct and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.~~
8.
 2. These organisations are often a front for money laundering for Serious Organised Crime, and also frequently have out of date stock and illegal goods.
 3. The work done under the previous administration to start tackling this issue and welcomes that new administration taking up this campaign.

This Council believes that:

1. ~~Paying tax is often presented as a burden, but it shouldn't be.~~
2. ~~Tax enables us to provide services from education, health and social care, to flood defence, roads, policing and defence. It also helps to counter financial inequalities and rebalance distortions in the economy.~~
3. ~~As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct; be that by ensuring contractors are paying their proper share of tax, or by refusing to go along with offshore tax dodging when buying land and property.~~
4. ~~Where councils hold substantive stakes in private enterprises, influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned.~~
5. ~~More action is needed, however, as current and proposed new UK procurement law significantly restricts councils' ability to either penalise poor tax conduct (as exclusion grounds are rarely triggered) or reward good tax conduct, when buying goods or services.~~
1. UK cities, counties and towns can and should stand up for responsible tax conduct - doing what they can within existing frameworks and pledging to do more given the opportunity, as active supporters of international tax justice. We should also celebrate the tax contribution made by responsible businesses and promote responsible tax conduct.

This Council resolves to:

- ~~1. Approve the Councils for Fair Tax Declaration, as a key step to lead by example and demonstrate good practice in our tax conduct, right across our activities – and promote Fair Tax Mark certification with our partners.~~
- ~~2. Ensure the fair payment of taxes, business rates and employment taxes through robust implementation of IR35, not using offshore vehicles for land or property purchase and undertaking due diligence to ensure suppliers are not inappropriately utilising not-for-profit structures.~~
3. Ensure the effective implementation of the beneficial ownership registry - legislated for in the Economic Crime Act - in collaboration with our partners, and ensure suppliers are fulfilling these obligations.
4. Work with our partners to deliver a co-created campaign for further action through ~~developing a Westminster Against Dirty Money charter;~~ improving our data sharing to ensure the highest possible levels of transparency and enforcement.; ~~and calling on Her Majesty's Government to ensure the speedy delivery of a second Economic Crime Bill, with substantive reform of Companies House practices and tightening of UK procurement law.~~

13.3 Following debate, The Lord Mayor put the amendment to the motion to the vote and following a show of hands declared the amendment to the motion **LOST**.

13.4 The Lord Mayor then put the substantive motion to the vote and following a show of hands declared the substantive motion **CARRIED**.

RESOLVED:

This Council notes that:

1. Westminster City Council is bringing forward a new commitment to tackle dirty money and poor tax conduct, as part of our work to tackle the ill-effects of dirty money on Westminster residents, and nationally on legitimate businesses and communities across the United Kingdom. We want to create a more equitable economy in Westminster, which puts our residents and communities first.
2. The pressure on organisations to pay their fair share of tax has never been stronger. With the cost-of-living crisis impacting the most vulnerable in our society, it is only right that the council takes the lead in the promotion of exemplary tax conduct and supports those businesses who pay their fair share of tax - contributing to the vital funding front-line services need.
3. Two thirds of people (66%) believe the Government and local councils should at least consider a company's ethics and how they pay their tax, as well as value for money and quality of service provided, when awarding contracts to companies; despite this around 17.5% of public

contracts in the UK have been won by companies with links to tax havens.

4. The council is currently investigating unpaid business rates of £7.9m from 30 shops on Oxford Street and continues to pursue these taxes, and is working to enforce against those candy stores and other tenants who are failing to fulfil their legal obligations. Failing to contribute fairly is an extremely broad issue that directly impacts funding for vital public services, for example it has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK £17bn per annum in lost corporation tax revenues.
5. The Centre for Public data has uncovered that within Westminster there has been a 300% rise in the number of properties registered to owners in Jersey since 2010, and a rise of 1,200% in the number of properties registered to owners in Russia. Westminster had 12,104 registered titles owned by individuals based overseas - 9% of all its registered titles, more than any other local authority. This number has trebled since 2010. We are proud of the diverse resident population of Westminster, but this data suggests something troubling, that the use of Westminster as a location to hide illgotten gains in the property market is spiralling out of control.
6. The use of Westminster property to legitimise illicit gains inflates property prices, reduces housing options for residents and diminishes the status of Westminster as a place to do business. We will tackle this head on and call on our partners to do all they can to end these harmful practices, leading the way with a new Westminster Against Dirty Money Strategy.
7. This starts with adopting the Fair Tax Mark as it offers a means for business to demonstrate good tax conduct and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.

This Council believes that:

1. Paying tax is often presented as a burden, but it shouldn't be.
2. Tax enables us to provide services from education, health and social care, to flood defence, roads, policing and defence. It also helps to counter financial inequalities and rebalance distortions in the economy.
3. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct; be that by ensuring contractors are paying their proper share of tax, or by refusing to go along with offshore tax dodging when buying land and property.
4. Where councils hold substantive stakes in private enterprises, influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned.

5. More action is needed, however, as current and proposed new UK procurement law significantly restricts councils' ability to either penalise poor tax conduct (as exclusion grounds are rarely triggered) or reward good tax conduct, when buying goods or services.
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2. Ensure the fair payment of taxes, business rates and employment taxes through robust implementation of IR35, not using offshore vehicles for land or property purchase and undertaking due diligence to ensure suppliers are not inappropriately utilising not-for-profit structures.
3. Ensure the effective implementation of the beneficial ownership registry - legislated for in the Economic Crime Act - in collaboration with our partners, and ensure suppliers are fulfilling these obligations.
4. Work with our partners to deliver a co-created campaign for further action through: developing a Westminster Against Dirty Money charter; improving our data sharing to ensure the highest possible levels of transparency; and calling on Her Majesty's Government to ensure the speedy delivery of a second Economic Crime Bill, with substantive reform of Companies House practices and tightening of UK procurement law.

Motions 13b & c (Joint Debate) - Cost of Living Emergency

- 13.5 The Majority and Opposition Parties had selected for a joint debate the notice of motions as set out on the agenda.
- 13.6 Councillor Tim Roca moved the Majority Party motion 13b and it was seconded by Councillor Nafsika Butler-Thalassis.
- 13.7 Councillor David Harvey moved and it was seconded by Councillor Alan Mendoza that motion 13b be amended, as follows:

This Council notes that:

- On 26 August, Ofgem announced that the energy price cap will rise by around 80% nationally from £1,971 to £3,549 per year (based on the average national household with typical consumption on a dual electricity and gas bill, paying by direct debit). Without further intervention, customers who pay by cash, cheque or quarterly direct debit will pay an additional £215 (7% higher) and prepayment meter customers will pay an additional £59 (2% higher) compared to those on direct debit.
- An imminent jump in energy costs this winter, colliding with temperatures falling and energy use increasing, will have devastating impacts on low-to-middle income households across Westminster. Around 31,000 households (24%) in receipt of government benefits are particularly exposed to rises in the cost-of-living and around 11,000 of these households could be in fuel poverty and in particularly acute distress, given the rise in price.
- A cold home substantially increases the risk of serious illness for vulnerable people. The Royal College of Psychiatrists has reported that the cost-of-living crisis “poses a threat of pandemic proportions” to the nation’s mental health.
- This Council has targeted an initial £5.6m package, including £4m of Government grants, of support to help families in Westminster that are struggling with the rising cost of living. The Council has also published a Cost of Living Strategy which sets out the actions we are taking to:
 - a) Support the most vulnerable members of our society
 - b) Help our residents to manage and pay their bills
 - c) Support residents with energy efficiency measures, which encourage greener lifestyles and lower bills
 - d) Make sure everyone gets the benefits they are entitled to receive
 - e) Help residents with debt and financial advice
 - f) Maximise the impact we’re having by coordinating our efforts with our partners

This Council believes that the scale of the challenge needs urgent and substantial action from the Council, Central Government, and others with the ability to help.

This Council, therefore, resolves to declare a ‘Cost of Living Emergency’.

In addition, this Council resolves to deliver a robust approach to support our communities – particularly the most vulnerable – through the autumn and winter. This will include:

- Identifying further resources within the council that can support the delivery of the Cost of Living Strategy.
- Working with partners to deliver a network of warm places that provide opportunities for activities and engagement as well as heat.
- Finding suitable opportunities for Westminster Connects and local volunteers to help people access support.
- Lobbying Government for additional targeted funding.
- Engaging further with major business and institutional stakeholders to work with us to find further ways to assist those most in need.

~~The work of alleviating the Cost of Living crisis is not the Council's alone. Therefore, this Council calls on the Government to:~~

- ~~• Freeze energy bills, and cut VAT on energy bills, to give support and certainty to vulnerable residents.~~
- ~~• Start providing dedicated funding for free school meals vouchers during the school holidays.~~
- ~~• Invest more funding for insulating homes, to save money on energy bills now and in the longer term.~~
- ~~• Provide a lifeline to local businesses and high streets, and the people they employ, by fundamentally reforming business rates and providing further support to small businesses.~~
- ~~• Ensure that energy producers who are receiving record profits due to the spike in oil and gas prices pay their fair share of the cost of any emergency measures through a windfall tax or other targeted measures rather than placing the cost purely on taxpayers or future bill payers.~~

13.7 Following debate, The Lord Mayor put the amendment to the motion to the vote and following a show of hands declared the amendment to the motion **LOST**.

13.8 The Lord Mayor then put the substantive motion as amended to the vote and following a show of hands declared the substantive motion as amended **CARRIED**.

RESOLVED:

This Council notes that:

- On 26 August, Ofgem announced that the energy price cap will rise by around 80% nationally from £1,971 to £3,549 per year (based on the average national household with typical consumption on a dual electricity and gas bill, paying by direct debit). Without further

intervention, customers who pay by cash, cheque or quarterly direct debit will pay an additional £215 (7% higher) and prepayment meter customers will pay an additional £59 (2% higher) compared to those on direct debit.

- An imminent jump in energy costs this winter, colliding with temperatures falling and energy use increasing, will have devastating impacts on low-to-middle income households across Westminster. Around 31,000 households (24%) in receipt of government benefits are particularly exposed to rises in the cost-of-living and around 11,000 of these households could be in fuel poverty and in particularly acute distress, given the rise in price.
- A cold home substantially increases the risk of serious illness for vulnerable people. The Royal College of Psychiatrists has reported that the cost-of-living crisis “poses a threat of pandemic proportions” to the nation’s mental health.
- This Council has targeted an initial £5.6m package of support to help families in Westminster that are struggling with the rising cost of living. The Council has also published a Cost of Living Strategy which sets out the actions we are taking to:
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 - c) Support residents with energy efficiency measures, which encourage greener lifestyles and lower bills
 - d) Make sure everyone gets the benefits they are entitled to receive
 - e) Help residents with debt and financial advice
 - f) Maximise the impact we’re having by coordinating our efforts with our partners.

This Council believes that the scale of the challenge needs urgent and substantial action from the Council, Central Government, and others with the ability to help.

This Council, therefore, resolves to declare a ‘Cost of Living Emergency’.

In addition, this Council resolves to deliver a robust approach to support our communities – particularly the most vulnerable – through the autumn and winter. This will include:

- Identifying further resources within the council that can support the delivery of the Cost of Living Strategy

- Working with partners to deliver a network of warm places that provide opportunities for activities and engagement as well as heat.
- Finding suitable opportunities for Westminster Connects and local volunteers to help people access support
- Engaging further with major business and institutional stakeholders to work with us to find further ways to assist those most in need.
- The work of alleviating the Cost of Living crisis is not the Council's alone. Therefore, this Council calls on the Government to:
- Freeze energy bills, and cut VAT on energy bills, to give support and certainty to vulnerable residents.
- Start providing dedicated funding for free school meals vouchers during the school holidays
- Invest more funding for insulating homes, to save money on energy bills now and in the longer term
- Provide a lifeline to local businesses and high streets, and the people they employ, by fundamentally reforming business rates and providing further support to small businesses.
- Ensure that energy producers who are receiving record profits due to the spike in oil and gas prices pay their fair share of the cost of any emergency measures through a windfall tax or other targeted measures rather than placing the cost purely on taxpayers or future bill payers.

13.9 Councillor David Harvey moved the Opposition Party motion 13c and it was seconded by Councillor Alan Mendoza.

13.10 Councillor Robert Eagleton moved and it was seconded by Councillor Concia Albert that motion 13c be amended, as follows:

As it did during the Covid-19 pandemic, this Council has a long-term history of non-partisan support for our residents and for the small businesses that are a key part of our local economy.

This Council commits now to support residents and SMEs alike through the forthcoming winter with the challenges of energy and food poverty so that our people and businesses survive in the short-term and thrive in the medium-term.

This Council reassures the City of Westminster that because of the way the supply is negotiated, ~~W~~where the Council is the energy supplier for communal heating and residents do not benefit from national schemes, there will be no it

~~undertakes to protect residents and SMEs from energy price rises by not increasing above September 2022 prices during the coming winter.~~

13.11 Following debate, The Lord Mayor put the amendment to the motion to the vote and following a show of hands declared the amendment to the motion **CARRIED**.

13.12 The Lord Mayor then put the substantive motion as amended to the vote and following a show of hands declared the substantive motion as amended **CARRIED**.

The Meeting ended at 9.40pm.

CHAIRMAN: _____

DATE _____