



City of Westminster

# Council Agenda

Title: **Council Meeting**

Meeting Date: **Wednesday 2nd March, 2022**

Time: **7.00 pm**

Venue: **Westminster Council House, 97-113 Marylebone Road,  
London, NW1 5PT**

Members: **All Councillors are hereby summoned to attend the Meeting  
for the transaction of the business set out.**

**In line with legislation members will attend the meeting in person. This meeting will be live streamed through the Council's website.**

**Limited admission to the public gallery is available from 6.30pm. Please telephone if you are attending the meeting in a wheelchair or have difficulty walking up steps. There is wheelchair access via the Sammy Ofer Centre.**

**If you require any further information, please contact the Committee Officer, Janis Best, Committee and Councillor Support Manager.**

**Email: [jbest@westminster.gov.uk](mailto:jbest@westminster.gov.uk) Tel: 07971 920521  
Corporate Website: [www.westminster.gov.uk](http://www.westminster.gov.uk)**

**1. APPOINTMENT OF RELIEF CHAIRMAN**

To appoint a relief Chairman.

**2. MINUTES**

To sign the Minutes of the Meeting of the Council meeting held on 19 January 2022

**(Pages 5 - 8)**

**3. DECLARATIONS OF INTEREST**

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

**4. CABINET REPORT**

To receive and consider the following Cabinet report:  
17 February 2022

**(Pages 9 - 18)**

**Appendix 1:**

Medium Financial Plan 2022-23 to 2024-25

[Report](#)

[Appendix 1](#)

[Appendix 2](#)

[Appendix 3](#)

[Appendix 4](#)

[Appendix 5](#)

[Appendix 6](#)

[Appendix 7](#)

**Appendix 2:**

Capital Strategy 2022-23 to 2026-27

[Report](#)

[Appendix A](#)

**Appendix 3:**

Housing Revenue Account Business Plan 2022-23

[Report and Appendices 1 to 5](#)

**Appendix 4:**

Treasury Management Strategy 2022-23 to 2026-27

[Report and Appendices 1 to 4](#)

**Appendix 5:**

Integrated Investment Framework 2022-23

[Report and Appendices A to C](#)

**Appendix 6:**

Pay Policy 2022-23

[Report](#)

[Appendix 1](#)

**5. AUDIT AND PERFORMANCE COMMITTEE REPORT: 16 FEBRUARY 2022 (Pages 19 - 20)**

To receive and consider the following Committee report: 16 February 2022

**6. GENERAL PURPOSES COMMITTEE REPORT: 22 FEBRUARY 2022 (Pages 21 - 22)**

To receive and consider the following Committee report: 22 February 2022

Members' Allowances Scheme 2022 – 2023

**64 Victoria Street  
London, SW1E 6QP  
22 February 2022**

**Chief Executive**

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## CITY OF WESTMINSTER

### MINUTES OF PROCEEDINGS

At the Meeting of the Council of the City of Westminster held at 7.00 pm on Wednesday 19th January, 2022 at Westminster Council House, 97-113 Marylebone Road, London, NW1 5PT.

#### PRESENT

The Lord Mayor, Councillor Andrew Smith

#### COUNCILLORS

Heather Acton	David Harvey
Ian Adams	Elizabeth Hitchcock
Nickie Aiken	Adam Hug
Barbara Arzymanow	Louise Hyams
Timothy Barnes	Aicha Less
Geoff Barraclough	Pancho Lewis
Liza Begum	Patricia McAllister
Rita Begum	Tim Mitchell
David Boothroyd	Gotz Mohindra
Susie Burbridge	Eoghain Murphy
Nafsika Butler-Thalassis	Matt Noble
Melvyn Caplan	Papya Qureshi
Maggie Carman	Robert Rigby
Danny Chalkley	Rachael Robathan
Lorraine Dean	Tim Roca
Tony Devenish	Ian Rowley
Paul Dimoldenberg	Karen Scarborough
Christabel Flight	Selina Short
Peter Freeman	James Spencer
Jonathan Glanz	Paul Swaddle
Jim Glen	Shamim Talukder
Matthew Green	Aziz Toki
Angela Harvey	Jacqui Wilkinson

**APOLOGIES:** Councillors Richard Beddoe, Iain Bott, Margot Bright, Ruth Bush, Antonia Cox, Richard Elcho, Lindsey Hall, Murad Gassanly, Guthrie McKie, Emily Payne, Mark Shearer, Hamza Taouzzale and Judith Warner.

#### **1 APPOINTMENT OF RELIEF CHAIRMAN**

- 1.1 Motion moved by the Lord Mayor and seconded by Councillor Paul Swaddle, that Councillor Louise Hyams be elected as Relief Chairman.
- 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 10 November 2021 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.

## **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 (a) Petitions**

Councillor Nafsika Butler-Thalassis presented a petition calling on the Council to consult with residents of Lauderdale Road about the best way to reduce speeding on their street. The petition was referred to the Executive Director for Environment and City Management for reporting to the relevant Cabinet Member.

Councillor Geoff Barraclough presented a petition calling on the Council to improve the safety of people on foot and reduce air pollution by upgrading the junctions of Shirland Road, Kilburn Park Road and Chippenham Road. The petition was referred to the Executive Director for Environment and City Management for reporting to the relevant Cabinet Member.

Councillor Maggie Carman presented a petition from the residents of the Collonades calling for the Council to address noise issues experienced from a nearby commercial property. The petition was referred to the Executive Director for City Management and Communities for reporting to the relevant Cabinet Member.

### **(b) Deputations**

There were no deputations.

## **7 QUESTIONS**

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

## **8 COUNCILLOR ISSUES**

**(a) Diverse Recruitment at Westminster City Council and with our Community Business Partners.**

Councillor Lorraine Dean spoke and Councillor Rachael Robathan replied.

**(b) Opportunities for Young People during the Pandemic.**

Councillor Barbara Arzymanow spoke and Councillor Tim Barnes replied.

## **9 FUTURE POLICY PLAN**

- 9.1 The meeting accordingly debated the item chosen from the Future Policy Plan by the Majority Party:

**Anti-Social Behaviour**

- 9.2 The Majority Party had selected item number 8 on the Future Policy Plan: Anti-Social Behaviour. The debate would be referred to the relevant Executive Director for consideration when reporting on the subject.

## **10 REPORT FOR FULL COUNCIL: COUNCIL TAX DISCOUNTS (INCLUDING COUNCIL TAX LOCAL REDUCTION SCHEME) AND COUNCIL TAX BASE**

### **10.1 RESOLVED:**

- 1) That the Council accepted the recommendations of the Cabinet and that the Council approved the following recommendations for the financial year 2022/23:-
  - (i) that the Council Tax discount for second homes remained at 0%
  - (ii) the Council Tax discounts for empty properties, including the discounts that replaced the previous Class A and C Council Tax exemptions, remain at 0%.
  - (iii) that a Long-Term Empty Property Premium continued at the maximum percentage allowed for by the current legislation, which is for 2022/23:
    - Properties empty between 2 years - 5 years: 100% Increase
    - Properties empty between 5 years – 10 years: 200% Increase
    - Properties empty over 10 years: 300% Increase

- (iv) that the Director of Revenues & Benefits be given delegated authority to determine any individual local discount applications received from Council Taxpayers during the 2022/23 financial year under section 13A(1)(c) of the Local Government Finance Act 1992.
- 2) That the Council approved the same Council Tax Reduction Scheme for 2022/23 which had operated successfully since 2013/14. The scheme was based on the Default Scheme Regulations, updated to reflect changes made via the Prescribed Requirements Amendment Regulations and with War Disabled Pensions, War Widow, Pensions and Armed Forces Compensation scheme payments disregarded in full when calculating a claimant's income.
- 3) That the Council resolved that the Council Tax Base for 2022/23 for the Whole City was 135,056.32 equivalent Band D properties, for Montpelier Square alone 91.68 equivalent Band D properties and for Queen's Park 3,519.72 equivalent Band D properties.
- 4) That the Council resolved that the figures set out above for the Council Tax Base for 2022/23 be used by the Council to make a determination pursuant to the requirements of the Local Government Finance Act 1992.

## 11 NOTICES OF MOTION

- 11.1 The Minority Party had selected for debate the notice of motion as set out on the agenda. The notice of motion was moved by Councillor David Boothroyd and seconded by Councillor Geoff Barraclough.
- 11.2 Following debate, the Lord Mayor put the Motion to the vote and on a show of hands declared the Motion **HAD NOT BEEN CARRIED**.

The Meeting ended at 9.27pm

CHAIRMAN: \_\_\_\_\_

DATE \_\_\_\_\_



## Report of the Cabinet meeting held on Thursday 17 February 2022

**Present:** Councillors Tim Mitchell (Chairman), Timothy Barnes, Matthew Green, David Harvey (virtually), James Spencer and Paul Swaddle OBE

Apologies: Councillor Rachael Robathan, Councillor Heather Acton

### 1. Medium Term Financial Plan 2022/23 to 2024/25

- (a) The medium-term financial strategy is key to supporting the delivery of the City for All objectives and outcomes. We have considered a detailed report attached as Appendix 1 to this report from the Section 151 officer that sets out the Council's medium-term plan for the next three years and proposes a budget for the 2022/23 financial year.
- (b) The report proposes a balanced budget for 2022/23. Recognising the inflationary pressures that residents are under we recommend a freeze in the general element of council tax and an Adult Social Care precept rise of 1%. At Band D this will result in an annual increase of £4.64 or an equivalent weekly amount of 9p per week. The total Westminster element of council tax will therefore rise from £463.90 to £468.54 at Band D.
- (c) The recommended General Fund budget of £184.861m is a net increase of £2.102m against last year. In broad terms this includes service specific changes of £9.9m (inclusive of £16.7m of new savings and £6.8m of service pressures) offset by other government funding of £5.1m and other changes and variations of £5.4m. The balance is funded from the increase in the social care precept of council tax of £0.6m.
- (d) At our meeting we heard from the Chairman of the Budget Task Group who concluded that the budget proposals presented to us to be robust.

### We recommend to full Council:

#### Council Tax

- 1) That the council tax for a Band D property be agreed at £468.54 for 2022/23, an increase of £4.64 (1%) for the Social Care precept and a freeze in the council tax for general purposes;
- 2) That, subject to the consideration of the previous recommendation, 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 2023, be as specified in the Council Tax Resolution in Appendix 5 to the Section 151 officer's report.
- 3) That the Precepts and Special Expenses be as also specified in Appendix 5 to the Section 151 officer's report for properties in Montpelier Square and the Queen's Park Community Council;

- 4) That the formal resolution for 2022/23 attached at Appendix 5 to the Section 151 officer's report including the council tax requirement of £63.279m be agreed;
- 5) To note the proposed Greater London Authority precept (Band D) of £395.59, an increase of £31.93 (8.8%) rise in the adjusted Band D Precept;
- 6) That the Council continues the Westminster Community Contribution to allow the most expensive properties in the City to voluntarily contribute towards supporting discretionary services that support the three priorities of youth services, helping rough sleepers off the streets and supporting people who are lonely and isolated;

#### Revenue Budget

- 7) Note the views of the Scrutiny Budget Task Group set out in Appendix 7 to the Section 151 officer's report;
- 8) That the proposed General Fund net budget requirement of £184.861m summarised in Appendix 4 to the Section 151 officer's report.
- 9) That the savings and investment proposals for 2022/23 to 2024/25 set out in Appendix 1, 2 and 3 to the Section 151 officer's report is approved;
- 10) That the Equality Impact Assessments included in Appendix 6 to the Section 151 officer's report be received and noted to inform the consideration of the budget;
- 11) Note the Housing Revenue Account Business Plan 2022/23 and 30-Year Housing Investment Plan presented concurrently to Cabinet on 17 February 2022 that recommends the HRA budget and rent levels for 2022/23;

#### Capital Programme

- 12) Note the Capital Strategy 2022/23 to 2026/27, forecast position for 2021/22 and future years' forecasts summarised up to 2035/36 report also presented to Cabinet on 17 February 2022 that recommends the Council's capital programme and financing;

#### Reserves, Balances and Budget Estimates

- 13) Agree the reserves policy as set out in section 10 of the Section 151 officer's report;
- 14) Note the opinion of the Section 151 Officer with regards to the robustness of the budget process, the estimates underpinning the budget and the adequacy of the reserves in section 10;

## Treasury Management and Investment Framework

- 15) Note the Treasury Management Strategy for 2022/23 including the annual investment strategy, borrowing limits and prudential indicators summarised in this report and set out detail in a concurrent report on this agenda;
- 16) Note the 2022/23 Integrated Investment Framework report also concurrently on this agenda, which sets out the policies and framework for future investment decisions for the Council.

## **2. Capital Strategy 2022/23 to 2026/27, Forecast Position for 2021/22 and Future Years' Forecasts Summarised up to 2035/36**

- (a) The report from the Section 151 officer, which we considered and which is attached as Appendix 2 outlined the City Council's Capital Strategy and proposed expenditure and income budgets from 2022-2023 to 2026-2027 and future years up to 2035-2036.
- (b) Westminster City Council's policy objectives are set out in City for All and this creates the overarching strategic direction for the Capital Strategy. The Council has embarked on an ambitious capital programme with a plan to invest up to £2.751bn (general fund) over the next 15 years. The investment in capital and assets on this scale is a foundation in enabling the Council to achieve its City for All ambitions.
- (c) The four City For All pillars are: Greener and Cleaner; Vibrant Communities; Thriving Economy and Smart City.
- (d) There are a number of key projects and programmes that require capital investment for the Council to achieve its strategic goals. These will always be delivered on all four pillars of City for All which are interlinked. These are detailed in the report we considered.
- (e) The general fund capital programme as detailed in Appendix A, proposes a gross budget of £2.751bn and a net budget of £1.491bn (including capital receipts). The capital programme of the Housing Revenue Account is set out separately in the HRA Business Plan which accompanies this report as part of the Council's annual budget setting process.

### **We recommend:**

That the full Council:

- 1) Approve the capital strategy as set out in Appendix 2 to this report.
- 2) Approve the capital expenditure for the General Fund as set out in Appendix A for 2022/23 to 2026/27 and future years to 2035/36.
- 3) Approve that all development and investment projects, along with all significant projects follow the previously approved business case governance process as set out in section 8 of Appendix 2 to this report.
- 4) Approve that no financing sources, unless stipulated in regulations or necessary agreements, are ring fenced.
- 5) Approve the proposed financing of the capital programme and revenue implications as set out in section 13 of Appendix 2 to this report.

- 6) Approve the allocation of Strategic Community Infrastructure Levy (CIL) to the three projects outlined in paragraph 11.8 of Appendix 2 to this report.
- 7) Approve the financing of the capital programme being delegated to the Executive Director of Finance and Resources to provide sufficient flexibility to allow for the most effective use of Council resources.
- 8) Approve the Council's discretion to use capital receipts to fund the revenue costs of eligible proposals (subject to full business cases for each project). This comes under the DLUHC Guidance on Flexible Use of Capital Receipts (FCR)

### **3. Housing Revenue Account Business Plan 2022/23 and 30-Year Housing Investment Plan**

- (a) We have considered a report (Appendix 3) which presents the updated 30-year Housing Revenue Account Business Plan. The report provided an overview of the financial planning that supports the management and operation of the portfolio of 20,814 homes and other commercial assets owned by the Council's HRA. This covered both revenue and capital spending plans and incorporated the extensive Housing Investment Plan which is worth more than £2bn over the next 30 years.
- (b) This ambitious level of investment is designed to deliver a range of lasting benefits for the City, its residents and wider community members. The purpose of the business plan is to ensure that these important strategic outputs are delivered in a financially sustainable manner.
- (c) The HRA business plan provides strategic financial planning over a period of 30 years and the report we considered showed that the HRA continues to be financially viable over the long-term. The 2022/23 business plan sets out a requirement to borrow £428m, an increase of £145m on the previous iteration of the business plan. This is considered achievable and therefore provides assurance that the HRA can support the level of ambition included in the Housing Investment Plan.
- (d) The HRA is expected to generate approximately £114.98m across a range of income streams in 2022/23. The majority of this comes from dwelling rents (£79.40m) which covers the social rents charged to tenants. The 2022/23 expenditure budget is £112.78m, which leaves an operating surplus of £2.20m. The majority of this is earmarked as a revenue contribution to fund capital debt levels.
- (e) The remaining £275k has been combined with £300m from the existing HRA reserve balance to create a £575k Hardship Fund for 2022/23. This is designed to provide financial support to tenants hit by the squeeze on living

costs projected over the next 12 months due to high inflation (particularly in relation to household energy bills).

- (f) In 2022/23 there is planned HRA capital expenditure of £197.51m, with a total of £2.215bn budgeted over the life of the 30-year business plan. This represents an increase of £123m versus the previous iteration of the HRA business plan (approved February 2021). The HRA capital programme is funded through a range of sources, with £1.111bn (roughly half) coming from sources outside of the HRA and the remainder being sourced within the HRA itself through a combination of revenue contributions to capital and HRA borrowing.
- (g) At our meeting the Cabinet Member for Housing highlighted that the HRA looks after 20,000 homes across Westminster and that the HRA will continue to invest in those homes to ensure they are safe, comfortable and comply with fire safety measures.

**We recommend:**

That the full Council:

- 1) Approve the HRA revenue budget for 2022-23 (Table 2 and Appendix 2 to the report we considered)
- 2) Note the HRA 5-year revenue budgets for 2022-23 to 2026-27 (Table 2 and Appendix 2 to the report we considered) and HRA 30-year revenue budgets for 2022-23 to 2051-52 (Appendix 3 to the report we considered)
- 3) Approve the HRA 5-year Capital Programme for a total of £858.11m (Appendix 4 to the report we considered)
- 4) Note the 30-year Capital Programme for 2022-23 to 2051-52 totalling £2.215bn (Appendix 4 to the report we considered)
- 5) Approve the creation of a £575k Hardship Fund in 2022/23 that is earmarked to support tenants experiencing financial difficulty due to increases in household bills.
- 6) Note a rent increase of 4.1% from April 2022 as applicable under the Welfare Reform and Work Act 2016.
- 7) Note the HRA reserves and balances for the 5-year Business Plan (Table 6 to the report we considered).

#### **4. Treasury Management Strategy Statement for 2022/23 to 2026/27**

- (a) Local Government Act 2003 and the Regulations made under the Act require the Council to have regard to the Prudential Code for Capital Finance in Local Authorities and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. These are contained within the report we considered which is attached as Appendix 4.
- (b) The Act also requires the Council to set out a statement of its treasury management strategy for borrowing and to prepare an Annual Investment Strategy (as shown in Appendix 1). This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. The Treasury Management Strategy Statement and Annual Investment Strategy must both have regard to guidance issued by the Department for Levelling Up, Housing and Communities (DLUHC) and must be agreed by the Full Council.
- (c) The report we considered sets out the Council's proposed Treasury Management Strategy Statement (TMSS) for the period 2022/23 to 2026/27, and Annual Investment Strategy (AIS) for the year ended 31 March 2023, together with supporting information. These are submitted for the Council's approval.

#### **We therefore recommend:**

That the full Council:

- 1. Approve the Treasury Management Strategy Statement;
- 2. Approve the borrowing strategy and borrowing limits for 2022/23 to 2026/27 set out in section 6 to Appendix 4.
- 3. Approve the prudential Indicators set out in section 8 to Appendix 4.
- 4. Approve the Annual Investment Strategy and approved investments set out in Appendix 1 to Appendix 4.
- 5. Approve the Minimum Revenue Provision Policy set out in Appendix 2 to Appendix 4.

## **5. Integrated Investment Framework 2022-2023**

- (a) On 3 March 2021, Full Council gave approval to implement a comprehensive strategic integrated investment framework for bringing together and managing its investments with the approval of an Integrated Investment Framework.
- (b) While the Council's assets are distributed across a range of areas, the complexity of the Council and its funding requirements means that there is a need for the assets to be considered collectively and holistically as, in the aggregate, they represent a very significant pool of resources.
- (c) We received a report attached as Appendix 5 to this report which provided an update on the current range of Council assets. In summary, the Council holds £685.5m of short-term high grade, cash investments (as at 31 December 2021), managed under the Treasury Management Strategy, which passes through Scrutiny, Cabinet and Full Council on an annual basis. The Council also owns a significant number of investment properties, currently valued at £467.4m. It also owns various equity shareholdings. The Council has investments in Westminster Housing investments Ltd of £58.2m and investments in a property fund partnership of £26.2m. In addition, the Council is responsible for managing the Pension Fund which has net assets of £1.96bn (31 December 2021 valuation) and operates under the Investment Strategy Statement (ISS) set by the Pension Fund Committee.
- (d) The treasury investment portfolio is currently generating a forecast return of 0.23% in the current financial year 2021/22. The investment properties are currently generating around 4.33%, net of direct costs (based on the full 2021/21 return). The latest current inflation rate as measured by CPI is 5.1% (as at November 2021), and this must be accounted for alongside the current total portfolio yield.
- (e) The report we considered, attached as Appendix 5, sets out:
  - the Council's strategic objectives in respect of risk management, and its attitude towards investment risk;
  - current levels of investment activity;
  - an updated Integrated Investment Framework for the Council going forward which seeks to diversify the risk and to be able to minimise impact of future economic downturns;
  - actions to be taken in connection with implementing this Framework, if agreed.

### **We recommend:**

That the full Council:

1. Approve and implement the Integrated Investment Framework set out in Appendix 5.



2. Approve that the target for the overall return on Council investments should aspire to at least match inflation over the medium term;
3. Approve that the benefits of investing in the Pension Fund should be used as a benchmark when evaluating other investments;
4. Adopt the asset allocation percentages set out in the Framework and work towards achieving these;
5. Agree that the overarching objective of this Framework is to achieve an overall return on Council investments aspiring to match inflation and to reduce costs and liabilities, whilst maintaining adequate cash balances for operational purposes, and not exposing the capital value of investments to unnecessary risk;
6. Approve those strategic investments allocated to 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, e.g., place making) and in a diversified property portfolio acquisitions will be made out of borough only on an exceptional basis.
7. Approve the Investment Executive to implement, monitor and report on the investment strategy.

## **6. Pay Policy 2022-2023**

- (a) The Council is required to publish its Pay Policy by 31st March every year.
- (b) The Pay Policy brings together all the Council's existing policies on pay and must include details in relation to all aspects of Chief Officer's remuneration, increases and additions to remuneration, bonuses, termination payments and remuneration on recruitment. It must also include information about the relationship between the remuneration of the Chief Executive and the median salary of all employees (the "pay multiple").
- (c) The report we received (Appendix 6) advised that if there should there be any Government reforms to public sector exit payments in 2022-23 the Pay Policy for 2022-23 will be amended as required.
- (d) The Pay Policy which is attached under Appendix 6, as Appendix 1, is recommended for approval.

### **We recommend:**

That the full Council:

Approve the Pay Policy for 2022 – 2023 attached under Appendix 6, as Appendix 1, is recommended for approval.

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Cllr Tim Mitchell, Deputy Leader of the Council

Background Papers

Reports and Minutes of Cabinet Meeting: 17 February 2022

## Report of the Audit and Performance Committee held on 16 February 2022

**Present:** Councillor Ian Rowley (Chairman), David Boothroyd, Danny Chalkley and Antonia Cox

### 1. Appointment of External Auditors for 2022/23 onwards

- a) Following consideration of the arrangements for appointing an external auditor from the financial year 2023/24, the Audit and Performance Committee debated the proposal to accept the Public Sector Audit Appointments (PSAA) invitation to use its framework to appoint an external auditor for five financial years, commencing 1 April 2023 with the accounts for the year 2022/23 being the first audit under the new contract.
- b) The PSAA is a company set up by the Local Government Association in 2014. In 2016, the Secretary of State for Housing Communities and Local Government (now Department of Levelling Up, Housing and Communities – DLUHC) specified the PSAA as an appointing person for principal local government and police bodies for audits from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015.
- c) Acting in accordance with this role, the PSAA is responsible for appointing an auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme. In 2017, Westminster City Council using the PSAA framework was allocated Grant Thornton as its external auditors.
- d) It is well documented that the local government audit landscape has continued to be challenging with a number of authorities increasingly failing year on year to achieve the accounts sign-off deadline. For the 2020/21 financial year, only 9% of English authorities signed their accounts by 30 September 2021 deadline. Westminster City Council was within that 9% to make the deadline.
- e) The Audit and Performance Committee debated the alternative option of procuring as an individual authority but understood that this would not likely result in improved time or quality of the external audit itself with the additional disadvantage that the Council would also not have benefitted from the economies of scale offered by a national framework.

**We therefore recommend** that Full Council:

- a) Approve the Public Sector Audit Appointments (PSAA) invitation to 'opt in' to the sector-led option for the appointment of external auditors for the five financial years commencing on 1 April 2023; and
- b) Delegate authority to the Executive Director of Finance and Resources to respond to the invitation and take the necessary steps to finalise the appointment itself following the PSAA procurement process.

Cllr Ian Rowley, Chairman

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## Report of the General Purposes Committee held on 22 February 2022

**Present:** Councillor Paul Swaddle (Chairman), Melvyn Caplan (Vice-Chairman), David Boothroyd and David Harvey

### 1. Members Allowances Scheme 2022-2023

- (a) The Scheme for the current municipal year was approved by the Full Council on the 3 March 2021 upon recommendation from the General Purposes Committee.
- (b) The proposed scheme, effective from 1 April 2022 for 2022-2023, which we considered and recommend has been prepared on the basis of the current scheme. As in previous years regard has been given to the findings and recommendations detailed in the report of the London Council's Independent Panel on the Remuneration of Councillors which was last published in January 2018.
- (c) This Committee has previously endorsed the principle of increasing members' allowances in line with the increase awarded to all staff each year. As there is less certainty on the settlement of any pay increase to be awarded to staff in 2022, a specific increase has not been put forward. It is proposed that any increase to the Basic and Special Responsibility Allowances will be applied in line with any increase in salary for Council staff agreed by the National Joint Council for Local Government Services and that this will be backdated from 1 April 2022.
- (d) We noted that some amendments to the Scheme may be required as a result of changes introduced during the next municipal year. At this stage we are recommending that the scheme remain unchanged. A full review will be completed following the local elections.

#### **We recommend:**

That Full Council:

- 1. Be recommended to approve the Members' Allowances Scheme for 2022-2023 with effect from 1 April 2022.
- 2. Be recommended to agree to increase the Members' Allowances (Basis and SRA) for 2022-2023 in line with any salary increase for Council staff that may be agreed by the National Joint Council for Local Government Services.

Councillor Paul Swaddle, Chair

### **Background Papers**

Report to General Purposes Committee (22.2.22)

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