

# **Westminster Scrutiny Commission**

**Date:** 3 May 2023

Classification:General ReleaseTitle:Leader's UpdateReport of:Cllr Adam Hug

Cabinet Member Portfolio: Leader of the Council

1. Key decisions made in the preceding period since the last Policy & Scrutiny report dated 12 December 2022:

- 1.1. <u>2 March 2023 Long Term Empty Residential Properties (Private Sector)</u>
  <u>Interim Strategy Statement</u>: a new approach to tackling long term empty properties is needed in order to make the best use of Westminster's housing stock, to respond to resident concerns about long term empty properties and to develop a better understanding of the most effective ways to tackling them.
- 1.2. <u>13 March 2023 Governance Arrangements between the Council and City of Westminster Charitable Trust: Community Contribution Fund:</u> the current governance arrangements between the Council and the City of Westminster Charitable Trust for the collection and distribution of donations made through the Community Contribution Fund scheme were renewed to continue the collection and distribution of donations after 28 February 2023.

#### 2. Cost of Living

- 2.1. The council is continuing to support residents through the cost-of-living crisis, with a £14m package of support which ranges from grant help for school uniforms, an expanded holidays and activities programme and additional hardship funding.
- 2.2. The council has invested an additional £2m to roll out a free school meals offer for up to 14,000 children, complemented by the existing Government free school meals offer and recent additional GLA funding:
  - From September 2023 to nurseries to provide a meal offer for targeted 2-year-olds as well as all 3- and 4-year-olds in maintained and private voluntary or independent (PVI) nursery settings offering the early years entitlements.
  - From January 2023 September 2023 to primary schools to enable them to offer a hot meal to non-FSM pupils at £3 a day per pupil, thereby establishing a universal meal offer until the Mayor's Scheme starts in September 2023.
  - From September 2023 to secondary schools to provide a meal offer to pupils aged 11 - 14 who live in Westminster.

- 2.3. An additional £2 million cost of living support package was announced in November 2022, with the funding split into two phases, with an initial £1million going towards food banks, energy vouchers, and topping up welfare budgets over the winter.
- 2.4. The second round of funding, announced in mid-March, will see £1million go towards increased support for summer holiday activities and food for families in receipt of Free School Meals/Universal Credit, funding to help community organisations with energy bills and financial pressures and language services to help residents who don't speak English access vital support.
- 2.5. A Rent Support Fund has been launched to help social housing tenants struggling with rent payments during the cost-of-living crisis, with £1m set aside to help those in financial difficulty. The money will be used to cover some or all of the upcoming rent increases for households who are not entitled to full housing benefits. Tenants who are eligible for full benefits will receive the increase in their Housing Benefit or Universal Credit payments.

### 3. 'Westminster Against Dirty Money' Charter & economic crime

- 3.1. The Council has launched a new charter to tackle London's international reputation as a money laundering centre, supported by business groups representing London's biggest retailers, hospitality venues and property owners.
- 3.2. It is the first of its kind in the UK and brings together the council, the New West End Company (NWEC), the Heart of London Business Alliance (HOLBA) and campaign group the Fair Tax Foundation to shine a fresh light on practices ranging from masking the real overseas owners of properties and businesses to deliberately obscuring company ownership structures.
- 3.3. The charter encourages organisations to support fair taxation with a series of commitments including:
  - Improving transparency around overseas ownership (where there is no reasonable connection to the country)
  - Being upfront about all ownership structures understanding as fully as possible who tenants and leaseholders are, encouraging them to be as transparent as possible.
  - Working with the government and the opposition to promote reform of the business rates system – a significant move to ensure shop voids are filled quickly with high quality retailers.
- 3.4. Candy stores on Oxford Street illustrate the issues of shop voids, opaque ownership structures and the need for reform of business rates. The rash of candy shops emerged during lockdown and in most cases the traders took advantage of those who simply wanted to fill empty shops to avoid paying business rates, however many of these now owe the council around £9m in unpaid business rates.
- 3.5. Westminster has led nationally on a mix of enforcement and court action to close down candy stores, with £250,000 in unpaid business rates recovered in recent weeks and the confiscation of more than £1m in unsafe or illegal goods through raids.

- 3.6. Following a letter sent to freeholders asking them to consider what action they could take to improve the street, two have responded positively indicating that they will be serving notice of their current occupiers in the next month to vacate the property.
- 3.7. The council will continue to lobby central government to give more support to HMRC and the National Crime Agency to investigate the overseas ownership structures of companies, and to deliver Companies House with effective oversight to prevent companies being set up with no checks on who is behind them.
- 3.8. Officers have been liaising with officials on the Economic Crime Bill which is currently progressing through the House of Lords. While a step forward over current arrangements the Bill, in its current form, does not go far enough to address specific concerns around pursuing stores that owe millions in business rates. The council is exploring ways of addressing specific concerns including strengthening risk management requirements, creating a high-risk property use list and requiring the identification of a liable individual, and ensuring local authorities do not need to go through the registrar to secure relevant information when determining responsibility for corporate business rates evasion.

## 4. Fairer Westminster delivery plan

- 4.1. The Council has formally published a set of priorities and associated success measures for the period from April 2023 to March 2024. The Fairer Westminster Delivery Plan will communicate publicly, in a resident-friendly and engaging way, the actions the Council is taking to achieve its Fairer Westminster strategy.
- 4.2. The Delivery Plan is one part of the Council's effort to be a more transparent and inclusive organisation, and for the first time, the Council will publish updates against the Delivery Plan progress measures through the year. Residents and other stakeholders can use this information to monitor progress and impact, to hold the Council accountable, in addition to existing forums like the Audit & Performance Committee, where council services' performance is also publicly scrutinised.
- 4.3. The Delivery Plan was launched at two events in the week commencing 20 March, with a resident focused event held at Grand Junction on 21 March and a business event held at Hellenic Centre in Marylebone on 23 March.

#### 5. May Coronation and memorial to HM Queen Elizabeth II

- 5.1. Given the ceremonial footprint for the Coronation of HMK sits within Westminster, the Council is heavily involved in the planning for the event, working alongside a range of partners. Officers are involved in the event planning for events on 6 May, with services preparing their plans to ensure the city is ready to welcome the thousands of people who are expected to make their way into central London.
- 5.2. In addition to the main ceremonial event activity, the council will be supporting street parties throughout the city and have waived fees regarding these activities. A screening will also be hosted at Paddington Recreation Ground.
- 5.3. Officers are currently investigating an appropriate way to mark HMQ and are in discussions with the Royal Household.