



CITY OF WESTMINSTER

MINUTES

Audit and Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit and Performance Committee** held on **Monday 17th July, 2017**, Room 3.1, 3rd Floor, 5 Strand, London, WC2 5HR.

Members Present: Councillors Ian Rowley (Chairman), Lindsey Hall, Judith Warner and David Boothroyd

Also Present: David Hodgkinson (Assistant City Treasurer), Graeme Gordon, (Programme Director, Evaluation and Performance Team), Mo Rahman (Evaluation and Performance Analyst), Damian Highwood (Evaluation and Performance Manager), Siobhan Coldwell (Chief of Staff), (Stella Baillie (Tri-Borough Director for Integrated Care), Melissa Caslake (Director of Family Services), John Quinn (Bi-Borough Director of Corporate Services), Jackie Gibson (Head of Strategy and Development, City Management and Communities), Ed Watson (Executive Director Growth, Planning and Housing), Paul Dossett (Engagement Lead, Grant Thornton), Elizabeth Jackson (Engagement Manager, Grant Thornton), Barbara Brownlee (Director of Housing and Regeneration), Guy Slocombe (Director of Property, Investment and Estates), Kevin Goad (Head of Service, Highways and Public Realm), Anthony Oliver (Chief Procurement Officer), Marivie Papavassiliou (Procurement Services), Martin Hinckley (Head of Revenue and Benefits), Gwyn Thomas (Senior Benefits Policy Officer) and Reuben Segal (Committee & Governance Services)

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations made.

3 MINUTES

3.1 **RESOLVED:** That the minutes of the meeting on 9 May be signed by the Chairman as a correct record of proceedings.

4 2016-17 ANNUAL ACCOUNTS AND OUTTURN

- 4.1 The Committee had before it an updated report on the 2016-17 Statement of Accounts and outturn. The committee had considered the draft Statement of Accounts and outturn at its last meeting on the 9 May.
- 4.2 The report included an overview of the principal reasons behind the variances for each Cabinet portfolio. As previously, the committee welcomed the explanations which it considered should be included in future quarterly finance monitoring reports.
- 4.3 The Committee was informed that during the statutory public inspection period the Council had received two objections to the accounts. Both related to LOBO loans totalling £70 million that were taken out between 1984 and 2005. David Hodgkinson, Assistant City Treasurer, explained that until these were considered by the Council's external auditors the accounts could not be completely finalised.
- 4.4 **RESOLVED:**
1. The committee approved the 2016/17 Annual Accounts following the end of the year statutory public inspection period.
 2. The committee noted the proposed £10 million contribution towards the pension fund deficit recovery.

5 GRANT THORNTON AUDIT FINDINGS REPORTS 2016-17

- 5.1 The Committee considered the final reports from the Council's external Auditors, Grant Thornton, on the key findings arising from their audit of the Council's 2016-2017 financial statements and those of the Local Government Pension Scheme it administers.
- 5.2 The committee had considered draft versions of the audit finding reports at its last meeting on 9 May. The final reports included minor amendments which were highlighted in italics.
- 5.3 Paul Dossett, Engagement Lead, Grant Thornton, explained that the objections to the Council's accounts did not have any impact on Grant Thornton's opinion of the Council's accounts. Members noted that until the objections to the accounts had been addressed the audit certification could not be finalised.
- 5.4 Members asked for further details about the significant risks relating to the Managed Services Partnership (MSP) identified in the audit findings for the pension fund. Elizabeth Olive, Engagement Manager, Grant Thornton, explained that while this was identified as a significant risk in last year's audit findings report the issues this year were somewhat different. Grant Thornton did not experience any information delays on pensions last year whilst the backlog in updating the member data during 2015-16 was not of such concern for the audit. That audit had identified an on-going concern for officers that there was a delay in information from BT to Surrey. This year a number of

errors were identified during sample testing which required additional information to provide assurance.

- 5.5 **RESOLVED:** That the audit finding reports for Westminster City Council and The City of Westminster Pension Fund be noted.

6 2016-17 END OF YEAR PERFORMANCE BUSINESS PLAN

- 6.1 The committee received a year-end report that presented detailed performance results for the year April 2016 to March 2017 against the 2016/17 business plans. The report provided explanations and commentary in respect of outstanding, good and poor performance, including achievement of targets and details of remedial actions being taken.
- 6.2 With reference to the overall performance of the City Council, the committee questioned whether the results of the City Survey 2016 could be relied upon given the limited size of the sample base. Graeme Gordon, Programme Director, Evaluation and Performance Team, advised that a sample base of 1000 people was the industry standard for surveys and polls. If appropriately weighted the sample base should produce fairly accurate results. He advised that the survey could be augmented by gathering community insight through other forms such as qualitative interviews, customer feedback and using complaints data to provide a more representative picture of residents' perception of Council services.
- 6.3 The committee then considered performance results at year end by service directorate. The committee submitted questions to individual members of the Executive Management Team on performance within their directorates. This included queries about key performance indicators that had regularly been "off track" over the last 2-3 years.
- 6.4 In exploring why certain targets were missed the Committee questioned how targets are set and whether there is a problem of setting sensible, robust targets and setting ranges around these targets that are plausible. The committee also expressed concern at the Council's ability to measure properly performance of some key policies. The absence of data on the number of people helped into work by the Westminster Employment Service beyond six months was cited as an example.
- 6.5 The Committee suggested that complaints information should be integrated as part of the performance reporting and aligned to the City Survey results where possible and that the underlying reasons for why these complaints have been made should be assessed. Siobhan Coldwell, Chief of Staff, informed members that the Council was implementing a new, more comprehensive complaints monitoring system which would include details of the reasons for complaints. This would be incorporated in the Annual Corporate Complaints report which was due to be submitted to the committee in November.

Adult Services and Public Health

- 6.6 The Committee asked how the move from a Tri-Borough to Bi-borough arrangement could impact on service delivery. Members also asked why the key performance indicator - percentage of known carers who have received an assessment or review - had fallen short of its target for the last 3 years. Officers were also asked for more information around the performance of the Community Independence Service and outcomes achieved for those using it.
- 6.7 Stella Baillie, Tri-Borough Director for Integrated Care, stated that the move from a Tri-Borough to Bi-borough partnership arrangement should not have a particular impact on service performance. She explained that the teams delivering services are sovereign to each authority and will continue to be so. With regards to the KPI of providing an assessment to known carers, she explained that the target had been lowered from 95% in 2015/16 to 90% in 2016/17 as it was considered to be unachievable. She considered an outturn of 85% upwards to be a strong performance position. A 2% decline in performance from the previous year is minimal and therefore she considered that performance was steady. The Council will continue to set challenging stretch targets for this local indicator to maintain focus on this priority area and ensure that the excellent progress that has been made is sustained.
- 6.8 The Community Independence Service is a fully integrated service across social and health services to support people to remain/return to their own homes as effectively as possible. Stella Baillie stated that the service was gradually taking shape under the new provider, Central North West London NHS (CNWL) Trust. They had introduced a number of improvements since taking over the services from Central London Community Healthcare (CLCH). Whilst performance had improved she believed that the targets, which had been set by the Clinical Commissioning Group (CCG), will always be challenging to meet. She considered that there is a need to discuss the targets with the CCG with a possible view to revise them to incorporate a trajectory.

Children's Services

- 6.9 The committee asked for an explanation about the 'off-tack' target for recruiting foster carers over the last 3 years. Melissa Caslake, Director of Family Services, explained that following the recruitment of only 9 Foster Carers against a target of 20 in 2014/15 the Council entered into a delivery partnership with Cornerstone in order to target and enhance the recruitment of foster carers. The outcome was an increase in the number of foster carers recruited in 2015/16, 17 against a target of 20. Whilst the challenging target of 25 for 2016/17 has not been met a total of 18 foster carers have been recruited which compares favourably on previous years.
- 6.10 Members also asked about the delay in establishing the Young Westminster Foundation and for details about the sustained improvement/outcome associated with the Troubled Families Service. Melissa Caslake explained that the delay in establishing the Young Westminster Foundation was principally due to the time it had taken to appoint a chief executive. Unfortunately two rounds of interviews had to be undertaken before a suitable person was found. Given the small size of the team it was not felt appropriate to recruit other posts until this key appointment had been made. Melissa

Caslake undertook to provide the committee with a copy of a report on the outcomes achieved by the Troubled Families Service that was submitted to the Children, Environment and Leisure Policy and Scrutiny Committee. Indicators had reduced. She explained that the Council could reclaim money spent on the programme from the government subject to demonstrating that it had delivered sustained outcomes. This was defined by government as 6 months. The committee considered that the true measure of sustained outcome should be greater than 6 months.

Corporate Services

- 6.11 The committee asked for an update on the performance of the Managed Services Programme. John Quinn, Bi-Borough Director of Corporate Services, advised that BT is continuing to improve its performance. Day-to-day operational performance is generally good. Payroll accuracy is at 99%. There are still some historic issues around payroll and pensions that are outstanding. He advised that the required software update would take place before Christmas and that testing in relation to this was underway. In response to questions regarding the re-procurement of managed services he advised that the Council was working with Deloitte to find a new provider. The Council had identified three potential delivery models and was working to narrow these down to one preferred solution, the detail of these would be presented to Cabinet in September.
- 6.12 The Committee asked officers about the 'off track' targets for reducing the number and spend on temporary agency contractors (TACs) per annum. John Quinn advised that while the Council had reduced its reliance on TACs year on year the outturns were still above target. He explained that TACs are a vital part of the workforce and can be used for a wide range of reasons such as to provide specialist support on a project or to provide cover until a vacant post is refilled. The target of employing no more than 180 TACs per annum is an aspiration. He explained that he has no direct control over the number of agency contractors employed within the Council as recruitment is undertaken by directly by each service. However, he does particularly look at the number of TACs with a tenure of 12 months or more.
- 6.13 Members asked whether there was any correlation between staff turnover and the use of TACs and if so perhaps the Council should require longer notice periods. They also asked how needs for TACs are identified and whether there were variables in requirements between departments. The committee noted with interest that there had been an overspend on TACs at the same time that there had been an underspend against some staffing budgets. Mr Quinn stated that staff turnover in 2016/17 was 16% against a target of 12%. He advised that the former was broadly in line with the average staff turnover rate within English local authorities and that the current target was perhaps unrealistic. He explained that HR business partners meet with each executive team to discuss their needs for TACs. However, the Council has a wide number of variable projects and schemes which sometimes require a longer than anticipated use of temporary resources.

City Management and Communities

- 6.14 Members asked for an update on the outcome of negotiations with the Mayor's Office for Policing and Crime (MOPAC) regarding police reforms and the proposed borough command unit merger. Jackie Gibson, Head of Strategy & Development, advised that the impact of the proposals were still being assessed and that the Director of Public Protection and Licensing was still in discussions with MOPAC.

Growth, Planning and Housing

- 6.15 Members asked whether the new focus of reconnecting rough sleepers who are from outside of the borough to their hometown is a good use of the Council's resources. The committee commented that many rough sleepers leave their home town for reasons such as family estrangement or concerns about their safety. Members also commented that some rough sleepers do not want to leave the streets. Ed Watson, Executive Director for Growth, Planning and Housing, explained that a large proportion of rough sleepers come from outside of the borough often with expectations that are not met or the perception of the services that can be provided which cannot. The Council is trying to help these individuals to reconnect with their hometown and to address the reasons why they left in the first place. The funding to facilitate this work was being provided by the Home Office. Whilst he acknowledged that some rough sleepers do not want to be helped the Council's approach is to offer every rough sleeper a personalised plan so that those who do not want to spend a second night on the street do not.
- 6.16 The Committee asked about the 'off track' target for the determination of 'other' planning applications within 8 weeks which had been missed for the previous three years. Mr Watson explained that the targets are set nationally and have rarely been met because of the complexities of schemes in Westminster. Other reasons included an increase in workload without a similar increase in resources and disruption caused by the digitalisation of development planning. The year-end outturn had improved in 2016/17 to 75% and exceeded the target which the the government had also lowered to 70%.

City Treasurer.

- 6.17 Members asked in relation to Medium Term Saving Plans whether each directorate was producing individual plans. Dave Hodgkinson confirmed that this was the case. These are in the process of being finalised and will be available on the Council's website shortly.
- 6.18 The Committee noted in relation to the Council's general fund budget that there had been an underspend on staffing in some service areas and it questioned how this could be defended to the public given the current financial constraints. Mr Hodgkinson explained that the Council aims to set a balanced budget. However, the City Council was a large and complex business with a budget of over £800 million per annum. Therefore, it was not unusual given its complexities to have a 2% year end outturn against the approved budget.

Policy, Performance and Communications

6.19 The Committee asked about the possible reputational impact to the Council of moving from a Tri-Borough to a Bi-Borough Partnership given the current criticism being faced by RBKC following the Grenfell Tower fire. The committee also asked whether the Council was lobbying the government on the status of EU nationals following Brexit given that 15% of the workforce in Westminster are EU nationals and that there are some sectors with particular dependencies, e.g. 44% of the accommodation and food sector and 20% of caring professions. Graeme Gordon stated in respect of the Bi-Borough partnership arrangements that there is both a potential operational and reputational risk to the Council and this will be kept under observation. With regards to Brexit, he confirmed that the Council was lobbying the government on the economic risks to Westminster of leaving the EU.

6.20 With regards to Open Forums, the committee considered that they are too large and that local views have been diluted. Members considered that the Council should reintroduce a more localised approach similar to the former area forums.

6.21 **ACTIONS:**

1. Provide information around the performance of the Community Independence Service and the outcomes achieved for those using it. (**Action for:** Stella Baillie, Tri-Borough Director for Integrated Care)
2. The Committee would like more information around the performance of the Troubled Families Service and longer term outcomes achieved for this cohort. Also provide a copy of the report on the service that went to the Children, Environment & Leisure Policy and Scrutiny Committee. (**Action for:** Melissa Caslake, Director of Family Services)
3. Provide details of how the targets for recruiting foster carers were determined. (**Action for:** Melissa Caslake, Director of Family Services)

7 **ANNUAL CONTRACTS REVIEW 2016-17**

7.1 The Committee considered an Annual Contracts Review report in accordance with its Terms of Reference.

7.2 The committee noted that a review of the Procurement Code and procurement assurance process was conducted during quarter 3 of 2016/17 and the updated code was published in January 2017.

7.3 With regards to the review of contracts let by the Council for value for money and adherence to the procurement code, the committee noted that 73 contracts commenced during the 2016/17 period. 39 contracts were below the value of £100,000 threshold and 34 over the value of £100,000. There were 12 extensions of existing contracts. This represented a reduction compared to the previous year. In exceptional circumstances a waiver to the requirements of the Procurement Code may be obtained from the Chief Procurement Officer. 59 waivers were approved during the course of the year. This represented a slight increase to the previous year.

- 7.4 The Committee was informed that the capitalEsourcing contracts register is regarded as the “single source of truth” and forms the basis for reporting on contract information across the Council. The use of a single system provides an important source of data and a complete audit trail of the Council’s activities, enabling full visibility of commercial commitments; better management of risk, identification of commercial opportunity and resource planning.
- 7.5 It is the responsibility of Contract Managers to carry out the first assessment within the capitalEsourcing system, 12 months following the service commencement date, for all contracts that have a total contract value of £100,000 or above.
- 7.6 Of 174 active contracts over £100,000 150 (86%) were assessed and performance rated. This was a positive increase on the number of contracts assessed and reported on during 2015/16 (63%) only 6 (3%) were assessed and rated as ‘Below Expectations’.
- 7.7 The Committee noted with concern that twelve of the twenty-four contracts that had not been assessed and performance rated within the system had a total value over £1.5 million each and collectively amounted to £333, 953,000.
- 7.8 Anthony Oliver, Chief Procurement Officer, clarified that contract performance was being assessed by contract managers just not within the system. Procurement Services have been working with each of the service areas to ensure overall contract performance is carried out in the system. The Chief Executive had also stressed the importance of this to the Executive Management Team when quarterly contract review reports are issued to EMT.
- 7.9 Mr Oliver recognised that the current methodology for recording contract performance is transactional in nature. Therefore, during 2016/17, feedback was sought from Contract Managers. The general view was that this method was too simplistic and did not provide a true representation on the overall performance of a particular contract. As such, during 2017/18, Procurement Services will be conducting a review of Contract performance with a view to piloting a contract performance score card. The approach will be focused on value and risk to provide more meaningful information and greater visibility.
- 7.10 The Committee noted that contracts with a value below the £100,000 threshold are classed as devolved procurements and are not recorded within capitalEsourcing. The committee commented that that while from a monetary perspective the contracts may be comparatively small some may relate to sensitive frontline services with reputational risks for the Council if the services are not well provided. Members asked how the Council knows that such contracts are being appropriately monitored.
- 7.11 Mr Oliver advised that the Procurement Code sets the mandatory rules on behalf of the Council in regards to the award, management and monitoring of contracts and is aligned with the Council’s overall governance practices. It includes a Contract Management Framework. Every contract manager has to undergo relevant training. The latter is refreshed on a regular basis. Internal

audits of each service ensures that the rules and practices are being appropriately followed. Mr Oliver advised that a review was being undertaken on small value contracts. The committee asked to see the conclusions of the review once completed.

7.12 In response to questions on the Tri-Borough Procurement Service, Mr Oliver advised that this had in effect ceased to exist. He explained that the decision as to whether the service changed to a Bi-Borough model was dependent on the views of the Royal Borough of Kensington and Chelsea (RBKC). His counterpart at RBKC had expressed support for this but this would need to be considered by the new leadership and senior management at the Council.

7.13 **ACTIONS:**

1. Send a letter to the Chief Executive expressing concern regarding the number and value of contracts that have not been assessed and reported on within capital sourcing and request that he reassert the importance of this at the next relevant EMT meeting with the aim of achieving 100% compliance this financial year. (**Action for:** Reuben Segal, Senior Committee and Governance Officer).
2. Clarify why a waiver was required in relation to Microsoft Office 365 Licenses in order to directly award this contract.
3. Clarify why the contract for Asbestos Removal and Encapsulation was rated below expectation.
4. Provide a note on i) how many contracts the Council has running at present? ii) How does this compare to previous years? iii) What opportunities are there for amalgamating contracts to achieve savings/economies of scale and/or to bring about innovation?

(**Actions for:** Anthony Oliver, Chief Procurement Officer)

8 UPDATE ON ARRANGEMENTS FOR MANAGEMENT OF THE CAPITAL PROGRAMME (GENERAL FUND AND HOUSING REVENUE ACCOUNT)

8.1 The committee considered a report that provided an update on arrangements that are in place and which are further developing to manage the Council's capital programme for the General Fund and Housing Revenue Account (HRA).

8.2 The report covered the current capital programme, capital budget analysis – performance against net budget 2011/12 - 2016/17 and improvements implemented and planned: budget setting, business cases, Programme Delivery Office and governance.

8.3 The Committee was pleased to see action was being taken to address slippage in the capital programme. Members asked how the new arrangements avoided duplicating processes that were already in place.

- 8.4 Guy Slocombe, Director of Property, Investments and Estates, reported that to help create an overarching, coordinated and consistent approach to the delivery of projects the Council had established a Programme Delivery Office (PMO). One of the key issues that the PMO will focus on will be removing historical processes that had accumulated over many years that are unworkable. These will be replaced with Council wide governance processes which are much more streamlined.
- 8.5 Barbara Brownlee, Director of Housing and Regeneration, provided her experience of the improvements since the new arrangements had been implemented. She explained that when she first joined the Council she observed that while there were highly skilled project managers working on capital projects within Growth, Planning and Housing and similarly accountants in Finance the Council did not have capital programme managers. As these officers were not located within the same office the complex dependencies, slippage and changing costs within projects did not always clearly translate sensibly to finance colleagues. One of the significant differences now is that the finance support for a project is based in the same office as the project manager. This has enabled a different type of finance support where there are more regular updates between colleagues. Additionally monthly reports on projects are provided to the Programme Delivery Office.
- 8.6 The Committee referred officers to a paper published in the Oxford Review of Economic Policy (Vol 25, No. 3, 2009) on major infrastructure projects which highlighted the propensity for optimism bias in public sector projects. Barbara Brownlee commented that the aspiration to deliver Housing Renewal in the City led the Council to be overly ambitious in forecasting that the programme would be delivered in a matter of a few years. She stated that an HRA business plan session would be starting in September where officers would feed in all major assumptions over regeneration and other projects over the course of the week. These would then be thoroughly tested and worked up by Christmas before they are entered into the HRA business plan. Separate to this monthly capital programme monitoring meetings are held between housing and finance so that projects are tightly controlled. She explained that this will not stop all delays as some matters are out of the Council's control. For instance, sometimes a contractor may decide not to move forward with a scheme for their own reasons.
- 8.7 The Committee asked given the identified optimism bias and the historic slippage on some projects whether independent challenge will be undertaken when developing business cases and appraising potential projects? Mr Hodgkinson stated that he was not sure whether independent challenge will feature within the remit of the Programme Delivery Office. Kevin Goad, Head of Service, Highways and Public Realm, advised that his service obtains independent challenge on its major schemes such as the Baker Street Two Way project. Barbara Brownlee commented that not enough independent challenge was undertaken when developing proposals for the regeneration of Ebury Bridge. She explained that a former Managing Director of Barretts is engaged to assess some but not all large projects being developed by

CityWest Homes. She undertook to consider expanding this approach to all major housing projects.

8.8 Guy Slocombe further commented that the Council has too often begun consulting on projects at too early a stage before feasibility studies have been completed. Members considered that greater consultation with Ward Councillors when developing business cases for major projects was important as they can provide useful insight of the views of the local community.

8.9 With reference to the summary of Major Projects set out in the report, the Committee asked officers whether delivering these was achievable given their number. Guy Slocombe explained that not all the projects would be delivered simultaneously as they will be prioritised in accordance with how they meet the Council's pre-determined criteria.

8.10 The Committee asked officers about the challenges of procuring contractors from a limited set of providers. Barbara Brownlee stated that the Housing Department works closely with the Procurement Service which had increased its resources over the last year. She also stated that there now exists a dynamic procurement process where one did not exist before. Procurement participate in monthly planning meetings to discuss the forward pipeline of developments. There are different ways to obtain a range of bids. Some are established and others are new to the Council. The Council still uses frameworks such as those of the GLA and TfL but also go out to the open market. It also looks at packaging contracts in different ways to make projects attractive.

8.11 **ACTIONS:**

1. The committee would like further information on capital projects by type (development, operational or investment schemes/asset acquisition) with an explanation of how the Council can address some of the inherent issues that affect these different types of schemes. It would also like a breakdown of the general fund major projects by Ward together with expected start and completion dates. (**Action for:** Steve Mair, City Treasurer)
2. The Committee would like future quarterly reports to include a breakdown of the capital programme by project type (development, operational and investment) to see where the slippage is occurring and any trends. (**Action for:** Steve Mair, City Treasurer)

ii.

9 **DISCRETIONARY HOUSING PAYMENT DELEGATED DECISIONS**

9.1 The committee considered a report that provided an overview of DHP applications received and decided in the period 1 April 2016 to 31 March 2017. Information was provided on the tenure of applicants and the reasons and total spend for agreed claims. The report also detailed the average weekly award and duration for the different categories of DHP. It also

summarised the process for deciding claims and the verification measures undertaken.

9.2 The committee asked questions on the following issues:

- The proportion of claims determined by Capita
- The proportion of claimants impacted by the benefit cap having to re-submit claims after an initial six month award is made?
- Whether the City Council requires applicants to submit bank statements as part of the claims process?
- How delegated decisions are made and the level of scrutiny by managers of such decisions
- Whether there have been any applications for judicial review of the Council's DHP policy

9.3 Gwyn Thomas, senior benefits policy officer, informed the committee that as housing payments in the form of extra financial assistance with rent is discretionary the determination of applications cannot be outsourced to Capita and is undertaken by a small team of five officers within the Finance Team which he manages. He explained that consideration and determination of applications is dealt with by individual officers rather than an officer panel. He does not review each decision made although on-going spot checks are undertaken. He advised that he does review decisions which are informally challenged whilst another officer scrutinises those cases that are formally challenged.

9.4 A high proportion of agreed claims are submitted by residents that are affected by the overall weekly benefit cap. The purpose of a DHP award will be to support work by giving extra help with rent payments for a short period. Successful applicants will be expected to take the steps needed to increase the amount that they can pay towards rent in the medium term in order to avoid reliance on DHP as an on-going solution. It can take longer than 6 months for some applicants to find work and be in a position to pay their rent without support. Where applicants can demonstrate that they are working towards such a solution the Council will consider making an award for a further 6 months.

9.5 Since 2015, when the policy was last reviewed, all DHP applicants are required to provide statements covering at least three recent and consecutive months for every bank, building society and Post Office account held. Officers dealing with DHP claims scrutinise the statements for any indication of undeclared income and further undeclared accounts where funds are being transferred to and from. The statements are also studied for signs of unusual spending patterns that suggest the applicant is living beyond their declared financial means. Any discrepancies are queried and referrals made to the DWP Fraud and Error Service where appropriate. The only time when this

requirement may be waived is where a renewal claim is submitted. Where an application is refused and an appeal is requested the Council requires applicants to provide statements covering a further three months before it will list a case for consideration by the DHP panel.

- 9.6 Members expressed concern that bank statements submitted by appellants to the DHP Appeals Panel often reveal large instances of cash withdrawals but no clear evidence of rent payments being made which suggest that some residents are making rental payments in cash which can leave them at risk of not being protected compared to those who pay by direct debit or standing order.
- 9.7 With regards to judicial review, Mr Thomas advised that although two organisations had previously informed the Council of their intentions to apply for a judicial review of the Council's policy none were submitted.
- 9.8 The Committee noted that the policy sets out that DHP awards are only made for fixed periods and the Council cannot guarantee or sustain open-ended awards. Members commented on the fact that some residents submit repeat claims and do not understand that the scheme it is to help households in the short term. Mr Thomas advised that the Council was re-emphasising this message. He explained that the Council receives an annual allocation from the central government to use for DHP. Any funding that is unused is returned. Whilst last year there was slightly more funding than claims agreed this year the funding has been significantly reduced so the issue of repeat claims will need to be addressed.
- 9.9 **ACTIONS:** The committee has agreed to write to the chief executive to request sample checking of officer delegated decisions by the senior policy officer. (**Action for:** Audit & Performance Committee)

10 WORK PROGRAMME AND ACTION TRACKER

10.1 RESOLVED:

1. That the agenda items for the meeting on 18 September, as set out in appendix 1 to the report, be agreed.
2. That the responses to actions which arose from the last meeting which were set out in Appendix 3 to the report be noted.

The Meeting ended at 8.22 pm

CHAIRMAN: _____

DATE _____