



City of Westminster

# Committee Agenda

Title: **Audit and Performance Committee**

Meeting Date: **Monday 23rd April, 2018**

Time: **7.00 pm**

Venue: **Room 3.1, 3rd Floor, 5 Strand, London, WC2 5HR**

Members: **Councillors:**

Ian Rowley (Chairman)  
Lindsey Hall  
Judith Warner  
David Boothroyd

**Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda**

**Admission to the public gallery is by ticket, issued from the ground floor reception from 6.30pm. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.**



**An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact the Committee Officer, Reuben Segal, Senior Committee and Governance Officer.**

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Corporate Website: [www.westminster.gov.uk](http://www.westminster.gov.uk)**

**Note for Members:** Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Director of Law in advance of the meeting please.

## **AGENDA**

### **PART 1 (IN PUBLIC)**

**1. MEMBERSHIP**

To note any changes to the membership.

**2. DECLARATIONS OF INTEREST**

To receive declarations by Members and Officers of the existence and nature of any personal or prejudicial interests in matters on this agenda.

**3. MINUTES**

To approve the minutes of the meeting held on 1 February 2018.

**4. DRAFT ANNUAL STATEMENT OF ACCOUNTS AND  
OUTTURN 2017 - 18 (TO FOLLOW)**

Report of the City Treasurer

**5. DRAFT AUDIT FINDINGS REPORT 2017 - 18 (TO FOLLOW)**

Report of Grant Thornton, External Auditor

**6. QUARTER 3 PERFORMANCE BUSINESS PLAN  
MONITORING REPORT**

Report of the Director of Policy, Performance and Communications

**7. UPDATE ON HOME CARE SERVICES WITHIN THE CITY OF  
WESTMINSTER**

Report of the Bi Borough Director of Integrated Commissioning

**8. INTERNAL AUDIT MONITORING 2017 - 18 PROGRESS  
REPORT (JANUARY TO MARCH 2018)**

Report of the City Treasurer

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**(Pages 9 - 60)**

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**(Pages 71 -  
100)**

**9. WORK PROGRAMME AND ACTION TRACKER**

**(Pages 101 -  
110)**

**Stuart Love  
Chief Executive  
13 April 2018**

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CITY OF WESTMINSTER

## MINUTES

### Audit and Performance Committee

#### MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit and Performance Committee** held on **Thursday 1st February, 2018**, Room 3.6, 3rd Floor, 5 Strand, London, WC2 5HR.

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

**Also Present:** Paul Dossett (Partner, Grant Thornton), Steve Mair (City Treasurer), Martin Hinckley (Head of Revenue and Benefits), Tasnim Shawkat (Director of Law), David Hughes (Tri-Borough Director of Audit, Fraud, Risk and Insurance), Moira Mackie (Senior Internal Audit Manager), David Francis (Security Consultant, Information Technology) and Reuben Segal (Committee & Governance Services)

#### 1 MEMBERSHIP

1.1 It was noted that 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 held on 23 November be signed as a correct records of proceedings.

#### 4 EXTERNAL AUDIT CERTIFICATION OF CLAIMS AND RETURNS ANNUAL AUDIT 2016/17

4.1 The Committee received a report on the annual review undertaken by Grant Thornton on the grants the City Council claims. The key messages from the Grant Certification Audit are communicated to the Audit and Performance Committee as the body charged with overseeing governance at the Council.

4.2 Martin Hinckley, Head of Revenue and Benefits, informed the committee that there were two returns/claims audited. These related to the Housing Benefit subsidy claim and Teachers' Pension Return. In terms of the housing benefit

subsidy claim, Grant Thornton had recommended that the Council as part of its internal quality assurance process, should increase its focus or level of testing in respect of the areas where it identified relatively minor errors. With regards to the Teachers' Pension Return, Grant Thornton had recommended that the Council work with Teachers Pensions to resolve data quality issues on the portal.

- 4.3 The Committee expressed concern at the high error rate identified from the sample testing of 20 teachers' pensionable salary data. Steve Mair, City Treasurer, explained that this related to issues connected to Managed Services provided by BT. He advised that he had asked Phil Triggs, Director of Treasury and Pensions, to undertake a piece of work in conjunction with People Services around data cleansing to ensure as far as possible that when the Council transfers to the new SAP System on the 1 October 2018 the data that is carried over is not inaccurate.
- 4.4 In relation to the Housing Benefit Subsidy Claim, Members commented that although the issues identified involved small amounts of money they were still concerned at the significance of the errors as there was the potential that they could lead to substantial losses. Mr Hinckley advised the committee that following the audit sampling, a full check of all extended payments had been made which identified only one further error. Whilst he understood members' concerns he reminded them that the number of errors identified had to be considered in the context of the 27,000 claims processed by the Council annually.
- 4.5 Paul Dossett, Engagement Lead, Grant Thornton, informed the committee that Housing Benefit has become increasingly complicated especially in London and claims can be particularly complex. He advised the committee that compared to other London local authorities the Council's performance is good with fewer errors detected.
- 4.6 **RESOLVED:** That the report and recommendations from the external auditor be noted.

## **5 GRANT THORNTON ANNUAL AUDIT PLAN 2017/18**

- 5.1 Paul Dossett, Engagement Lead, Grant Thornton, introduced the external audit plan which outlined the work that Grant Thornton propose to undertake for the audit of the Council's Financial Statements and the Pension Fund for the financial year 2017 - 18. The plans are based upon Grant Thornton's risk based approach to audit planning.
- 5.2 The audit plan in respect of the Council's financial statements referred to the fact that whilst the Council has historically had sufficient reserves this could be impacted by the changes to IFRS 9 going forward where gains and losses from changes in the fair value of assets will instead be recognised in surpluses and deficits in the Provision of Services. Members asked that as part of its consideration of the significant risk around the valuation of assets Grant Thornton considers and comments on a scenario where the value of the Council's commercial property were to reduce by a significant value.

5.3 With regards to the audit of the Council's Pension Fund, the committee asked that the scope of the audit include an assessment of the governance arrangements, management and administration of pooled accounts in the London CIV particularly as there has been a number of changes at senior management level in recent months.

5.4 **RESOLVED:** That the audit plans be noted.

## **6 EXTERNAL AUDIT PROGRESS REPORT AND SECTOR UPDATE**

6.1 The Committee received a report from the Council's external auditors, Grant Thornton, which set out progress to 10 January 2018 in delivering its responsibilities in relation to undertaking the audit of the Council's Financial Statements and the Pension Fund for the financial year 2017-18. The report included a sector update which included emerging national issues including an overview of General Data Protection Regulation which comes into effect on 25 May 2018.

6.2 **RESOLVED:** That the external audit progress report and sector update be noted.

## **7 FINANCE (PERIOD 9) MONITORING REPORT**

7.1 Steve Mair, City Treasurer, introduced the period 9 finance report which provided details of the forecast outturn in respect of revenue and capital and projected revenue and capital expenditure by Cabinet Member including key risks and opportunities. The report also included a breakdown of the capital major projects and details in relation to the revenue and capital expenditure for the Housing Revenue Account.

7.2 Members referred to the fact that the Council has two significant contracts with Capita whose shares have halved in value since the start of the year. The City Treasurer was asked whether the Council had contingencies in place if Capita is unable to meet its contractual obligations. Mr Mair did not believe that Capita is in a comparable position to Carillion. The latter's collapse primarily flowed from difficulties in construction contracts. By contrast, Capita is primarily a services business and has better cash balances. He advised that the contracts in question were due to be re-procured from 1 May 2018 and the Council is reviewing what further action it can take. He expected that Capita would bid for them.

7.3 With regards to the Finance, Property and Corporate Services Cabinet Portfolio, the Committee asked for an explanation of the risks arising from the Amey facilities management contract. The City Treasurer advised that parts of the contract are not performing to the standards expected where a number of key performance indicators had not been met. There was a possibility that the Council would have to undertake these services themselves.

7.4 With reference to the Planning and Public Realm Cabinet Portfolio, members asked whether the potential opportunities on planning fee income would be

spent on filling vacancies within the planning department. The City Treasurer advised that whilst the revenue was ring-fenced within the planning department it was not necessarily ring-fenced to be spent on recruiting staff although it was likely that that is what it would be used for.

- 7.5 Members noted that some of the Cabinet portfolios had underspends arising from not filling staff vacancies. They asked why, where there are repeat staffing underspends, the requirements for such posts are not reviewed. Mr Mair advised that the finance team has raised this issue and asked people to re-examine their requirements. In some circumstances the service area fills the need through the use of temporary agency contractors. In other circumstances a post may remain vacant because the service is going through a reorganisation. He reiterated his previous comment to the committee that given the scale of the organisation the budget will never balance to the penny.
- 7.6 Members reiterated their concerns about the significant and systemic variances between capital forecast and outturn against budget which in service areas such as Adult Social Care has a social impact.
- 7.7 **ACTION:** The Committee requested that future updates on capital major projects includes greater detail about the cause of delays and an assessment of the overall costs of them to the Council.

## **8 MAINTAINING HIGH ETHICAL STANDARDS AND THE CITY COUNCIL**

- 8.1 Tasnim Shawkat, Director of Law and the Council's Monitoring Officer, introduced a report that provided an annual overview of the arrangements in place and actions taken to maintain high ethical standards throughout the authority.
- 8.2 In respect of combating fraud and corruption, Members suggested that where an issue is identified as a result of whistleblowing at officer level the Council should investigate when and how the issue was detected and whether there are any control weaknesses that require tightening and if the issue should have been picked up earlier and by whom.
- 8.3 The Monitoring Officer was referred to the fact that the Parliamentary Committee on Standards in Public Life had started a review of member conduct in local government. She was asked whether there was an intention to refer any recommendations arising from the review to the Council's Standards Committee for adoption. Tasnim Shawkat confirmed that any recommendation will be considered and advised that she intended to recommend a slight amendment to the Council's Members Code of Conduct in any event to address a recent issue that had arisen.
- 8.4 Members asked about the ethical governance safeguards in relation to the Council's contractors and procurement having noting that Adult Social Care and Children's Services procurements are overseen by the Commissioning and Contracts Board within each service and therefore not in scope for the



Procurement Assurance Board. Members had concerns due to the outcomes of care quality inspections of providers of the Tri-Borough Home Care contract (which was set out in the Internal Audit report) where four of the seven commissioned providers used by the Council were assessed as “Require Improvement”. The Monitoring Officer explained that her report before the committee set out the systems and controls in place to maintain ethical governance at the Council. She advised that other reporting mechanisms such as planned internal audits and contract performance monitoring assess the effectiveness of and compliance with the control environment and service delivery.

8.5 **RESOLVED:** That the report be noted.

## **9 INTERNAL AUDIT MONITORING 2017-18 - PROGRESS REPORT (NOVEMBER TO DECEMBER 2017)**

- 9.1 Moira Mackie, Senior Audit Manager, introduced a report that set out the key outcomes from the internal audit work carried out in the reporting period (November to December 2017).
- 9.2 The committee noted the Internal Auditor’s opinion that generally systems operating throughout the Council are satisfactory with 12 positive assurance reviews being issued in the period, although two limited assurance audits had also been issued for Adult Social Care income recovery and College Park Special School.
- 9.3 The Committee further noted that the follow up reviews completed in the period for ten audits confirmed that the implementation of recommendations had been effective with the majority (84%) of recommendations are fully implemented.
- 9.4 The Committee expressed concern at the limited assurance provided in respect of College Park Special School particularly as it had received a poor audit outcome previously. Moira Mackie commented that the weaknesses identified were concerning given that the school is federated with another, similar school which has the same Executive Head and received a satisfactory assurance level. She expressed surprise that their good governance is not shared. This is being followed up with Children’s Services.
- 9.5 The Senior Internal Audit Manager informed the Committee that of ten audits completed in the year which have involved procurement contracts a number of those that had received a limited assurance were within Adult Social Care. She advised that internal audit was working with Procurement to address this. The committee reiterated its concerns in relation to the audit of the Tri-Borough Homecare service, the details of which were set out in appendix 1 to the report. Despite it receiving a satisfactory assurance Members were concerned about many of the areas identified for improvement.
- 9.6 As there have been a the number of limited assurance audits provided to adult social care contracts in recent months Members requested a report from the Bi-borough Executive Director for Adults and Social Care on the

governance arrangements being put in place as part of the move to Bi-borough arrangements to provide assurance around the delivery of such contracts.

- 9.7 Members noted with concern that the audit of the Waste Disposal Contract Management had identified that whilst workplace risk assessments were completed by Veolia at the tender stage and should have been reviewed on a periodic basis these had not taken place since 2015. David Hughes advised that this had been reported to the relevant director to raise with the contractor.
- 9.8 **RESOLVED:** That the results of the internal audit work carried out during the period be noted.
- 9.9 **ACTION:** That a report be presented to the next meeting on the governance arrangements being put in place as part of the move to Bi-borough arrangements to provide assurance around the delivery Adult Social Care contracts. (**Action for:** Bernie Flaherty, Bi-borough Executive Director for Adults and Social Care).

## 10 INTERNAL AUDIT PLAN 2018/19

- 10.1 The Committee reviewed a draft of the internal audit plan for 2018 - 19 as set out in Appendix 1 to the report.
- 10.2 The Internal Audit Plan had been reviewed to reflect the changes in the Council's structure and to ensure that its audit work addresses key risks during a period of change in general financial constraints.
- 10.3 The Committee requested that the underlying risks associated with the Managed Services Programme and the move from Tri-Borough to Bi-borough arrangements are reflected and considered as part of all planned audits, where relevant.
- 10.4 In response to questions regarding the revised Managed Service for the provision of payroll, HR and finance services, Moira Mackie confirmed that support and assurance would be provided both before and during the change in service provision and not just after implementation.
- 10.5 Given its concerns regarding slippage in the Council's capital programme members welcomed the planned audits of some capital projects within Growth, Planning & Housing and City Management & Communities. The audits would review the effectiveness of the new processes. Members advised that they would be interested in any issues identified that resulted in a continuing re-profiling of projects.
- 10.6 Members asked questions about the balance between reactive and proactive fraud investigation audits and the estimated audit coverage within service areas compared to the previous year. Moira Mackie explained that the increased number of planned audit days within the City Treasurer's Department reflected the significant change for the Council arising from the implementation of a revised Managed Service. The reduction in the number

of planned audit days in the Children's Services was based on an alternative approach to auditing schools which is proposed to replace the previous 3 year cyclical review. Internal Audit plans to undertake reviews at schools where either the previous audit has resulted in a limited assurance opinion, the school has been identified by Ofsted as requiring improvement or the school is predicting a funding deficit.

10.7 **RESOLVED:** That the draft internal audit plan 2017-18 be noted.

## **11 WORK PROGRAMME AND ACTION TRACKER**

### **11.1 RESOLVED:**

1. That the agenda items for 23 April meeting be agreed.
2. That the responses to actions arising from the meetings on the 23 November 2017 be noted.

## **12 UPDATE ON CYBER SECURITY**

- 12.1 David Francis, Security Consultant, Information Technology, introduced a report that provided a briefing on current cyber security arrangements that are in place and which are further developing to protect the Council from and manage the impact of cybercrime. The paper included reference to information security awareness training that has and would be provided to Council staff. It also provided confidential examples of cyber security incidents and events which the Council had experienced through 2017 to date.
- 12.2 Members considered that additional education and communication was required for members on managing data and mitigating the risk of cybercrime particularly as they will be mandated to transfer to Office 365 following the local elections.
- 12.3 Mr Francis was referred to the fact that some constituents had raised concerns about how their data is being used. They had complained of receiving electronic communications from political parties when the only time they had provided these details to the Council was when corresponding on a service matter. David Hughes, Tri-Borough Director of Audit, Fraud, Risk and Insurance, suggested that she provide him with any examples so that his team could investigate.
- 12.4 Members asked about the IT cyber security employed by the Council and the incidents and events which the Council had experienced through 2017. Mr Francis explained that a certified company tests the risks to the Council from an external attack on an annual basis feeding back issues and recommending mitigations that the authority should implement. Members expressed surprise over the low numbers of incidents during the previous year given the size and value of the Council. The committee asked about the awareness training given to staff in advance of rather than after an event has occurred to improve cyber security. Mr Francis explained that the IT service intends to roll out information security awareness training to all staff at the start of the financial

year which will include requirements addressing the new policies and the General Data Protection Regulation (GDPR) which come into effect on the 25 May.

12.5 The committee also asked about the Council's financial liabilities if data (such as banking details) is lost or stolen and is then misused as well as the fines that can be issued where organisations are in breach of the GDPR legislation.

12.6 **ACTION:**

1. Liaise with the Member Services Manager on the proposed member development programme and delivering education and communications to members on their responsibilities as data controllers and the introduction of 0365. (**David Francis, IT Security Consultant, Information Technology**)
2. Provide a note to members on the fines that can be issued to organisations which are in breach of GDPR legislation and whether the Council is financial liable if data (such as banking details) is lost or stolen and is then misused. (**David Francis, IT Security Consultant, Information Technology**)

The Meeting ended at 8.32 pm

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

**DATE** \_\_\_\_\_

## Audit and Performance Committee Report

<b>Meeting or Decision Maker:</b>	Audit and Performance Committee
<b>Date:</b>	23 <sup>rd</sup> April 2018
<b>Classification:</b>	General Release
<b>Title:</b>	Quarter 3 Performance Report
<b>Key Decision:</b>	Review and challenge officers on the contents of the report
<b>Report of:</b>	Julia Corkey, Director of Policy, Performance and Communications

### 1. Executive Summary

Quarter 3 Performance Report - This report presents the latest performance outturns available at the end of the third quarter of 2017/18 (December 2017). It provides commentary in respect of outstanding and poor performance, including details of remedial actions being taken, where appropriate.

### 2. Recommendations

- Committee notes the content of the report
- Committee indicate any areas of the report that require further investigation
- Committee highlights any new emerging risks that have not been captured

### 2. Reasons for Decision

To inform Members of how the City Council is delivering on its key objectives, hold Officers to account and steer improvement activity where necessary.

### 3. Background, including Policy Context

This report sets out how the City Council is delivering on the City for All vision and the management of the Council's financial affairs.

### Introduction

The quarterly performance report summarises the Council's performance at the end of the third quarter of 2017/18 (Apr-Dec). It captures how we are performing against the City for All priorities and includes progress towards achieving the deliverables and targets within the Business Plans.

The information presented below is reported by exception and focuses on those areas of notable achievement or concern where action / intervention is likely to be required.

The report consists of four sections:

1. **This quarter's headlines** - Top achievements and challenges at the end of the third quarter.
2. **Organisational health scorecard** - A diagnostic summary of some of the key measures of organisational efficiency and effectiveness.
3. **Principal risks and uncertainties** - Top external and internal risks of strategic importance to the Council.
4. **Featured insight for this quarter** – for this quarter this section summarises the key findings from the Westminster City Council City Survey 2017.

**Appended to this report** is a more detailed account of performance by service directorate. This covers:

- a narrative section evidencing progress against key service deliverables
- a comprehensive tracker of the City for All 2017/18 commitments, with defined measures and milestones to enable progress to be assessed and delivery assured
- a set of key performance indicators and targets for each department

**Development and improvement** - Following feedback from the EMT and Audit & Performance Committee work has been undertaken with services to refine and improve the corporate performance management framework (PMF) and reporting offer to EMT and members.

Also, for the first time, CFA and KPI data presented in this report is also available via on-line performance dashboards. These are accessible to EMT, Cabinet Members and Directorate SMTs.

The quarterly performance returns are also being used to support the new process of internal performance challenge led by the Chief Executive and Leader. The mid-year challenge sessions are currently underway with the full-year review sessions planned for July 2018.

# 1. This quarter's headlines

The information presented below is by exception and highlights the top achievements and challenges at the end of the third quarter. This section draws on the data provided by service directorates – detailed in appendix 1 of this report.

## Performance achievements and opportunities

### Top accomplishments by the council

- ✓ **Eighth ActiveWestminster Awards** - In December 2017 the awards continued to break records, with 266 nominations across the 10 award categories received and over 170 people in attendance made it the largest yet.
- ✓ The **Council has advanced its budget process** considerably and is on course to set a balanced budget for 2018/19.
- ✓ We have received **planning approval for two infill schemes** that will deliver 12 new social homes to be retained in the Housing Revenue Account.

### Key Performance Indicators

- ✓ **Total participation in Council sports**, leisure and wellbeing activities was 2.9m, already beyond the outturn of 2.3m in 2016/17.
- ✓ **88% of 'major' planning applications were determined** within 13 weeks, above the national target of 60%.
- ✓ **£689,000 was generated from the council's investment portfolio**, surpassing the year-end target of £500,000.
- ✓ Westminster Employment Service **supported 551 unemployed residents into work**, beyond the year-end target of 500 (projection is for 700 job starts by year end).

### 2017 City Survey (see section 4 for detail)

- ✓ **Satisfaction with the council** remains very high, at 86%.
- ✓ Over nine in ten, (93%) say they are **satisfied with the area as a place to live**.
- ✓ Almost all residents (96%) **feel safe** in general where they live and over four in five (84%) **feel safe after dark**. Also **fear of crime** affecting quality of life has fallen, now standing at 19% (25% in 2016).

### City for All update

- ✓ **Health and Wellbeing** - 94% of adults with learning disabilities are currently receiving a personal budget, ahead of a year-end target of 90%.
- ✓ **Successful prosecutions of rogue landlords** with circa £260k in fines awarded and 272 notices served to effect improvements in properties.
- ✓ **Three BID renewals** in Paddington, Baker Street and the West End were successfully administered.
- ✓ **Target of preventing 200 households from homelessness** by 30 September 2017 was achieved with 202 by the deadline (and 263 in the year to date).

# 1. This quarter's headlines

## Performance challenges and risks

Top emerging and current risks and issues facing the council.

- × **Challenge to ensure the 423 children or young people with a SEN Statement are transferred onto new Education, Health and Care plans by 31st March 2018.** As at Q3, 314 children or young people on SEN statements have been transferred to Education, Health and Care Plans (ideal target 600).
- × **A reduction in external funding for 2018/19** to the annual TfL grant for the development and maintenance of the Westminster highway network will reduce by £1.14m.
- × **Implementation risk stemming from the Enterprise Resource Planning (ERP) system** and managed services model, joining the Hampshire Partnership with Royal Borough of Kensington and Chelsea.
- × **WCC's funding allocation from the London Crime Prevention Fund has also been reduced by 56%.** This includes a 30% top slice that has created a co-commissioning budget. Westminster was successful in 3 of 4 bids, but funding can be off set against these reductions. The full impact of this 56% reduction will take effect in 2019/20.

## Key Performance Indicators

- × **Only 56% (592 of 1,051) of carers caring for an adult received an assessment** or review of their needs (target 85%)
- × **71% of children in care aged under 16, who have been continuously in care for at least 2.5 years,** have lived in the same placement for at least 2 years (ideal target/last year's performance was 87%).
- × To date 291 hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety (Ideal yearend target 500).
- × **60% of total licences issued** within 28 days from the publication date of the Licensing Sub-Committee decision (ideal target is 80%/last year's performance was 75%) mainly due to the increase in activity during the festive period.
- × **6 major business impact Priority 1 ICT incidents this quarter** mainly down to network link failures. Planned upgrades to telephony infrastructure also caused a number of other outages.

## 2017 City Survey (see section 4 for detail)

- × **44% of residents agreeing that they can influence decisions** affecting the local area is down from last year's performance of 63% (although this figure was far higher than ever recorded), while Westminster Reporter was only seen by 54% of respondents (down from 79% in 2016).
- × There was an overall **downward trend in the proportion of residents that felt informed in 2017** (compared to 2016) on a number of measures, including whether they feel informed about the services and benefits the Council provides and the plans for their local area.

## City for All update

- × **Report It campaign is off track** due to unforeseen product and integration issues – 'go live' dates were pushed back to early February 2017.
- × **Delays in opening our sixth major enterprise space with Hub Paddington** due to the developer not handing over the keys to our investment partner and not completing formal handover which still has not taken place.



## Key performance indicators for attention

The following KPIs have been flagged for attention as they are currently off track (RAG rated Red or Amber)

Key performance indicator [S] - Statutory indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>
		Minimum	→ Ideal →	Aspirational		
<b>Adult Social Care</b>						
1. Number of carers (caring for an adult) who have received an assessment of review of their needs	85% (929)	75%	→ 85% →	90%	56% (592/1,051)	Amber
2. Percentage of service users receiving an assessment/review of their needs	80% (2,232)	75%	→ 85% →	90%	78% (2,153/2,752)	Amber
<p>↳ <b>Mitigation:</b> Resources within operational teams being re-distributed to allow 2 members of staff to prioritise completion of carers assessments and service user reviews for the final quarter. Management oversight of outstanding reviews on a daily basis and weekly team meetings to track progress.  <b>Timeframe for Improvement:</b> End of Q4</p>						
<b>Children's Services</b>						
1. Improve compliance with SEN requirements Increased number and proportion of SEN statements transferred to Education, Health and Care Plans (EHCP). [S]	53	300	→ 600 →	861	314	Red
<p>↳ <b>Service Commentary:</b> Improvements in the number of assessments completed have resulted from 'New Ways of Working' and the current project to complete any outstanding historic assessments. The service has commissioned additional plan writing capacity to support the completion of EHC transfers. At full capacity, this should see the completion of a minimum of 75 draft plans per week across the three boroughs. The number of transfers to be completed remains fluid and is likely to fluctuate as a result of ongoing casework to identify historic transfers that were previously completed, as well as those requiring further work to verify final status.  <b>Mitigation:</b> New Ways of Working' and additional plan writing capacity to support the completion of EHC transfers.  <b>Timeframe for Improvement:</b> 31/03/2018</p>						
2. Percentage of children in care aged under 16, who have been continuously in care for at least 2.5 years, who have lived in the same placement for at least 2 years [S]	87% (46/53)	75%	→ 87% →	90%	71% (45/63)	Red
<p>↳ <b>Service Commentary:</b> There are 18 children in this cohort who have not remained in the same placement for 2 or more years. Of those 18 children, 11 of them have either been placed from initial short term placements at the point of entering care into long-term settled placements that are currently under 2 years or have returned to live with parents/relatives but currently remain subject to care orders as part of their reunification. The other 7 children have multiple complex emotional, behavioural or mental health needs which impacts upon placement stability.  <b>Timeframe for Improvement:</b> Final outturns will be evident after 31/03/2018</p>						
3. Number of social care contacts that go onto early help	5% (287 of 5,872)	15%	→ 20% →	25%	7% (294/4,494)	Amber
<p>↳ <b>Service Commentary:</b> As this is the first year of reporting for this measure, we did not have a baseline and set an ambitious target. Work is in its first year and anecdotally we are hearing that having an Early Help manager in the front door is ensuring that thresholds are consistently applied. In some cases, this means that we are taking more contacts that would historically have gone to social care. The 2017-18 reporting indicates a shift in the proportions to 7% and will help us to set an achievable target for 2018-19.</p>						
4. Percentage of re-referrals to social care within 12 months of the previous referral [S]	9.9% (508 of 1,815)	16%	→ 9.9% →	9%	15% (187/1,223)	Amber
5. Percentage of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	72%	74%	→ 76% →	78%	74%	Amber
6. Percentage of Westminster schools judged to be outstanding by Ofsted	35%	35%	→ 38% →	40%	35%	Amber
<b>City Management and Communities – Public Protection and Licensing</b>						
1. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety	605	400	→ 500 →	600	291	Amber
<p>↳ <b>Service commentary:</b> HMOs improved and Cat 1 removals are slightly below expected levels, though these numbers can fluctuate from month to month.  <b>Mitigation:</b> Additional work in addressing high-rise residential buildings fire safety, carrying out stock condition survey as part of City for All commitments has impacted on this number. However, please note that we have secured removal of additional 410 Cat 2 hazards from properties which shows significant property improvements and ensures these hazards do not escalate to Cat 1 hazards.  <b>Timeframe for improvement:</b> Whilst the target is shown as amber, we continue to respond to complaints received taking necessary action to remove housing hazards. As additional work to address City for All commitments and high rise buildings reduce, more work to focus on other priorities such as proactive HMO inspection will increase within the next 6 months.</p>						

## 2. Organisational health scorecard

The scorecard (taken from the online performance dashboard) provides a diagnostic summary of some key measures of organisational efficiency and effectiveness.

Workforce	Finance
<p><b>Employees:</b> A total of 1,948 posts (1,726 FTE) in the Council (Q2: 1,838)</p> <p><b>Contractors:</b> 229 (target is 150) temporary agency staff in use in the Council (Q2: 200)</p> <p><b>Retention:</b> Staff turnover currently stands at 14% (Q2: 14% projected).</p> <p><b>Sickness:</b> Average working days of sick per full time equivalent is 2.9 days (Q2: 2.9)</p> <p><b>Diversity:</b> Gender and ethnicity Indicator to be reported on from Q4.</p> <p><b>Perception (Our Voice 2017):</b> 89% committed to our goals and objectives 82% feel fairly treated by colleagues 38% of staff felt negative about their pay</p>	<p><b>Spend:</b> Services area revenue budgets are projected to underspend by £6.8m by year-end.</p> <p><b>Capital programme:</b> The forecast outturn for variance between capital and full year forecast was a £85.494m net underspend</p> <p><b>Debt:</b> The proportion of sundry debtors (more than 1-year-old) of total gross sundry debtors was 11.78%</p> <p><b>Stability:</b> It is reported that 98.7% of invoices received are paid via purchase order</p>
Delivery	Customer
<p><b>Key Performance Indicators:</b> 88% (67) of KPIs are meeting the target for service delivery and 12% (9) are off track of target.</p> <p><b>City for All:</b> Of the 25 CFA pledges, 21 pledges are on track to be achieved and 4 are off track</p> <p><b>Transformation:</b> Out of the 5 major Council programmes in delivery phase, 2 are rated Green (Differential Services and Effective Neighbourhood Working) and 3 are rated Amber (Trexit, Digital and City Hall). The Hubs and One Front Door programmes are too early in development to apply a RAG rating.</p>	<p><b>Perception (City Survey 2017):</b> 86% of residents are satisfied with the way the Council is running the city (down 1%)</p> <p>76% of residents agree that the Council is making the area a better place to live (up 3%)</p> <p>71% of residents agree that the Council gives local people good value for money (up 6%)</p> <p><i>(More detail can be found in Section 4)</i></p> <p><b>Customer Contact:</b> 83.31% (new contract – target to follow) of total customer calls were answered in 30 seconds by the council</p>

### 3. Principal risks and uncertainties

This section covers, by exception, the top external and internal risks. These are taken from the council's **strategic** and **operational** risk registers and from updates provided by directorates.

#### 3.1 Brexit - uncertainty around the final deal that will be negotiated by the UK government

**Impacts:**

- A potential slowdown of the economy which could lead to an increase in unemployment; central government funding to departments could be hit with impact on local gov. funding.
- Impact on price and delivery of capital schemes if restrictions on migrant labour are imposed
- Prolonged uncertainty around Brexit may lead to the delaying or withdrawing of investments decisions, impacting on new and affordable housing and Westminster's regeneration projects.

**Controls:** The council is lobbying central government to ensure protection of labour supply is high priority in Brexit negotiations. Proactive financial planning will help to address the negative impacts of Brexit and take advantage of any opportunities, as will policies to boost local businesses and employment. The property market is being monitored to take advantage of good value purchases.

#### 3.2 Tri-borough exit - notice served on the S113 agreement between the three councils.

**Impacts:**

As a result of moving to a bi-borough service (April 2018), there are number of potential impacts:

**Financial**

- In agreeing to serve notice on the s113 agreement with LBHF, WCC agreed to set aside a small budget to resource the restructure of the services.
- Current WCC practice is to let sovereign contracts. However, there are a number of legacy contracts that were let by one authority on behalf of all three Councils.

**Service**

- A potential failure to meet the needs and expectations of our customers, politicians and the service itself as a result of either disruption to business as usual activities and processes as services models are re-shaped.
- Delays, or a failure to achieve existing change initiatives across the service within planned timescales, especially where these are linked to financial savings.

**Workforce**

- The move to a Bi-Borough service represented a significant restructure of resources across ASC, Public Health and Children's Services. However, in practice, the majority of staff (83% in WCC) were unaffected.

**Controls:**

**Financial**

- Officers are currently reviewing the predicted costs against the actual costs of the programme.
- A Tri- to Bi-Borough Contracts Working Group (chaired by the Chief Procurement Officer) was established to review the data and mitigate the risks around contracts governing multi-borough services.

**Service**

- A series of workshops to develop further the vision for ASC and Public Health have been on-going and a launch event for the new Bi-Borough services will take place in April.

- All data is being collated to feedback to the Adult Social Care senior management teams. This will feed into the Bi-Borough launch day on 16 April and support them to create an action plan for the next 3, 6, 9 months.

#### **Workforce**

- Employee's employing borough will remain the same, as will their job description.
- Bi-Borough commissioning activities included an Away Day in March to bring together Public Health, Children's Services and Adult Social Care staff, to introduce strategy and improve staff engagement and understanding of the new integrated model of working.

### **3.3 A review of the funding allocation formulas used by Central Government could mean that Westminster City Council's share of funding is proportionately reduced in favour of other LAs**

**Impact:** This has the potential to reduce the Council's revenue allocation specifically from the current damping grant allocation and impact on the sustainability of services.

**Controls:** Outcome of the Fair Funding review baselines for every authority alongside the introduction of 100% business rate retention delayed from 2019/20 to 2020/21. In 2013 the Council was awarded a "damping grant" and that entitlement could cease over a number of years. Key indicators of the likely changes such as deprivation, area cost adjustment and population growth are being assessed. Also, detailed work will be performed with more certainty surrounding formula amendments and will be incorporated into the 2020/21 budgeting process.

### **3.4 Childcare Provision**

**Impact:** Failure in our legal duty to ensure sufficient childcare provision to meet local need through effective provider engagement and delivery.

**Controls:** London Early Years Foundation (LEYF) and Bright Horizons (WCC's largest Private Voluntary and Independent organisation) are actively promoting this on their websites. This has resulted in forty percent of childcare places within the private voluntary sector placed with the LEYT. Provider agreements have been signed and distributed and the inclusion funding policy has been agreed and shared with providers and published on the Family Information Service website.

### **3.5 Procurement of new Waste Vehicle Fleet - Ultra Low Emission Zone (ULEZ)**

**Impact:** The current waste fleet, which does not meet emissions standards, is scheduled to be replaced in September 2020, but the Mayor of London may bring forward the ULEZ start date to April 2019. This would require retrofitting new equipment to existing vehicles or bringing forward fleet procurement date if Mayor of London does not agree to the 'sunset period' we have requested.

**Controls:** The consultation response to Mayor of London/TFL highlights the difficulties in achieving compliance by the April 2019 proposed start date and the lost opportunity of having to procure fleet in advance of any detailed testing of new vehicle technologies.

### **3.6 Risk of fire in council buildings, following Grenfell**

**Impacts:** The tower blocks at Little Venice on the Warwick and Brindley estates have cladding similar to that at Grenfell Tower. Significant engagement has also taken place with residents.

**Controls:** Cladding at Little Venice was removed on 6 February and the 'stay put' fire evacuation advice is now in place for the whole building. CWH has undertaken a review of its fire safety management systems. The cladding replacement has commenced and we expect that the cladding at Little Venice will be replaced by Autumn 2018.

## 4. Featured Analysis: 2017 City Survey Headlines

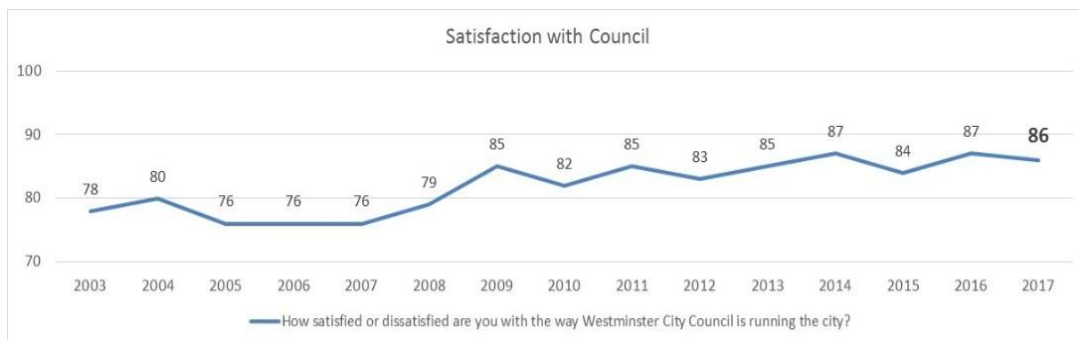
The survey helps assess how satisfied residents are with services the council provides, how informed residents feel, and issues around anti-social behaviour and crime. All of these issues underpin the council's reputation. Key findings from the Westminster City Council City Survey 2017 is based on 2,630 interviews, (with residents, aged 16+, across the City of Westminster area). Fieldwork began on 23 September and was completed on 25 November 2017.

### Summary

- Satisfaction with the council remains very high, at 86%.
- Over nine in ten, (93%) say they are satisfied with the area as a place to live.
- Seven in ten residents (71%) agree the council offers good value for money.
- Two thirds of residents (65%) say they feel informed about services and benefits.
- Almost all residents (96%) feel safe in general where they live and over four in five (84%) feel safe after dark.
- Fear of crime affecting quality of life has fallen, now standing at 19% (25% in 2016).
- Over a quarter of residents think services will get better (27%), and half they will stay the same (51%), over the next 12 months. Only four percent think services will get worse.
- Of the residents eligible to (own a home worth £5million or more), 76% are willing to financially contribute to the community.

### The Council

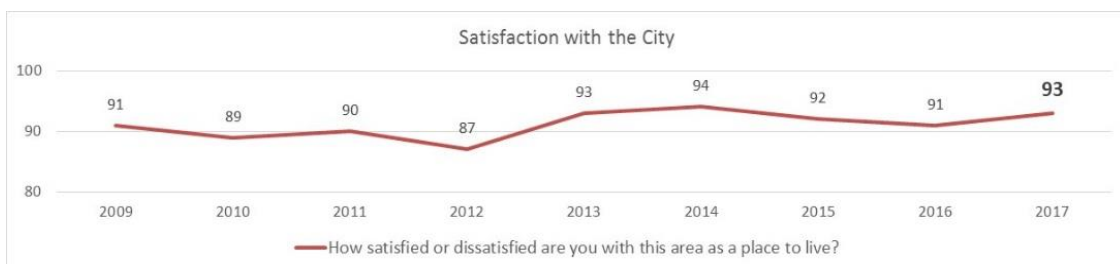
Satisfaction with the way the council is running the city remains high at 86%, similar to the 2016 score of 87%. Core council services continue to see high satisfaction levels, with 84% satisfied with street sweeping and 87% satisfied with refuse collection.



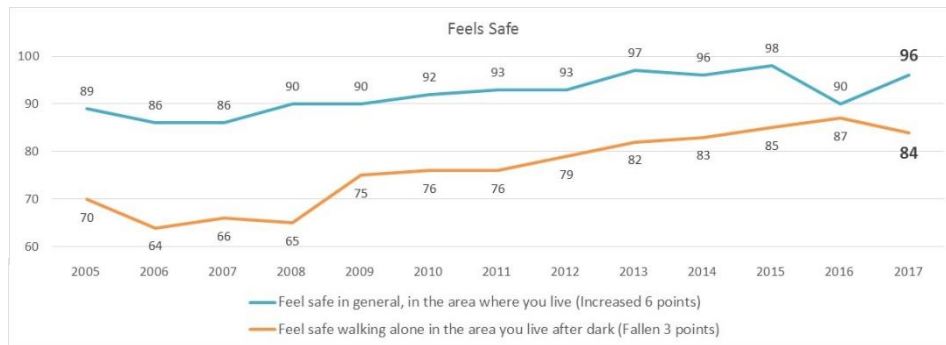
A fifth of residents (22%) feel that services have got better over the last twelve months. Almost two thirds (63%) think services stayed the same.

### The Area

Satisfaction with Westminster as a place to live remains very high, with over nine in ten (93%) saying they are satisfied with the area (Chart 3). This is an increase of two percentage points since 2016.



Residents continue to feel safe in Westminster. Almost all of residents (96%) generally feel safe in their area and over four in five (84%) feel safe after dark.

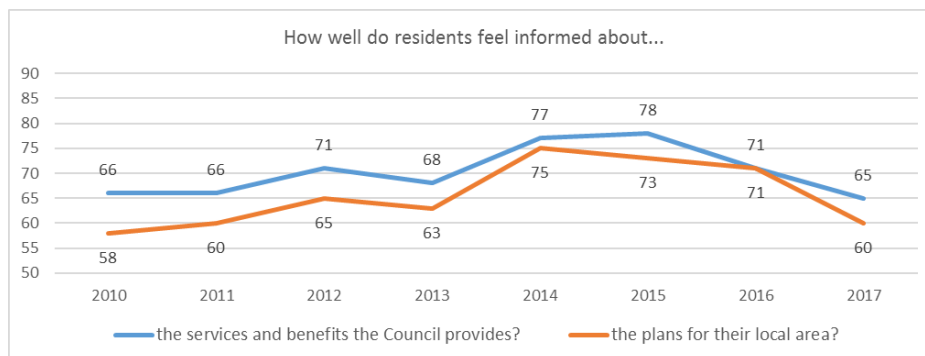


### The Resident

Residents feel more optimistic about their financial situation than in 2016. A quarter feels their financial situation got better over the last 12 months (up from one fifth in 2016). However, just over half of residents say that the financial situation of their household is 'comfortable' with more than a third of people saying that they are 'just about managing' financially.

### Downward trends

There was an overall downward trend in the proportion of residents felt that informed on the below measures, including whether they feel informed about the services and benefits the Council provides and the plans for their local area (chart below).



In addition to this two newer measures, also saw a dip with only 58% of residents feeling that they were informed on they can help improve their local community (66% in 2016), while 61% felt informed about changes to Council services (66% in 2016) – both were reported for the first time last year.

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# Appendix 1 - Performance by service directorate

## Introduction

The information presented below is by exception and has been provided by service directorates. Each directorate section below features:

- i) a narrative account of performance covering significant achievements and challenges
- ii) a refreshed set of KPIs for each department,
- iii) a comprehensive tracker of the City for All 2017/18 commitments.

## Contents

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## 1.1 Adults Services and Public Health

### Adult Services achievements:

#### **Front Door and Demand Management Programme**

The programme is working to join up and digitalise front door services across Adult Social Care and Health and more fully integrate the service provided with targeted prevention services commissioned from the voluntary sector. It also aims to increase community based service delivery including use of volunteers, provider led fundraising and fuller use of local buildings, services and businesses.

#### **Outputs delivered**

Analysis has been used to develop first look business cases for digital development through the Councils corporate digital programme. A new marketing campaign has also been launched to better support residents and staff to access voluntary sector prevention services has been designed.

#### **Outcomes achieved**

The opportunities for delivering planned savings of £230k between 2018 and 2020 have been identified as all commissioned preventative services have been subject to a value for money review. These opportunities include consolidation of multiple contracts and re-design of information, advice, and advocacy services.

#### **Commissioning and Marketing Strategy Programme**

This programme is working to deliver major re-commission and care pathway projects and continue to promote independence and manage care package costs at operational level. It is also working on the introduction of differential charging opportunities.

#### **Outputs delivered**

A list of 'must dos' for staff working across social work, finance and brokerage was launched to address a range of bottlenecks in assessment and review work, charging, continuing health care and direct payments management. A deeper dive assessment was also undertaken with management and front-line staff and work is now underway to resolve key issues by the end of the financial year.

#### **Outcomes achieved**

In response to issues with the £630k of planned savings through the five major re-commission projects underway, a recovery and contingency plan has been put into place extending the scope of contracted services that may need to change. Detailed reviews of all in house care and support services were completed and advice and options for delivering £450k of savings for 2018/20 has been provided. To achieve the full saving the market option delivery of some services will need to change.

#### **Whole Systems and Health Integration Programme**

This programme is working through the developing sustainability and transformation partnerships sub-regional structure and local Better Care Fund programme and Health and Well Being Strategy to make the transition to a fully integrated health and social care service system. This system will bring together back office, social work services and commissioning budgets with NHS CCG and provider trust structures.

### **Outputs delivered**

Mapping and design work has been undertaken to consider the business case for integrating assessment, case management and community health and social care services across the bi-borough area. This work has the potential to realise a level of savings to manage demand across the health and social care system. Preparatory work has also been conducted for the 2018/19 Better Care Fund budget including initial work on S75 (pooled resources) investment reviews.

### **Outcomes achieved**

The Department's Community Independence Service has been shortlisted for a Local Government Chronicle Award within two categories (health and social care and partnership working). The performance of the service, joint investment commitment made to it within our Better Care Fund Programme and ambitions for further service integration were the key aspects of our award submission.

### **Adult Services risks and issues:**

#### **Continuing high risk of overspend in social care**

##### **Impacts and consequences**

This is associated with the delivery of savings that are dependent on successful demand and market management, counter demographic and care act pressures that may not be fully catered for through growth and risks associated with continuity of health funding. In the last quarter, our clinical commissioning group partners have given notice on continuity of funding for older people's hub services.

##### **Mitigation and progress**

Efforts are being made to reduce costs through demand and market management and improved reporting systems. There is important relationship management to be done with Health, alongside development of whole systems working and prudent use of additional funding announced in the March 2017 budget. Recovery actions and contingency options will also be agreed within the final quarter to address the growing risk.

#### **Risks associated with increasing costs, and/or securing capacity and capability through the Tri to Bi Borough service restructure**

##### **Impacts and consequences**

Risk to delivery of Adult Social Care programmes and projects

##### **Mitigation and progress**

In the last quarter, major risks associated with agreeing continuing shared services, minimising risks and numbers of affected staff have been effectively managed out. The focus is now on preparation for go live, managing required accommodation and recruitment. The biggest continuing risk areas are around ensuring continuity of the commissioning programme and the need for a second phase of change management for continuing shared services in 2018/19

## Public Health achievements:

### **New oral health campaign launched**

The Tale of Triumph over Terrible Teeth, the brand-new campaign based on this unique animation launched in Westminster on Wednesday 10 January, making sure children across the City of Westminster have healthy teeth.

#### **Outputs delivered**

In Westminster, rates of children with at least one decayed, missing or filled tooth are above the London and national average; aimed at children aged 3-7 years old the animation clearly sends appropriate prevention messages and aims to reverse this.

#### **Outcomes achieved**

The animation is part of a comprehensive pathways aimed at reducing the number of children with decayed, filled or missing teeth in the Borough as measured by the National Dental Epidemiology Survey.

### **The Staying Active – Preventing Falls and Fractures project**

This project has established a new Community of Practice, bringing together stakeholders across Westminster for the first time to work towards improving the health of residents by preventing falls. The Community of Practice launched in December, with the next event due in February.

#### **Outputs delivered**

The Community of Practice has brought together a large range of local stakeholders for the first time, and will continue to meet up to 3 times per year. The first event created the groundwork for shared practice, creating integration between service providers and sharing of knowledge in the sector.

#### **Outcomes achieved**

The Community of Practice aims to enable integration and improvement of existing falls prevention services in the Borough. It will provide opportunities for increasing efficiency of the local falls prevention pathway, as well as supporting ongoing quality improvement of services and a focus on prevention, with the overall aim of reducing the number of falls in the Borough by 2020.

## Public Health risks and issues:

### **Disruptions due to major events (emergency planning)**

#### **Impacts and consequences**

Given the nature of Public Health and its wider role in protecting the community, it is likely that any major events or incidents will rely heavily on Public Health interaction and intervention. This work in supporting the public will result in decreased resources and capacity as staff and services are moved as appropriate. This has been highlighted by the support given to the Grenfell response.

#### **Mitigation and progress**

Ensure there is enough flexibility in present resourcing and structures are built with the capacity for increased demand. This will be achieved through maximising training opportunities, including matrix management training for all staff. A recruitment board has also been developed to ensure posts are filled. Agile working principles are in place, allowing staff to cover multiple roles/locations and fill any gaps. The service will also ensure lessons learnt from recent incidents contribute to Public Health business continuity plans and emergency response plans.

## **Termination of Tri-borough arrangements**

### **Impacts and consequences**

Transferring from tri-borough to bi-borough and single borough services may destabilise services e.g. commissioned services may need to apply contract variations to account for possible increased costs and amended targets. There is a risk that as staff morale will be low during this time of change that productivity will fall and staff turnover may increase.

### **Mitigation and progress**

A new bi-borough operating model will be launched in April and recruitment is underway to fill vacant posts. A programme coordinator has been brought in to develop transition plans and a series of workshops for staff are being planned in line with the wider Adults & Health agenda. The new operating model will go live in April 2018.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator [S] - Statutory indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
<b>Adult Social Care</b>							
3. Number of carers (caring for an adult) who have received an assessment of review of their needs	85% (929)	75%	→ 85%	→ 90%	<b>56%</b> (592/1,051)	<b>Amber</b>	<b>Insight:</b> In the past, there has been a higher number of carer assessments completed towards the end of the financial year. Performance can be deceptive if reported over the past twelve months (as opposed to year to date)
4. Percentage of service users receiving an assessment/review of their needs	80% (2,232)	75%	→ 85%	→ 90%	<b>78%</b> (2,153/2,752)	<b>Amber</b>	<b>Benchmark:</b> In 16/17, overall satisfaction of carers with WCC social services was 38.5%. This is above the London average of 34% and in line with the national average (of 38.7%).
<p>↳ <b>Mitigation:</b> Resources within operational teams being re-distributed to allow 2 members of staff to prioritise completion of carers assessments and service user reviews for the final quarter. Management oversight of outstanding reviews on a daily basis and weekly team meetings to track progress.  <b>Timeframe for Improvement:</b> End of Q4</p>							
5. Delayed transfers of care, acute days attributed to social care (cumulative)	826	1,213	→ 1,103	→ 1,047	<b>473</b>	<b>Green</b>	<b>Benchmark:</b> In 16/17, the average number of delayed transfers of care attributable to social care, per 100,000 of population was 2.5, below Inner London (3.1), London (3.8) and national (6.3) averages for the year. <a href="#">Source</a> .  <b>Reporting period:</b> Nov 2017 data – NHS England have two month reporting lag.
6. Percentage of clients who require long term service after completing a reablement package	29% (249/845)	34%	→ 29%	→ 25%	<b>30%</b> (271/906)	<b>Green</b>	<b>Benchmark:</b> In 16/17, 88.9% of older people who were still at home 91 days after discharge from hospital into reablement service. Better than the London (85.5%) and national (88.5%) averages.
7. Total number of new permanent admissions to residential/nursing care of people aged 65 years and over	92	105	→ 95	→ 85	<b>56</b>	<b>Green</b>	<b>Benchmark:</b> In 16/17, 425 permanent admissions of older people to Westminster residential and nursing care homes, per 100,000 of population. This compares to 651 nationally and 454 in London.

Key performance indicator [S] - Statutory indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

Public Health								
8.	Percentage of children who receive a 2-2.5 year development review	100%	-	75%	-	80.4%	Green	Reporting period: Q2, April - September 2017
9.	Stop Smoking Services – number of 4 week quits	1,558	1,293	→ 1,365	→ 1,437	646	Green	Benchmark: Among LAs, WCC had the highest quit attempts (11,248) and quitters (5,529) per 100k smokers in 2016/17. Reporting period: Q2, April - September 2017
10.	Community Champions -Number of residents reached through activity	17,545	-	10,000	-	3,942	Green	Reporting period: Q2, April - September 2017
11.	Proportion of opiate misusers in treatment, who successfully completed treatment and did not re-present within 6 months	7.17%	6.5%	7%	8%	7.1%	Green	Reporting: Completion period: 01/04/2016 to 31/03/2017, Re-presentations up to: 30/09/2017
12.	Total admissions to hospital with alcohol-related conditions – per 100k	508.77	160	→ 140	→ 120	139.71	Green	Reporting period: Q1, April – June 2017

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Target range definitions <sup>1</sup>	Minimum	Ideal	Aspirational
	The absolute minimum level for the KPI that will still allow the service to deliver	A level which is acceptable for service continuity	The level at which the service is improving beyond current capability

Target assessment definitions <sup>2</sup>	Red	Blue	Green	Amber
	Below / failing to achieve the minimum target level	Achieving above the aspirational target level	On track to achieve between the ideal and aspirational target level	Achieving the minimum standard target tolerance level

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>Building homes and celebrating neighbourhoods</b>		
Deliver our Health and Wellbeing Strategy, including redeveloping accommodation for people with care needs to provide extra nursing home places and specialist services.	On Track	<ul style="list-style-type: none"> <li>The proportion of adults with a learning disability known to ASC in paid employment is at 8% (yearend target 7.5%).</li> <li>94% of adults with learning disabilities are currently receiving a personal budget, ahead of a year-end target of 90%.</li> <li>There have been 56 new admissions to residential and nursing care in the first three quarters of the year.</li> <li>The Director of Public Health's annual report on mental wellbeing has been produced and published in October.</li> </ul>
Launch a new 'Share It' campaign to tackle the stigma associated with mental health	Achieved	<ul style="list-style-type: none"> <li>Campaign was launched in October 2017.</li> </ul>
<b>Creating a greener city</b>		
Lead the way in demonstrating how responsible city government can address growing concerns over poor air quality. We will launch our new Clean Air Strategy filled with measures to improve air quality in the city.	On Track	<ul style="list-style-type: none"> <li>A process for joint works programmes has been developed and work has been completed to present population health data and high impact interventions to the greener city network. Through the greener city network, Public Health is proactively contributing to the development and of local solutions, whilst working to ensure health messages are embedded when communicating the impact of air pollution.</li> </ul>
We will also offer community gardening and education at eleven additional sites, demonstrating the clear link between nature and a healthy life as part of our programme to tackle the unacceptable level of childhood obesity in our city	On Track	<ul style="list-style-type: none"> <li>Sites have been identified and the equipment is in the process of being commissioned</li> </ul>
<b>A smart council</b>		
Launch a new online service to improve access and give people more choice over sexual health education and treatment in Westminster	On Track	<ul style="list-style-type: none"> <li>The GUM service is currently in the mobilisation phase and this will be completed by 31st March 2018. The new operating model will go live on the 3rd April 2018.</li> <li>The e-service being delivered by the City of London went live on 8th January in a number of clinics and it will be fully operational across London by May 2018.</li> <li>The new community sexual health service model has been implemented. Partnership group meeting bi-monthly to monitor. This evaluation report was delivered in December 2017.</li> </ul>
Bring forward our one front door programme that will train 100 social workers, librarians and city inspectors to be our eyes and our ears, spotting where vulnerable people may need additional support and taking proactive action. We will work across council services, making sure vulnerable people get the help they need	On Track	<ul style="list-style-type: none"> <li>The making every contact count training review is now complete. Several training sessions have been run and additional training sessions are scheduled for February/March 18 to meet commitment. The strategy for MECC delivery has been developed and training offer is being planned for 18/19 in collaboration with the Effective Neighbourhood Working programme. A mapping exercise will be undertaken to capture referral pathways.</li> </ul>
<b>Maintaining a world class Westminster</b>		
Invest a total of £2.1m over the next three years in a new assessment centre to help people off the streets quickly and to make sure that vulnerable people are given targeted support for any drug, alcohol and mental health issues	On Track	<ul style="list-style-type: none"> <li>The services that have been commissioned include access to inpatient and community detoxification, day programme and group-work, residential treatment, hospital liaison service. Care management and dual diagnosis have now embedded in treatment system and funding has been continued for Club Drug clinic. Our blood borne virus strategy is now being refreshed, with commissioned services including provision for those involved in criminal justice system.</li> </ul>

## 1.2 Children's Services

### Achievements:

#### **Expansion of four secondary schools to deliver 550 additional school places (2017 to 2025)**

The expansion of four secondary schools to deliver additional places in total 2017-2025, starting with 250 new places from 2017/18 (Phase 1) and a further 300 places from 2019/20 (Phase 2).

#### **Outputs delivered**

- Westminster Boys School extension will be complete in February 2018. It will accommodate the planned additional 20 pupils per year group.

#### **Outcomes achieved**

- St Georges Academy - works have begun on site and are due to complete in September 2018 accommodating an additional 30 pupils per year group at secondary level.
- King Solomon Academy/Paddington Green Primary – Paddington Green Primary is due to start on site in October 2018 with completion in September 2019 which will accommodate primary age pupils currently at King Solomon. King Solomon works will begin on site in July 2019 and complete in April 2020, accommodating an additional 30 pupils per year group at secondary level.
- Pimlico Academy – subject to final decision this expansion is expected to complete in 2021

### **Westminster Hubs**

Family Hubs will be a 'virtual' network of area providers working with children 0 – 19 years, who share an approach to working with families. The three physical hubs are – Portman Early Childhood Centre (Church Street Ward – July 2019), 88 Bravington Road (Queens Park Ward – late 2019) and Bessborough Centre (Churchill Ward – September 2018).

#### **Outputs delivered**

- The building works for Bessborough has started and on track to be completed March 2018.
- The digital programme is undertaking a feasibility study across Children's Services and will include Family Hubs within this (due for completion in March 2018) and governance arrangements are now in place for the Hubs programme, chaired by the Chief Executive.

#### **Outcomes achieved**

- Capital works on Portman Early Childhood Centre to begin which will involve decant of services to another building. The building works aim to be completed by June 2019, with a project plan and timelines to be made available.
- The Bessborough building work will move the children's centre at Churchill Gardens Primary School into the basement of Bessborough, creating a larger and more accessible space for families.

### **The Young Westminster Foundation**

The Young Westminster Foundation is making progress towards establishing its role in the charity sector and across Westminster. It is now recognised as an emerging charity for young people and a key theme in its organisational plan focuses on fundraising activity.

#### **Outputs delivered**

A fundraising event completed in November 2017 with encouraging attendance, helping to strengthen the membership base which currently stands at ten. Out of these ten, four of the founding partners have joined with each donating £10,000. The Foundation will use this funding to establish a small grants funding round.



### **Outcomes achieved**

The membership base is hoped to be expanded to 50 members before the end of the financial year. The expanding base will lead to a needs analysis, which will attempt to bring interest groups together to form partnerships for funding applications. An application has also been made to City Bridge Trust for ongoing funding for core costs. There are ongoing discussions with Big Lottery around a 'Reaching Communities' application focusing on a thematic area from the needs analysis.

### **Risks and Issues:**

#### **Ongoing pressures to identify and meet the needs of children and young people with SEN**

##### **Impacts and consequences**

There is a challenge to ensure the 423 children or young people with a SEN Statement are transferred onto new Education, Health and Care plans and assessed by the 31st March 2018 national deadline. The joint Ofsted and Care Quality Commission inspection of the local area (SEN Service, Schools, Health partners and parents) will gauge how well agencies fulfil their statutory responsibilities for children and young people with special educational needs and or disabilities. We could be notified of this inspection at any point during school term time over the next year, with 5 days of notice given prior to inspection

##### **Mitigation and progress**

The SEN Service 'New Ways of Working' changes have resulted in an improved statutory compliance and for the current quarter 100% of in time needs assessments were completed within 20 weeks. In the midst of these new ways of working, the service's quality assurance framework is ensuring that there is statutory compliance and the quality of plans is maintained. The framework also ensures that there is continuity of relationships with parents, schools and other key stakeholders.

##### **Timeframe for improvement**

We are working to address these to fit within national timescales for the transfer to new Education, Health and Care plans by the national deadline (currently set at 31st March 2018).

#### **Notice being served on the S113 agreement between the three Councils.**

A large scale and intensive period of service reconfiguration will be required to deliver the disaggregation of the shared service arrangements that are currently in place.

##### **Impacts and consequences**

Failure to meet the needs and expectations of our customers, politicians and the service itself as a result of either disruption to business as usual activities and processes as services models are re-shaped. Delays, or a failure to achieve existing change initiatives across the service within planned timescales, especially where these are linked to financial savings. There is also the potential for the activities and change process to result in a loss of existing knowledge and expertise – with associated recruitment challenges following any loss of staff.

##### **Mitigation and progress**

The programme has now moved into preparation for completing transition by March 2018. For some services this will involve a recruitment drive to ensure vacant posts within the new structures are filled. The matching of existing Bi-borough staff to posts within the new structure, and the confirmation of reporting lines are also being covered off within these transition meetings. This information is then being translated in to a format BT can use to build the updated version of Agresso for the department.

##### **Timeframe for improvement:**

Current timescale for implementation and transition to new working arrangement between January and March 2018.

## **Childcare Provision**

### **Impacts and consequences**

The borough has sufficient places for all elements of the childcare offer at this present time. The issue now is around demand and take up for the additional 15 hours for working parents of 3 & 4 year olds which may impact on future funding coming into the Borough.

### **Mitigation and progress**

Intensive 1:1 support is available to all schools to help them future plan for September 2018 and address any issues they may have around admissions criteria and adopting a new business type model to ensure the sustainability of their nursery moving forward. A supply & demand exercise has been undertaken across the borough and it would appear that we have sufficient places to meet the needs of all families who require 2 3 & 4-year-old funding. However, there is a significant issue with demand relating to the additional fifteen hours for 3 & 4-year-old of working families. An ongoing advertising campaign encouraging parents to check eligibility and renew their codes is ongoing and posters and leaflets have been designed for distribution during March 2018. London Early Years Foundation and Bright Horizons (WCC's largest Private Voluntary and Independent organisation) are actively promoting the childcare offer on their websites. This has resulted in eighty percent of childcare places (within the private voluntary sector) placed with the foundation. An additional 38 places were converted within our schools between September and January census as a result of intensive work with our schools to encourage them to convert already funded full time places to eligible places where appropriate. The overall increase of places in the borough is around 67 (awaiting confirmation of census data)

### **Timeframe for improvement:**

Continue to work with Childcare Works and DfE to support and evidence the reasons behind low take up of provision in the borough due to lack of demand. The issue has been taken to ministerial level by DfE Advisory as this could impact on future funding for the borough. This will be under review until July 2018.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator [S] - Statutory indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			
<b>Children's Services</b>							
7. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks [S]	35% (17/41)	55%	70%	75%	66% (80/122)	Green	<b>Insight:</b> 64% of Education, Health and Care assessments were completed within 20 weeks in Q2 (30 of 47).
8. Improve compliance with SEN requirements Increased number and proportion of SEN statements transferred to Education, Health and Care Plans (EHCP). [S]	53	300	600	861	314	Red	<b>Benchmark:</b> In 16/17, there were 5,072 Pupils with SEN in Westminster schools. This is below the London average (6,361) and the 10 <sup>th</sup> lowest amongst all LAs. Neighbouring RBKC, H&F and Camden all have fewer SEN pupils. <i>Source: DfE.</i>
<ul style="list-style-type: none"> <li><b>Service Commentary:</b> Improvements in the number of assessments completed have resulted from 'New Ways of Working' and the current project to complete any outstanding historic assessments. The service has commissioned additional plan writing capacity to support the completion of EHC transfers. At full capacity, this should see the completion of a minimum of 75 draft plans per week across the three boroughs. The number of transfers to be completed remains fluid and is likely to fluctuate as a result of ongoing casework to identify historic transfers that were previously completed, as well as those requiring further work to verify final status.</li> <li><b>Mitigation:</b> New Ways of Working' and additional plan writing capacity to support the completion of EHC transfers.</li> <li><b>Timeframe for Improvement:</b> 31/03/2018</li> </ul>							
9. Percentage of children in care aged under 16, who have been continuously in care for at least 2.5 years, who have lived in the same placement for at least 2 years [S]	87% (46/53)	75%	87%	90%	71% (45/63)	Red	<b>Benchmark:</b> The 2016-17 position of 87% represents good performance and improvement from 81% for 2015-16 when WCC was ranked 7th best nationally. <b>Data Quality:</b> Performance on this indicator is most accurately reported on 31st March as current placements will meet the duration criteria and older young people in the cohort will age out of the measure by year end.
<ul style="list-style-type: none"> <li><b>Service Commentary:</b> There are 18 children in this cohort who have not remained in the same placement for 2 or more years. Of those 18 children, 11 of them have either been placed from initial short term placements at the point of entering care into long-term settled placements that are currently under 2 years or have returned to live with parents/relatives but currently remain subject to care orders as part of their reunification. The other 7 children have multiple complex emotional, behavioural or mental health needs which impacts upon placement stability.</li> <li><b>Timeframe for Improvement:</b> Final outturns will be evident after 31/03/2018</li> </ul>							

Key performance indicator [S] - Statutory indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
10. Number of social care contacts that go onto early help	5% (287 of 5,872)	15%	→ 20%	→ 25%	<b>7%</b> (294/4,494)	<b>Amber</b>	
<p>↳ <b>Service Commentary:</b> As this is the first year of reporting for this measure, we did not have a baseline and set an ambitious target. Work is in its first year and anecdotally we are hearing that having an Early Help manager in the front door is ensuring that thresholds are consistently applied. In some cases, this means that we are taking more contacts that would historically have gone to social care. The 2017-18 reporting indicates a shift in the proportions to 7% and will help us to set an achievable target for 2018-19.</p>							
11. Percentage of re-referrals to social care within 12 months of the previous referral [S]	9.9% (508 of 1,815)	16%	→ 9.9%	→ 9%	<b>15%</b> (187/1,223)	<b>Amber</b>	<p><b>Benchmark:</b> In 15/16, there were 9.9% (508) of referrals to children's social care within 12 month of earlier referral. This compares well with the most recent national rates of England (22%) and London (16%).</p> <p><b>Data Quality:</b> Final reporting on this indicator will be at year end when outturn % can be compared.</p>
12. Percentage of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	72%	74%	→ 76%	→ 78%	<b>74%</b>	<b>Amber</b>	<b>Benchmark:</b> The percentage increased between 2016 and 2017 and was above the national average of 59%.
13. Percentage of Westminster schools judged to be outstanding by Ofsted	35%	35%	→ 38%	→ 40%	<b>35%</b>	<b>Amber</b>	<b>Benchmark:</b> The percentage remained the same between 2016 and 2017 and was above the national average of 21%. The percentage increased between 2016 and 2017 and was above the national average of 61%.
14. Improve % of children who reach expected levels for reading, writing and maths at the end of primary school	58%	58%	→ 68%	→ 73%	<b>68%</b>	<b>Green</b>	
15. Reduce number of children entering care aged 14-17 (excluding UASC) [S]	17	20	→ 17	→ 17	<b>9</b>	<b>Green</b>	
16. Increase the number of foster carers recruited	18	8	→ 10	→ 15	<b>10</b>	<b>Green</b>	<b>Benchmark:</b> In 15/16, 73% of children were in a foster placement, just below the Inner London and London averages. Source: DfE.

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Target range definitions <sup>1</sup>	Minimum	Ideal	Aspirational
	The absolute minimum level for the KPI that will still allow the service to deliver	A level which is acceptable for service continuity	The level at which the service is improving beyond current capability

Target assessment definitions <sup>2</sup>	Red	Blue	Green	Amber
	Below / failing to achieve the minimum target level	Achieving above the aspirational target level	On track to achieve between the ideal and aspirational target level	Achieving the minimum standard target tolerance level

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>Building homes and celebrating neighbourhoods</b>		
Continue to set the standards of excellent education for our young people, retaining the high proportion of local schools which are judged by Ofsted to be good or outstanding.	On Track	<ul style="list-style-type: none"> <li>35% of Westminster Schools are currently judged outstanding by Ofsted. This is in line with minimum targets for the service and compares with 21% nationally.</li> <li>68% of children are currently reaching the expected levels for reading, writing and maths at the end of primary school, which is matching the ideal target level of the service and compares with 61% nationally.</li> <li>74% of Westminster's pupils are achieving the Progress 8 GCSE measure in secondary school, which matches the minimum target level for service continuity and compares with 59% nationally.</li> </ul>
In addition to this we will create 100 new places over five years in Westminster City Boys' School	On Track	<ul style="list-style-type: none"> <li>Westminster Boys School extension will be complete in February 2018. It will accommodate the planned additional 20 pupils per year group</li> </ul>
Create a new Early Help website to provide information and advice for thousands of families from schools, childcare practitioners and charities in one clear and easy to access place	On Track	<ul style="list-style-type: none"> <li>The new Early Help Information system was introduced in April 2017. It is the rebranded Family Information System (FIS). This has been widely promoted with partners.</li> <li>The website is home to the new Multi-Agency Assessment and Referral Form, which is now used by agencies referring into social care.</li> <li>On average there are 500 hits a month.</li> </ul>

## 1.3 City Management and Communities

### Achievements:

#### **Baker Street Two Way**

The project aims to transform Baker Street and Gloucester Place into pleasant streets where people can get about easily and safely, relax and spend time. It will improve the area for pedestrians and cyclists, reduce the dominance of traffic, add greenery and ensure the streets are safer and easier to access. By reintroducing two-way traffic flow along Baker Street and Gloucester Place and complementary improvements to the public realm in the area, the project will make the whole area more pedestrian friendly and accessible and restore the unique Marylebone character.

#### **Outputs delivered**

The project is being delivered in three phases. Works started on site on 24th July 2017. Phase 1 works, mainly on Gloucester Place, were completed in December 2017. Phase 2 works have started on site from January 2018 and will be mainly focused on Marylebone Road between Baker Street and Balcombe Street. They will also cover the junctions of Park Road / Gloucester Place, Baker Street / Crawford Street and the southern section of Portman Square.

#### **Outcomes achieved**

We have managed to deliver Phase 1 on programme and within budget and also ensured that the lane closures have not had major impact on traffic flow in the area. Regular weekly updates are sent to all stakeholders providing information on work undertaken and forthcoming work. This also includes information on other ongoing works in the area.

#### **Controlling Migration Funding (CMF) bid won**

##### **Outputs delivered**

Successful bid for controlling migration funding from central government. £400k was secured for the Rogue Landlord Taskforce in December 2017 to build intelligence, direct resources, and improve information sharing and co-ordination of action against rogue landlords and to improve the private-rented sector. This taskforce will sit as part of overall Housing Standards Taskforce which will be subject of additional Leaders funding to address PRS improvement and irresponsible short-term letting, involving EHOs, Trading Standards Officers and analysts working collaboratively to address issues.

##### **Outcomes achieved**

We are currently in the process of recruiting to this team with the expectation of its operation come early March. Outputs expected include intelligence concerning PRS to direct resources, design and implement inspection programmes, and facilitate better information sharing and co-ordination against rogue landlords.

#### **Eighth Active Westminster Awards**

##### **Outputs delivered**

In December 2017 the awards continued to break records, with 266 nominations across the 10 award categories received and over 170 people in attendance made it the largest yet. It was sponsored by a number of partners (Everyone Active, MCC and Willmott Dixon) and also welcomed local sporting icons Ashley McKenzie and Constantine Louloudis. City of Westminster College provided short films and live images on the night.

##### **Outcomes achieved:**

Inspires more people to get involved in physical activity and gives clubs and individuals more to aspire to through the awards recognising their contribution to the sector. There was a soft launch of the new Physical Activity, Leisure and Sport strategy and new Active Westminster branding

## **Risks and Issues:**

### **External funding reductions for 2018/19**

A reduction in funding for 2018/19 relating to the annual TfL grant strategic Capital and Revenue funding for the development and maintenance of the Westminster Highway Network will reduce by £1.14m next year. The funding allocation from the London Crime Prevention Fund (LCPF) has also been reduced by 56%, which includes a 30% top slice that has created a central MOPAC co-commissioning funding pot. Westminster has been successful in 3 of the 4 co-commissioning bids but minimal funding can be used to off-set reductions in our LCPF funding.

### **Impacts and consequences**

The reductions for 2018/19 were advised on 06/12/17 and are as follows: A) Corridors and LTF combined - a reduction of £420,000 from the original combined allocation of £3.553m B) Maintenance - loss of the whole £720,000 original allocation for Principle Carriageway Renewal. The fund's elements of our Integrated Gangs Unit and as well Tri –borough contracts that support our domestic violence and abuse services.

### **Mitigation and progress**

Adjustments to address the above reductions have been determined by a reduction of £420,000 specifically from certain public realm schemes and the re-profiling of the carriageway renewal programme for 2018/19. Fortunately, due to in year underspends we are able to reduce next year's deficit to £56k. However, the scale of the financial challenge for 2019/20 will require a more substantial review to identify alternative funding sources and new forms of delivery that address the changing nature of youth violence and drug dealing in Westminster. The Tri-borough violence against women and girls (VAWG) strategic board is considering proposals for the future provision of VAWG services.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
<b>Highways and Public Realm</b>							
2. % of carriageway and footway defects repaired or made safe within 24 hours - Priority 2	95%	95%	→ 98%	→ 100%	<b>98%</b> (570/581)	<b>Green</b>	
3. % of urgent lighting defects made safe within agreed timescale - Priority 1	98%	95%	→ 98%	→ 100%	<b>99%</b> (79/80)	<b>Green</b>	
4. % of routine highway inspections completed in accordance with the agreed inspection frequency	98%	95%	→ 98%	→ 100%	<b>100%</b> (1,315/1,315)	<b>Green</b>	
<b>Public Protection and Licensing</b>							
5. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety	605	400	→ 500	→ 600	<b>291</b>	<b>Amber</b>	
↳	<ul style="list-style-type: none"> <li><b>Service commentary:</b> HMOs improved and Cat 1 removals are slightly below expected levels, though these numbers can fluctuate from month to month.</li> <li><b>Mitigation:</b> Additional work in addressing high-rise residential buildings fire safety, carrying out stock condition survey as part of City for All commitments has impacted on this number. However, please note that we have secured removal of additional 410 Cat 2 hazards from properties which shows significant property improvements and ensures these hazards do not escalate to Cat 1 hazards.</li> <li><b>Timeframe for improvement:</b> Whilst the target is shown as amber, we continue to respond to complaints received taking necessary action to remove housing hazards. As additional work to address City for All commitments and high rise buildings reduce, more work to focus on other priorities such as proactive HMO inspection will increase within the next 6 months.</li> </ul>						
6. Percentage of women accessing specialist domestic abuse services who report a reduction in abuse	94.5%	67% (2012/13 position)	→ 78% (MOPAC Target)	→ 86% (4yr average)	<b>95%</b>	<b>Blue</b>	<b>Reporting period:</b> Q2, April – September 2017
7. Percentage of licensed premises that are safe and well managed following a single inspection.	75%	65%	→ 70%	→ 100%	<b>86%</b> (648/754)	<b>Green</b>	
8. Percentage of noise complainants who receive a call back from a noise officer within 45 minutes	97%	-	→ 95%	→ -	<b>96%</b> (12,960/13,500)	<b>Green</b>	



Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight		
		Minimum	→	Ideal				→	Aspirational
9. Number of Houses of Multiple Occupation improved (buildings with more than one household including shared facilities)	66	50	→	65	→	75	40	Green	
10. Number of vulnerable residents supported to continue living in their homes	1397	600	→	800	→	1,000	692	Green	
11. Improvement in hygiene ratings for food premises where a revisit has taken place	New target	30	→	40	→	50	50	Green	<b>Insight:</b> New target and as such there is no previous reporting information
12. Percentage of medium/high risk victims of anti-social behaviour activity that are contacted by the council within 48 hours of referral	Data not available	-	→	100%	→	-	100% (14/14)	Green	<b>Insight:</b> Processes have only recently been put in place to generate data so there is no historical data.
13. Percentage of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	75%	70%	→	80%	→	90%	60%	Amber	
									<ul style="list-style-type: none"> <li><b>Service commentary:</b> The percentage of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision has dropped and is off track this quarter. This has been due to the festive period increase in applications, an improvement in performance is expected during Q4.</li> <li><b>Mitigation:</b> Staff within the Licensing Team will be able to drive forward performance now that the festive season increase in workloads has diminished and other priority work has been completed</li> <li><b>Timeframe for improvement:</b> It is planned that the Licensing Team will be on track with issuing licences following the Licensing Sub-Committee decision by the end of Q4.</li> </ul>
14. Percentage of licensing applications received acknowledged within 2 working days of receipt.	89%	70%	→	80%	→	90%	87%	Green	
<b>Sports and Leisure</b>									
15. Total participation in Council sports, leisure and wellbeing activities	2.3m	3.4m	→	3.6m	→	3.8m	2.9m	Green	
<b>Parking</b>									
16. Ensuring parking compliance across the City is over 97%	99%	97%	→	98%	→	99%	98%	Green	
17. Availability of residents parking in Westminster	Not Available	85%	→	90%	→	95%	96%	Green	

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

**Waste & Parks**

18. Street Cleansing - the street survey score for Litter (% of streets that fail)	1.53%	-	→ 2.00%	→ -	<b>3% (Q3 snapshot)</b>	<b>Amber</b>	<b>Insight:</b> In Q2, 1.59% of all streets scored below a B in terms of street litter. The streets that failed are as follows: Lanark Mews, Randolph Avenue, Gloucester Terrace, Harrow Road, Joe Strummer Subway and the Harrow Road underpass.
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↳ **Service commentary:** Litter levels are highly dependent on season. The Quarter 3 independent survey was conducted whilst street cleaning teams were clearing heavy leaf-fall which reduced the frequency of sweeping in many areas. The average score for the first three quarters is 2.46% and the service remains confident that the 2.00% target will be achieved (subject to weather conditions when the final survey is undertaken).

**Libraries & Registration Services**

19. 2% increase in real and virtual visits to libraries	2,048,009	Increase by 1% to 2,062,578	→ Increase by 2% to 2,083,412	→ Increase by 3% to 2,104,246	<b>72% of ideal target (1,491,114 visits)</b>	<b>Amber</b>	Performance in line with other London local authorities.
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- **Service commentary:** Reduced number of staff available to work on events and promotion as a result of significant vacancies after service remodelling.
- **Mitigation:** Vacancies have now been filled and focus is on a programme of culture change with the aim of improving engagement and outcomes.
- **Timeframe for improvement:** End of Quarter 1 2018/19

20. 95% of appointments to register birth of their baby should be available within 5 days of enquiry.	75% (2016-17) (13% for 2015/16)	-	→ 95%	→ -	<b>88%</b>	<b>Amber</b>	Performance in line with other London local authorities.
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- **Service commentary:** Staff available to register births reduced as staff redeployed to work on launch of Old Marylebone Town Hall, as well as staff seconded over to work on Grenfell and within Licensing
- **Mitigation:** Old Marylebone Town Hall launched January 2018, and therefore number of staff moved back to frontline service. New staff employed to cover vacancy and secondments.
- **Timeframe for improvement:** End of Quarter 4 2017/18

21. 95% of appointments to register a death or stillbirth should be available within 2 days of enquiry	95% (89% for 2015/16)	-	→ 95%	→ -	<b>96%</b>	<b>Green</b>	Performance in line with other London local authorities.
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Target range definitions <sup>1</sup>	Minimum	The absolute minimum level for the KPI that will still allow the service to deliver
	Ideal	A level which is acceptable for service continuity
	Aspirational	The level at which the service is improving beyond current capability

Target assessment definitions <sup>2</sup>	<b>Red</b> Below / failing to achieve the minimum target level
	<b>Blue</b> Achieving above the aspirational target level
	<b>Green</b> On track to achieve between the ideal and aspirational target level
	<b>Amber</b> Achieving the minimum standard target tolerance level

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>Civic leadership</b>		
Launch a new independent libraries advisory board to build the positive case for the future of local authority libraries, leading the way by setting out plans for a new permanent library at Seymour Leisure Centre	On Track	<ul style="list-style-type: none"> <li>Board has met twice in the quarter to take input from expert witnesses and a revised work programme has been drafted to ensure delivery of outcomes. Engagement plan being developed for sign-off by Cabinet Member with initial engagement expected with community groups during February 2018.</li> </ul>
<b>Building homes and celebrating neighbourhoods</b>		
Champion the 80,000 people who rent privately by making sure homes in Westminster are up to scratch with a city-wide review, using our powers to prevent rogue landlords from exploiting our residents	On Track	<ul style="list-style-type: none"> <li>Survey of private rented sector properties underway, with circa 30 properties surveyed to date. Access has been difficult though measures are being taken to bring about improvements.</li> <li>Successful bid for Controlling Migration funding from central government. £400k secured for Rogue Landlord Taskforce to build intelligence, direct resources according, and improve information sharing and co-ordination of action against rogue landlords.</li> <li>Revised enforcement policy drafted for cabinet member approval to initiate enforcement utilising new housing powers, including penalty charge notices.</li> <li>Successful prosecutions of landlords following identification of breaches with circa £260k in fines awarded.</li> <li>272 notices served to effect improvements in properties.</li> </ul>
We will also open the new Moberly Leisure Centre, part of a £26m investment providing the best community sporting facilities for Westminster residents	On Track	<ul style="list-style-type: none"> <li>On track to complete and handover to the Contractor for 1st May. Sport England, a key contributor, visited the site and were impressed with the standard and construction of the facility. mobilisation meetings have begun with the Contractor who will fit out with the aim to open to the public by mid-June.</li> </ul>
<b>Creating a greener city</b>		
At the heart of this will be our new '#DontBeldle' campaign to persuade drivers to make the simple change of turning off their engines when idle. Evidence shows that when we run anti-idling days emissions fall by 20%, we will spread this positive message across Westminster focusing on high-risk areas such as hospitals and schools	On Track	<ul style="list-style-type: none"> <li>The number of pledges has now exceeded 5,000 with the rate of commitment continuing to increase.</li> <li>Monthly roadshows and anti-idling events continue to take place</li> </ul>
Encourage the next generation to create a greener city by rolling out the Daily Mile so that every child who goes to school in Westminster is walking or running a mile every day.	On Track	<ul style="list-style-type: none"> <li>15 schools now reported to be actively engaged with the Daily Mile programme.</li> <li>The team are now submitting these schools to feature on the Daily Mile website interactive map.</li> </ul>
We will also celebrate our 7,000 'Little Green Giants' who take part in the Forest Schools programme, learning about the environment and visiting our open spaces to become the green ambassadors of the future	On Track	<ul style="list-style-type: none"> <li>6,337 out of a target of 7,000 children have taken part in the Forest Schools programme</li> </ul>

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>Maintaining a world class Westminster</b>		
This will include the launch of a pilot for the Westminster Licensing Charter in Leicester Square and Piccadilly Circus, setting clear standards for how we work with the night-time industry to promote responsibility and growth	On Track	<ul style="list-style-type: none"> <li>The Licensing Charter was launched at the HOLBA Best Bar None event on the 30th October. The Council's website now has a Licensing Charter page and information associated with what the Charter is and what benefits it can have for businesses.</li> <li>No premises have been signed up to the Charter as yet. From the 17th January we are actively signing up premises to both Best Bar None and the Licensing Charter. We have had significant interest in the Charter already.</li> <li>Work continues on the Local Alcohol Action Areas. Officers are currently reviewing the data sets for benchmarking purposes. The implementation of a ENTE HUB is being prepared that will implement the aspects of the LAAA objectives.</li> </ul>
Introduce a Gig and Sharing Economy Charter that sets out the standards we expect this growing part of the economy to adhere to in the city.	On Track	<ul style="list-style-type: none"> <li>Links have been made between relevant service areas such as Planning Enforcement, Problem-Solving, Noise and Residential Environmental Health Officers to allow effective co-ordination of enforcement against irresponsible operators within Gig &amp; Sharing Economy. Representatives from the service have been included in development of new Gig &amp; Sharing Economy charter. A joint-working protocol will be produced to allow effective response to irresponsible short-term letting.</li> </ul>
This will include scrutinising operators' enforcement of the government's 90-day maximum letting limit with a clear aim to reduce the anti-social behaviour impact it can have on our residents if not properly regulated	On Track	<ul style="list-style-type: none"> <li>This year we have responded to reports of ASB as a result of gig and sharing economy activities in 8 individual cases (6 concerning Short Term Lets). One significant case concerning Nando's resolved through collaboration with Planning Enforcement. New Short Term Lets Taskforce being established which will undertake work to tackle irresponsible short-term letting, including effective enforcement against resultant ASB adversely affecting local neighbourhoods</li> </ul>
Put the first spade in the ground for Baker Street Two Way and Bond Street public realm improvements ensuring the city is ready and looking its best to greet the extra footfall expected in the West End following the opening of the Elizabeth Line.	On Track	<ul style="list-style-type: none"> <li>Baker Street Two Way - The project has now completed 7 months of an 18-month construction programme and is fully in line with the agreed delivery programme and is to budget.</li> <li>Bond Street - The project has now completed 8 months of construction and is fully in line with the agreed delivery programme and is to budget</li> <li>Oxford Street West - The implementation date is now Dec 2018 to coincide with the opening of Elizabeth Line. Currently on track. Decision on design due March 2018.</li> <li>Oxford Street East - Currently on track but dependent on decision from OSW.</li> </ul>
<b>A smart Council</b>		
Launch a new 'Report It' campaign to predict and proactively deal with developing trends on the day that they are reported to us. We will also use this new technology to enable residents to report on the negative impacts of the gig-economy and flag anti-social behaviour to enable us to focus our enforcement more proactively	Off Track	<ul style="list-style-type: none"> <li>We are not using the Report It tool for ASB stemming from the gig and sharing economy as yet. In the initial first phase of the Report It tool we will be collecting data on dumped rubbish amongst other reports (for flagging anti-social behaviour). The gig economy part will come further down the line in future phases.</li> <li>Off track due to unforeseen product and integration issues. SME support and SIT team support have been made available to the Digital Programme to conduct required testing. UAT scripts have been signed off (with the exception of the Highways forms) and a revised UAT plan has been produced.</li> <li>The new implementation plan and comms plan have been produced. The new Go-live dates are as follows: Food Safety, Waste, Noise and My Account - 24<sup>th</sup> January 2018, Highways – 6<sup>th</sup> February 2018</li> </ul>
Bring forward our one front door programme that will train 100 social workers, librarians and city inspectors to be our eyes and our ears, spotting where vulnerable people may need additional support and taking proactive action. We will work across council services, making sure vulnerable people get the help they need	On Track	<ul style="list-style-type: none"> <li>Training sessions for Library staff and City Inspectors, facilitated by Public Health, have been booked for February/March 2018. At least 100 staff are taking part.</li> </ul>

## 1.4 Growth, Planning and Housing

### Achievements:

#### **Planning approval for two infill schemes**

We have received planning approval for two infill schemes that will deliver 12 new social homes to be retained in the HRA. The proposals comprise the demolition of the garages to the rear of Melrose, Keith and Helmsdale Houses (Maida Vale ward) and redevelopment to provide affordable family homes.

#### **Outputs delivered**

Mitigation work has been undertaken against the loss of trees, proximity to existing homes, fire appliance access, and the loss of garages, of which some residents have enjoyed the benefit. We have appointed a contractor that specialises in Modern Methods of Construction, providing programme and quality benefits, as well as minimising the disturbance to existing residents living in close proximity to these constrained sites. The schemes are expected to complete in 2018/19.

#### **Outcomes achieved**

The infill scheme programme makes optimum use of Council land to provide much needed affordable family homes. Further feasibility studies and planning submissions are being progressed to achieve over 200 infill homes in the next 5 years; contributing to the key City for All pledge of delivering 1,850 affordable homes by 2023.

#### **Employment and skills commitments from contractors**

The Economy Team has recruited a new broker to manage employment and skills commitments with contractors and developers.

#### **Outputs delivered**

Our 'Meet the Team' breakfast event in December was attended by 57 contractors and developers. A bespoke monitoring solution has also been developed and is live to aggregate information of historical and current commitments made by developers.

#### **Outcomes achieved**

New monthly community based job fairs and events with suppliers and developers will start in February to raise awareness in the community of the opportunities negotiated. Commitments made by developers and contractors up to 2021 include 475 local jobs and 428 apprenticeships.

### Risks and Issues:

#### **Risk of fire in council buildings, following Grenfell**

#### **Impacts and consequences**

The tower blocks at Little Venice on the Warwick and Brindley estates have cladding similar to that at Grenfell Tower.

#### **Mitigation and progress**

Significant engagement has taken place with residents by CityWest Homes and the Council including a bespoke communications plan for residents living in the affected blocks. Cladding at Little Venice was removed on 6 February and the 'stay put' fire evacuation advice is now in place for the whole building. CWH has undertaken a review of its fire safety management systems and has instigated enhanced risk assessments, scheduling is under way in preparation for the block inspections of fire doors as well as escalating the program for the installation of smoke detectors in communal areas. The cladding replacement has commenced and we expect that the cladding at Little Venice will be replaced by Autumn 2018.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>				Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→	Ideal	→			
<b>Housing Service</b>								
1. No families in Bed & Breakfast for more than 6 weeks [S]	0	0	→	0	→	0	0	<b>Green</b> <b>Benchmark:</b> At the end of Q4 of 16/17 2,503 h/holds were living in TA in Westminster. Above the London average (of 1,696) and 7th highest amongst all London LAs. <i>Source: Communities and Local Government</i>
2. Reduction in rough sleepers spending more than one night out	New KPI	70%	→	75%	→	80%	78%	<b>Green</b> <b>Reporting period:</b> Q2, April - September 2017
3. Tenant Satisfaction with service provided by the Council (Repairs survey figure – new KPI)	85%	85%	→	86%	→	87%	75%	<b>Red</b>
<ul style="list-style-type: none"> <li>• <b>Service commentary:</b> Since September/October 2017 there has been a drop in performance across a number of CityWest Homes areas.</li> <li>• <b>Mitigation:</b> An action plan is in place to address this and regular meetings at a senior level are being held with CityWest Homes and the repairs contractor. The backlog of repairs is already starting to reduce and complaints relating to repairs are now being managed timely and well. A further more detailed update will be provided in Q4.</li> <li>• <b>Timeframe for improvement:</b> Tenant satisfaction in the repairs service is a 'lagging indicator'; it will take time to restore confidence in the repairs service. Forums where tenants can report and discuss repairs are being set up. This and good communication with residents will speed up the timeframe for improvement.</li> </ul>								
<b>Development Planning</b>								
4. % of 'non-major' planning applications determined within 8 weeks [S]	64%	68%	→	68%	→	70%	78%	<b>Green</b> <b>Benchmark:</b> At the end of Q4 of 16/17, 72% of minor planning applications were processed within 8 weeks. Below the London average of 79%. <i>Source: CLG</i>
5. % of 'major' planning applications determined within 13 weeks i.e. larger scale development. [S]	69%	60%	→	60%	→	62%	88%	<b>Green</b> <b>Benchmark:</b> At the end of Q4 of 16/17, 100% of major planning applications were processed within 13 weeks. Above the London and inner London averages (of 83%). <i>Source: CLG</i>
6. % planning appeals determined in favour of the Council (Excluding telephone boxes)	65% (216 of 334)	55%	→	60%	→	65%	71% (115/162)	<b>Green</b> Previous year figures include telephone boxes. A benchmarking exercise to compare performance with adjoining Boroughs is to be undertaken at year end.
<b>Property and Estates</b>								
7. Increase total income generated from the councils investment portfolio	£510,000	£325,000 (6.5% growth)	→	£400,000 (8% growth)	→	£500,000 (10% growth)	£689,000	<b>Blue</b>

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			

**Growth and Economy**

8.	New Enterprise Space created	35,100	36,000	→	40,000	→	44,000	1,000	Green	
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- Service commentary:** The definition we have used for new enterprise space created is enterprise space that has been secured and in the process of being delivered. Next quarter we expect the following enterprise spaces to have legal agreements in place ensuring their delivery:

Project name	Paddington Works - 19,500 sq ft	Ingestre Court - 15,000 sq ft	Somerset House - 6,000 sq ft
<b>Progress/Mitigation</b>	<ul style="list-style-type: none"> <li>Property purchased by joint venture company</li> <li>Fit out currently in progress.</li> </ul>	<ul style="list-style-type: none"> <li>Workspace operator selected, Huckletree.</li> <li>The project is held up by legal proceedings to evict the current tenant.</li> <li>Working closely with Camelot and corporate property to ensure the building is vacated to enable works to commence.</li> </ul>	<ul style="list-style-type: none"> <li>Somerset House Good Growth Fund bid through to the next stage which if successful will secure the match funding for the project.</li> </ul>
<b>Timeframe</b>	Launch expected early next financial year.	Launch to take place early next financial year.	Launch will take place early next financial year.

9.	Connect 1,000 businesses to super and ultrafast broadband	0	300 connected	→	330 connected	→	360 connected	237 vouchers issued (17 connected)	Amber	
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- Service commentary:** The target relates to vouchers issued as this is within our gift. We can promote the scheme and issues vouchers with a fast turnaround of circa 5 days but it is dependent upon the suppliers to install the infrastructure. To date vouchers have been issued to 237 SMEs through the Connect Westminster Project. Following the first connection reported in Q2, the figure has since risen to 17.
- Mitigation:** We will ensure that the voucher scheme is included in the copy of the Business e-newsletter subject to Cabinet Member approval, details to be circulated with the business rates handbook and work to deliver joint scheme in Westminster which seeks to connect multiple SMEs in the same building.
- Timeframe for improvement:** At current rate of voucher issue, we expect to reach the minimum target level by the financial year end

10.	Westminster Employment Service will seek to support 500 unemployed residents into work	442	450	→	500	→	550	551	Blue	<b>Insight:</b> The service is projecting 700 job starts for 2017/18.
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11.	No. external Apprenticeship opportunities will be created with Westminster based employers.	New KPI	90	→	100	→	110	0	Green	<b>Reporting period:</b> Target relates to the academic year
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- Service commentary:** Apprenticeship Development Officer started in post in August 2017. The Apprenticeship Growth Plan has been refreshed. An Employer Apprenticeship Breakfast event with Victoria BID took place in October and an employer and provider engagement plan drafted. Some visits to employers have commenced but the employer engagement plan once finalised will drive this programme of work. There are currently 240 apprenticeships in the pipeline and over 400 to be created through social value commitments.

Target range definitions <sup>1</sup>	Minimum	Ideal	Aspirational
	The absolute minimum level for the KPI that will still allow the service to deliver	A level which is acceptable for service continuity	The level at which the service is improving beyond current capability

Target assessment definitions <sup>2</sup>	Red	Blue	Green	Amber
	Below / failing to achieve the minimum target level	Achieving above the aspirational target level	On track to achieve between the ideal and aspirational target level	Achieving the minimum standard target tolerance level

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter														
<b>Civic leadership</b>																
Increase our support for the city's businesses by working closely with our excellent Business Improvement Districts,	On Track	<ul style="list-style-type: none"> <li>There are updates against the renewal and alteration of local BIDs: <table border="1" data-bbox="1037 483 1783 676"> <thead> <tr> <th>BID</th> <th>Renewal &amp; alteration update</th> </tr> </thead> <tbody> <tr> <td>PaddingtonNow Renewal</td> <td>Successfully administered</td> </tr> <tr> <td>Baker Street Quarter Partnership</td> <td>Renewal and alteration successful</td> </tr> <tr> <td>New West End Company Occupier BID</td> <td>Renewal and alteration successful</td> </tr> <tr> <td>Northbank</td> <td>23<sup>rd</sup> February</td> </tr> <tr> <td>Victoria New BID area</td> <td>July 2018</td> </tr> <tr> <td>Fitzrovia</td> <td>Being explored</td> </tr> </tbody> </table> </li> <li>BID Roundtables have also been held on a regular basis where BIDs can engage with the Cabinet Member .</li> </ul>	BID	Renewal & alteration update	PaddingtonNow Renewal	Successfully administered	Baker Street Quarter Partnership	Renewal and alteration successful	New West End Company Occupier BID	Renewal and alteration successful	Northbank	23 <sup>rd</sup> February	Victoria New BID area	July 2018	Fitzrovia	Being explored
BID	Renewal & alteration update															
PaddingtonNow Renewal	Successfully administered															
Baker Street Quarter Partnership	Renewal and alteration successful															
New West End Company Occupier BID	Renewal and alteration successful															
Northbank	23 <sup>rd</sup> February															
Victoria New BID area	July 2018															
Fitzrovia	Being explored															
Opening our sixth major enterprise space with Hub Paddington	Off Track	<ul style="list-style-type: none"> <li>Delays due to the developer not handing over the keys to our investment partner and not completing formal handover– Although the year-end target will not be met, significant progress has now been made at the site and we are expecting the centre to be at least partially open by May.</li> </ul>														
Ensure there is access to the best local talent to help our businesses grow, through 150 jobs created by Recruit London.	On Track	<ul style="list-style-type: none"> <li>Recruit London's year end projection is to meet the 150 target.</li> </ul>														
We will launch the Westminster Lion Awards to recognise the huge contribution of businesses who employ and invest in apprentices, work with local voluntary groups and improve our environment	On Track	<ul style="list-style-type: none"> <li>Case studies for responsible business activity were showcased in the 'Get Involved: Corporate Social Responsibility' Booklet. We provided a pro-bono venue space through our business engagement contacts at the Goring Hotel and provided a financial contribution by covering half of the catering and hire for the event. Moreover, we have promoted the programme with business engagement contacts to maximise the number of applications. We have had positive responses from businesses and some are in the process of applying. Seventeen Westminster businesses have been recruited to the new Heart of the City programme.</li> </ul>														
<b>Building homes and celebrating neighbourhoods</b>																
Deliver 1,850 affordable homes by 2023 to give families the chance to lay down their foundations	On Track	<ul style="list-style-type: none"> <li>135 new affordable units have been delivered by the end of Q3 against an annual target of 172. Whilst there may be some movement in numbers between years due to some schemes slipping and others being brought forward, the overall CFA target remains on track.</li> </ul>														
Open new Moberly Leisure Centre, part of a £26m investment providing the best community sporting facilities for Westminster residents	On Track	<ul style="list-style-type: none"> <li>Phase 1 of the new Jubilee sports and leisure facility and associated residential accommodation has been completed.</li> </ul>														



City for all Pledge	Delivery Status	Progress update at the end of the quarter
Invest a new £900k government fund to tackle homelessness before people lose their homes. We will commit to reducing the number of families who become homeless over a three year period, showing early intervention works	On Track	<ul style="list-style-type: none"> <li>Target of preventing 200 households from homelessness by 30 September has been achieved with 202 by the target deadline (263 in the year to date)</li> <li>The number of homelessness acceptances is reducing with 298 acceptances from 2489 applications</li> <li>There are now 69 discharge of duty properties</li> </ul>
<b>Creating a greener city</b>		
Lead the way in demonstrating how responsible city government can address growing concerns over poor air quality. We will launch our new Clean Air Strategy filled with measures to improve air quality in the city.	On Track	<ul style="list-style-type: none"> <li>An outline WEP delivery plan for freight management has been produced</li> <li>Monthly meetings with the taxi trade continue. Buy in from the trade on the anti-idling campaign has been achieved and target areas have been discussed.</li> </ul>
Take direct action by refurbishing City Hall to make it 45% more energy efficient and bring forward a new Sustainability Manifesto to set the green agenda in Westminster	On Track	<ul style="list-style-type: none"> <li>The refurbishment of City Hall is on track and will complete in December 2018. We are on track to achieve our objectives of a BREEAM Excellent rating and an EPC Rating of B. Tenants of the refurbished building will be expected to sign Green Leases with commitments to energy efficiency and sustainability.</li> </ul>
Roll out the first green business club across Westminster, making it easier for businesses to make their buildings more energy efficient	On Track	<ul style="list-style-type: none"> <li>To date vouchers have been issued to 184 SMEs through the Connect Westminster Project.</li> <li>To reduce the chance of not meeting this target we will ensure that the voucher scheme is included in the copy of the Business e-newsletter (subject to Cabinet Member approval). There is work to deliver joint scheme in Westminster which seeks to connect multiple SMEs in the same building.</li> </ul>
Create seven new horticulture hubs, bringing people together in schools and community spaces to grow their own food.	On Track	<ul style="list-style-type: none"> <li>Six new horticultural hubs created to date at Bessborough Children's Centre, WECH, Brunel Estate, Lisson Green, Pimlico Academy and Churchill Gardens. Both Bessborough Children's Centre and Churchill Primary School have been supported by weekly community gardener sessions since their creation in November. A seventh hub is expected to be installed at Westminster Academy by the end of the March.</li> </ul>
<b>Maintaining a world class Westminster</b>		
Put the first spade in the ground for Baker Street Two Way and Bond Street public realm improvements ensuring the city is ready and looking its best to greet the extra footfall expected in the West End following the opening of the Elizabeth Line.	On Track	<ul style="list-style-type: none"> <li>Both Baker Street and Bond Street are currently on site and delivering to programme</li> </ul>
Along with TfL we will be speaking to residents, businesses and visitors to help us shape the future of the Oxford Street district so that it remains the UK's best known Shopping and entertainment destination	On Track	<ul style="list-style-type: none"> <li>The first consultation to gather opinions on Oxford Street District was completed in June 2017 and the consultation report has been published.</li> <li>The formal consultation on a proposal for Oxford Street closed on 3rd January 2018. The 20,000 responses are currently being reviewed.</li> </ul>
Invest a total of £2.1m over the next three years in a new assessment centre to help people off the streets quickly and to make sure that vulnerable people are given targeted support for any drug, alcohol and mental health issues	Achieved	<ul style="list-style-type: none"> <li>Assessment centre is open and fully operational.</li> </ul>

## 1.5 Corporate Services

### Achievements:

#### **The 'Our Voice' staff survey was delivered on time and budget**

The survey ran for 3 weeks from the 18<sup>th</sup> September to the 9<sup>th</sup> October 2017. There were 1,271 responses, which represented a response rate of 62%. Areas of high scoring included 89% of respondents being committed to the council's goals and objectives and 82% of staff feeling that they are treated fairly by the people they work with.

#### **Outputs delivered**

There is now more detailed reporting, which enables managers to have follow-up actions with their teams leading to real and sustained improvement. The new survey also offers faster reporting of results with the headline metrics being available within a week of the survey closing. There were a total of 167 high quality manager reports produced across both Councils which included in-depth information on teams. Individual analysis was also available for each manager, recommending key areas to focus on to increase engagement.

#### **Outcomes achieved**

New and refreshed staff survey conducted across Bi-borough, offering access to meaningful, easy-to-consult data which can be used to devise action plans locally to address areas of concern. The Our Voice team attended EMT in February to discuss actions from their respective areas in relation to their results. These action plans are currently under development. A pulse survey will take place in April to understand how engaged people are feeling and how much they think they have been included in the actions.

#### **Formal Cabinet decision for WCC to join The Hampshire Partnership as a replacement for BT for the provision of Finance, Payroll and HR Services**

We are keen to move over to the partnership as soon as possible and are targeting a move date over to the new service by autumn of next year.

#### **Outputs delivered**

The key criteria for deciding which option to choose were based on the lessons learnt from the selection and implementation of BT managed services. Seven criteria were set against which the replacement options would be judged e.g. any solution would have to be capable of being safely and reliably implemented by 1st April 2019 at the latest and ideally by 1<sup>st</sup> October 2018.

#### **Outcomes achieved**

**It is hoped that the Hampshire partnership will reflect the criteria in the business case, which also insisted that** the provider would already be successfully serving a local authority. The partnership should also have a clear understanding of all Local Government needs, including revenue collection and the complexities of terms and conditions. It is also critical that they were capable of providing the majority of the services within the scope of the current managed services arrangement. The progress of this agreement will be reported to members and officers by fortnightly verbal updates to Cllr Mitchell and regular verbal updates to the Leader and EMT.

## **Risks and Issues:**

### **Major failure of ICT systems**

#### **Impacts and consequences**

This would lead to inability to deliver statutory and non-statutory Council services resulting in significant operational, financial and reputational damage as well as harm or inconvenience to Council service users

#### **Mitigation and progress**

The service governance audit was completed on the 17th January 2018 by external auditor (Mazars) and the report was expected on 26th January 2018. An IT Health check has been completed for the Bi-borough with remediation actions for public services network compliance currently underway. This will leave the service well set for an audit of the public services network (scheduled for May 2018).

### **Accidental or malicious loss of Council data**

#### **Impacts and consequences**

Data breaches could result in harm to one or many Council customers, causing significant reputational damage resulting in loss of trust in the Council. Fines from the regulator (ICO) may be incurred.

#### **Mitigation and progress**

IT Health check completed for Bi-borough. Remediation actions for public services network compliance underway with an Audit to be scheduled for May 2018. Two-factor authentication for Office 365 (email, OneDrive, SharePoint) began rollout on 28<sup>th</sup> January 2018 to initial pilot users and an all-council rollout to complete by March 2018. The Windows 10 rollout (completing Apr 19) will further secure end-user devices and avoid data breach instances. Our General Data Protection Regulation (GDPR) programme has been mobilised, and EMT have been consulted on risks, with the GDPR to come into effect on 25th May 2018.

### **Council is victim of a cybercrime incident**

#### **Impacts and consequences**

This could cause prolonged outage of essential Council IT systems and services and potentially permanent loss of Council data required for delivery of (statutory) services. The loss of customer and Council data would result in harm to customers and fines for the Council, with damage to council reputation and staff morale. There would be additional costs associated with recovery from incident and workarounds.

#### **Mitigation and progress**

(See above on loss of Council data)

Strong security hygiene policies and user awareness, preventing ransomware from entering the Council's IT environment through the most common delivery vector, phishing, by developing vigilant employees through robust awareness campaigns; Policy and Comms plan for Q3 and Q4 published by 30th September 17, and executed with intranet messaging, posters, Yammer campaigns, drop-in sessions, and EMT presentation. An IT Security specialist has been brought in from BT to improve our IT security governance, as well as support the different security-related initiatives. The IT security policies and guidelines framework is being refreshed and also prepared for public services network submission. IT Security Governance forums and risk management are being instigated.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			
<b>ICT</b>							
1. No. of major business impact Priority 1 incidents per quarter such as a total loss of network connectivity at a site, the Finance system being unavailable or the inability of Users to log-on to the system,	16	6	→ 3	→ 0	6 (this quarter)	Red	
↳	<ul style="list-style-type: none"> <li><b>Service commentary:</b> Increase mainly down to network link failures as a result of activities beyond our control. Planned upgrades to telephony infrastructure caused a number of other outages.</li> <li><b>Mitigation:</b> Telephony upgrade to increase resilience has now been completed</li> </ul>						
2. Achieve positive responses based on client satisfaction lifted from the Our Voice Survey (Question: 'I have the equipment and resources I need to do my job')	New KPI	30%	→ 50%	→ 70%	65%	Green	
<b>Procurement Services</b>							
3. Service savings delivered (in year)	£5.2M	£1.5m	→ £2m	→ £3m	£434,523	Amber	
↳	<ul style="list-style-type: none"> <li><b>Service commentary:</b> GUM and Revs &amp; Bens projects are delayed; savings still anticipated for this year.</li> <li><b>Mitigation:</b> This is dependent on the completion of the Procurement</li> <li><b>Timeframe for improvement:</b> End of financial year</li> </ul>						
4. Number/ percentage of contracts awarded that include the benefits of Responsible Procurement	48%	85%	→ 90%	→ 95%	79.48%	Red	<b>Insight:</b> Further detail on Responsible Procurement is available on page 41 of the appendix
↳	<ul style="list-style-type: none"> <li><b>Service commentary:</b> 8 out of 11 contracts were awarded with Social Value outcomes in Q3</li> <li><b>Mitigation:</b> Out of the 3 contracts, 1 supplier declined the social value question; we have the option to apply a higher weighting to the question – currently the minimum requirement is 5% of the quality evaluation mark, however this is not always practical. In regards to the other two contracts, there was an urgency with getting the project awarded and so this was not requested at tender stage.</li> <li><b>Timeframe for improvement:</b> On-going. Will continue to request social value outcomes in all tenders wherever possible</li> </ul>						
5. Number of Waivers of the Procurement Code	58	60	→ 50	→ 40	39	Green	

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			
<b>Legal Services</b>							
6. Achieve an overall client satisfaction level of 65% in 2017 increasing to 70% in 2018 as measured by our customer satisfaction survey and end of matter questionnaires	New KPI	60%	→ 65%	→ 70%	100% (11/11)	Green	
7. Meet the agreed time frames for legal cases in each area	New KPI	80%	→ 90%	→ 100%	96% (269/281)	Green	
<b>People Services</b>							
8. Leadership Academy 1 - Deliver internal capability programme to deliver Academy events.	9	18	→ 24	→ 30	18	Green	
9. Leadership Academy 2 - Ongoing delivery of Leading the Westminster Way and Working the Westminster way; for new leaders and joiners to WCC	78	N/A	→ 2	→ N/A	10	Green	<b>Insight:</b> Annual ideal target is 10 and we have already delivered 10 (6 in Q2 + 4 in Q3). In Q3 only we had 54 Leading The Westminster Way delegates and 39 Working The Westminster Way delegates
10. Talent Management: All Executive Talent to have a tailored development programme during 2017/2018	N/A	N/A	→ 100%	→ N/A	100% (28/28)	Green	
11. Achieve a positive % increase in the Our Voice Survey: Q - My line manager gives me constructive feedback on my performance	69%	70%	→ 75%	→ 80%	65%	Red	
↳	<ul style="list-style-type: none"> <li>• <b>Service commentary:</b> All directorates have shared Our Voice results with their teams - managers have attended culture of action workshops - we are revamping Performance Management approach which will enable constructive feedback to be at the centre of the new process</li> <li>• <b>Timeframe for improvement:</b> Performance Management process to be launched 1st April - ongoing actions for Our Voice to be reviewed at EMT and agree next steps to address areas of concern</li> </ul>						
12. Ensure staff turnover is managed at appropriate benchmark levels (excluding redundancies)	16%	16%	→ 15%	→ 14%	14%	Green	
13. Reduce the number of TACs employed for more than 12 months to no more than 25% of total TACs	24%	30%	→ 25%	→ 20%	25.8%	Green	<b>Insight:</b> 27.5% at Q2
14. Reduce the total population of TACs	236	200	→ 175	→ 150	229	Red	
↳	<ul style="list-style-type: none"> <li>• <b>Service commentary:</b> We believe that there has been some increase in response to Grenfell - interims have been brought in to Adult Social Care and Children's Services while the new Bi Borough structure is finalised. Business Partners will continue to work with directorates to look for where it is appropriate for alternative resourcing to be engaged</li> <li>• <b>Timeframe for improvement:</b> July 2018</li> </ul>						

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>A Smart Council</b>		
<p>Allow residents to keep track of their payments and contacts with the council online through a new 'MyWestminsterAccount' taking the next step in our digital journey by spending money wisely to reduce bureaucracy.</p>	<p><b>Off Track</b></p>	<ul style="list-style-type: none"> <li>• Significant developments were made in the period however it was not possible to go live with the solution and the decision was made to postpone the soft launch and phase it over January and early February.</li> <li>• <b>Service Commentary:</b> The development of the MyWestminster platform was unable to produce, in the time available before the end of December, a consistent experience through each of the journeys and, as such, services were unable to signoff their forms.</li> <li>• <b>Mitigation:</b> A revised development plan has been drawn up and there is a phased go live from mid-January to early February.</li> <li>• <b>Timeframe for improvement:</b> Complete by early February.</li> </ul>

## 1.6 City Treasurers

### Achievements:

#### **Budget Progress 2018/19**

The Council has advanced its budget process considerably and is on course to set a balanced budget for 2018/19. This followed Council in principle approval of a Budget Proposals report on 8 November 2017, around 4 months in advance of final approval in March 2018. The Budget Proposals report included £30.8m of budget options which will form significantly all of the budget savings required to achieve a balanced position for 2018/19 with minimal service impacts reductions. In addition, a draft capital strategy was also produced and approved by Council on 8<sup>th</sup> November 2017.

#### **Outputs delivered**

A deliverable set of Budget Proposals for 2018/19 and draft capital strategy approved 4 months in advance of final scheduled approval.

#### **Outcomes achieved**

The early approval of Budget Proposals provides additional time for services to undertake implementation planning. This provides increased deliverability assurance.

#### **The Council's Investment framework**

This framework will deliver a new approach to risk management and asset classification and will also allow the treasury portfolio to deliver increased investment returns.

#### **Outputs delivered:**

The Council's first comprehensive investment framework has now been agreed.

#### **Outcomes achieved**

The first comprehensive investment framework aims to make best use of Council assets to deliver maximum returns. This will be implemented during 2018/19. The framework will deliver increased returns and better value for money by making investment decisions on a holistic basis, maximizing use of capital by deploying it to investments with durations that match the capital strategy.

### Risks and Issues:

#### **Review of central government funding allocation (settlement)**

A review of the funding allocation formulas used by Central Government could mean that Westminster City Council's share of funding is proportionately reduced in favour of other Local Authorities. There could be gains and losses which will alter the business rates top up / tariff adjustment for individual authorities.

#### **Impacts and consequences**

This has the potential to reduce the Council's revenue allocation specifically from the current damping grant allocation and impact on the sustainability of services.

#### **Mitigation and progress**

The Fair Funding Review initially promised to review funding baselines for every authority alongside the introduction of 100% business rate retention in 2019/20, but it is thought that the outcomes of the review will now come in in 2020/21. In 2013 the Council was awarded a "damping grant" and that entitlement could cease over the course of a number of years. Key indicators of the likely changes such as deprivation, area cost adjustment and population growth are also currently being assessed.

**Timeframe for improvement:**

In the event that other indicators as part of a new formula do not work in the Council's favour it is possible the Council could suffer a reduction in resources from 2020/21. Detailed work will be performed with more certainty surrounding formula amendments and will be incorporated into the 2020/21 budgeting process.

**Fair outcome for the City Council on Business rates appeals**

There was a revaluation in 2017. It is expected that a large percentage of Westminster businesses will challenge their 2017 rateable values; with the majority using professional rating agents (around 69% of Westminster businesses challenged their 2010 rateable value).

**Impacts and consequences:**

Reduction in funding, impact of backdating and the localising of Business Rates will increase this risk from 50% to 100% for local authorities. Revaluations do not generate additional income at a national level as the government resets the multipliers at a revaluation to ensure that the overall national yield remains the same. However, the yield can increase or decrease significantly at the point of a revaluation.

**Mitigation and progress:**

The Valuation Office agency has implemented a new appeals process. The number of appeals is lower than under the preceding appeals process but, given the adverse comments by businesses and rating agents as to the difficulty of making a challenge it is hard to draw any conclusions as to whether the new process will reduce the level of refunds.

**Timeframe for improvement:**

Resolution of this issue may take until the next system reset, currently scheduled for 2020/21

**Implementation risk stemming from the Enterprise Resource Planning (ERP) system and Managed services model system with Royal Borough of Kensington and Chelsea****Impacts and consequences:**

The tight closing deadline in addition to the implementation of the Enterprise Resource Planning places a significant strain on existing resources and if not appropriately mitigated could either negatively impact the implementation or the team's ability to adequately perform business as usual

**Mitigation and progress:**

To mitigate the operational risk a core project team has been formed which includes implementation specialists and key team members from each team. Temporary staff members have been put in place to ensure that business as usual remains unaffected and the team is able to deliver the same standard of service excellence it has become associated with.

**Timeframe for improvement:**

The project team began operating at the beginning of January, project staff will assist with the closing process where required and remain committed to ensuring a transition from Agresso to the new system.



## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>				Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight	
		Minimum	→	Ideal	→				Aspirational
<b>City Treasurers</b>									
1. Variance between budget and full year forecast	£17.201m under spend	£0m variance	→	<£5m under spent	→	-	<b>£6.8m underspend</b>	<b>Green</b>	
2. Variance between capital budget and FY forecast	£23.513m (-15.6% of budget)	-	→	£0m On budget	→	-	<b>£85.494m net underspend</b>	<b>Green</b>	
3. % of payments made via Purchase Order	76.90%	96%	→	98%	→	99%	<b>98.70%</b>	<b>Green</b>	
4. Percentage of council tax collected	96.40%	95%		96.5%		99%	<b>96.50%</b>	<b>Green</b>	
5. Percentage of business rates collected	98.40%	96%		98.5%		99.5%	<b>98.50%</b>	<b>Green</b>	
6. Percentage sundry debtors (more than 1 year old) of total gross sundry debtors	6.2%	20%		5%		0%	<b>11.78%</b>	<b>Green</b>	<b>Insight:</b> The % of debts has increased slightly but we are still on target for the year end

## 1.7 Policy, Performance and Communications

### Achievements:

#### 2017 City Survey

The Westminster City Council City Survey 2017 was based on 2,630 interviews with residents, aged 16+, from across the City of Westminster area. Fieldwork began on 23 September and was completed on 25 November 2017.

#### Outputs delivered

The largest City Survey for eight years was conducted, providing a large sample size and ensuring strong data for analysis. There were a number of new questions, including questions for those eligible to provide the Leader's Community Contribution.

#### Outcomes achieved

The Leader, Cabinet and EMT now have a clear picture of what the key issues are for residents and areas of challenge for the Council. Of the residents eligible to (own a home worth £5million or more), 76% were willing to financially contribute to the community.

#### The Leader's Challenge Sessions

Challenge sessions for each of the Cabinet portfolios were delivered either side of the New Year, providing key areas of corporate challenge for cabinet members and senior officers.

#### Outputs delivered

Refreshed challenge packs were prepared, incorporating input from finance, transformation, strategy and performance colleagues. The corporate challenge questions provided were warmly received by the Leader and Chief Executive and the format provoked valuable discussion amongst members and officers.

#### Outcomes achieved

Minutes from the sessions are currently being analysed to provide the Leader, Cabinet and EMT with key action areas. The feedback received from members and officers will be incorporated into the next series of sessions in July 2018.

### Risks and Issues:

#### Outlook of Brexit Negotiations

The lack of consensus in Brexit negotiations make a no deal scenario more likely

#### Impacts and consequences:

A "no deal Brexit" would create political upheaval and a potential change in Prime Minister or government. This would leave the status of EU nationals up in the air. The number of EU nationals that currently work and reside in Westminster makes up a significant proportion of the workforce. Lack of financial mitigation from the Treasury may mean that there are further pressures on local government funding and therefore capacity for policy and lobbying

#### Mitigation and progress:

The Policy team will be monitoring the convergence and divergence between the sides on the key issues that impact Westminster. There will be further work done with central London partners to understand and articulate specific issues relating to Westminster.

**Political uncertainty**

The Government, supported by the Northern Irish Democratic Unionist Party, has a small majority in Parliament. This, along with Brexit, limits the scope of policy and lobbying.

**Impacts and consequences:**

A slimmed down policy map and a focus on Brexit for the next parliament could lead to a reduction in lobbying potential for Westminster. The slight majority will limit the Government's efficacy in dealing with national and local crises such as the lack of supply of affordable housing

**Mitigation and progress:**

The Council will pursue an active programme of establishing influence with a broad range of stakeholders. Policy team members are bringing through original policy ideas for local challenges such as the super prime voluntary supplement.

## Key Performance Indicators

The table below presents the latest cumulative outturns for Q3 (April – December 2017), unless indicated. The KPIs presented here have been selected to monitor performance against key service activities within the directorate.

Key performance indicator	2016/17 position	2017/18 target ranges <sup>1</sup>			Latest Position at Q3 <sup>1</sup>	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			
<b>Policy, Performance and Communications</b>							
1. Total customer calls answered in 30 seconds by the council (new contract agreement)	N/A	= last year	> last year	+2% on last year	83.31%	Green	<b>Insight:</b> A new contract has been agreed with the Agilysis contact centre – 30 seconds is now the target for calls to be picked up (was 60 seconds)
2. Less than 4% of calls abandoned	1.63%	<4%	<4%	<3%	3.72%	Green	
3. Number of views on the Open Forum website	New KPI	12,500	15,000	17,500	9,500	Green	
<b>City Survey</b>							
4. Residents feel informed about services and benefits	71%	= last year	> last year	+5% on last year	65%	Amber	
5. Residents feel informed about plans for your local area	71%	= last year	> last year	+5% on last year	60%	Red	
6. Residents have seen the Westminster Reporter	79%	= last year	> last year	+5% on last year	54%	Red	

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Target range definitions <sup>1</sup>	Minimum	Ideal	Aspirational
	The absolute minimum level for the KPI that will still allow the service to deliver	A level which is acceptable for service continuity	The level at which the service is improving beyond current capability

Target assessment definitions <sup>2</sup>	Red	Blue	Green	Amber
	Below / failing to achieve the minimum target level	Achieving above the aspirational target level	On track to achieve between the ideal and aspirational target level	Achieving the minimum standard target tolerance level

## City for All Tracker

The table below provides a progress update at the end of Q3 (December 2017) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering on by the end of 2017/18.

City for all Pledge	Delivery Status	Progress update at the end of the quarter
<b>Building homes and celebrating neighbourhoods</b>		
Deliver 1,850 affordable homes by 2023 to give families the chance to lay down their foundations	On Track	<ul style="list-style-type: none"> <li>135 new affordable units have been delivered by the end of Q3 against an annual target of 172</li> </ul>
Champion the 80,000 people who rent privately by making sure homes in Westminster are up to scratch with a city-wide review, using our powers to prevent rogue landlords from exploiting our residents	On Track	<ul style="list-style-type: none"> <li>Survey of private rented sector properties underway, with circa 30 properties surveyed to date. Access has been difficult though measures are being taken to bring about improvements.</li> <li>Revised enforcement policy drafted for cabinet member approval to initiate enforcement utilising new housing powers, including penalty charge notices.</li> </ul>
Deliver our Health and Wellbeing Strategy, including redeveloping accommodation for people with care needs to provide extra nursing home places and specialist services.	On Track	<ul style="list-style-type: none"> <li>A review has now been completed which covered the scope of the board, as well as its purpose and membership</li> </ul>
<b>Creating a greener city</b>		
Lead the way in demonstrating how responsible city government can address growing concerns over poor air quality. We will launch our new Clean Air Strategy filled with measures to improve air quality in the city.	On Track	<ul style="list-style-type: none"> <li>Our air quality officer is now in post and work is well underway to produce a refreshed Air Quality Strategy. This will be published at the end of 2018.</li> </ul>
Bring forward a new Sustainability Manifesto to set the green agenda in Westminster	On Track	<ul style="list-style-type: none"> <li>Air Quality manifesto is due in spring 2018. Officers are finalising the manifesto text with a view to publication ahead of Purdah.</li> </ul>
Build Westminster's reputation as an environmentally friendly city by bringing forward a new Open Spaces and Biodiversity Strategy to make sure the city's green spaces remain world class.	On Track	<ul style="list-style-type: none"> <li>Having been drafted with input from a wide range of council teams, the document is now in the final stages of preparation for public consultation. This is a non-statutory consultation, taking place between now and the beginning of Purdah, and will be run via Open Forum and the council website.</li> <li>The aim is to review responses and develop a final version of the strategy for publication later in the year.</li> </ul>

City for all Pledge	Delivery Status	Progress update at the end of the quarter
Create the first new play streets within the Marylebone Low Emission Neighbourhood , where children can enjoy playing without harmful emissions	On Track	<ul style="list-style-type: none"> <li>The first play streets were held in Q2 and there were no play streets during the winter months of Q3</li> </ul>
<b>Maintaining a world class Westminster</b>		
Consult on what good growth for Westminster means, asking residents, businesses and all those with a stake in the Consult on what good growth for Westminster means, asking residents, businesses and all those with a stake in the city to contribute to how the City should look in the future	On Track	<ul style="list-style-type: none"> <li>We have consulted the public on what the right kind of growth means for Westminster and we will produce recommendations once the findings have been evaluated</li> </ul>
Set out a clear vision and plan for our night time economy, to promote the interests of residents, businesses and visitors.	Off Track	<ul style="list-style-type: none"> <li>The vision and plan for the evening and night time economy has been placed on hold by Members</li> </ul>
This will include the launch of a pilot for the Westminster Licensing Charter in Leicester Square and Piccadilly Circus, setting clear standards for how we work with the night-time industry to promote responsibility and growth	Achieved	<ul style="list-style-type: none"> <li>The Licensing Charter was launched on 30<sup>th</sup> October 2017.</li> </ul>
<b>Civic leadership</b>		
Our councillors will lead Open Forum events for residents, helping local people make a difference to the community and their neighbourhoods	On Track	<ul style="list-style-type: none"> <li>Over 100 people attended the most recent Westminster Open Forum meeting which took place on Monday 29th January at Westminster Academy.</li> <li>The 2017 City Survey took place with key measures showing stability and improvement such as: <ul style="list-style-type: none"> <li>86% of residents are satisfied with the way the Council is running the city (down 1%)</li> <li>76% of residents agree that the Council is making the area a better place to live (up 3%)</li> <li>71% of residents agree that the Council gives local people good value for money (up 6%)</li> </ul> </li> <li>In the year to date, there have been 9,500 views on the Open Forum website</li> </ul>
We will launch the Westminster Lion Awards to recognise the huge contribution of businesses who employ and invest in apprentices, work with local voluntary groups and improve our environment	Achieved	<ul style="list-style-type: none"> <li>The Westminster Lion Awards took place at The Goring Hotel on 1<sup>st</sup> November.</li> <li>Seventeen Westminster businesses have been recruited to the new Heart of the City programme.</li> </ul>
Recognise our volunteers during the year through Team Westminster, rewarding their important contribution by giving them time credits which they can spend on learning new skills at City of Westminster College or visiting major London landmarks such as Tower Bridge	On Track	<ul style="list-style-type: none"> <li>Most recent statistics show that the highest Time Credit spend was at City Lit, Tower of London and Jubilee Sports Centre.</li> <li>The new voluntary sector support service contract was awarded to One Westminster for 3 years with the option to extend. The implementation of a 6-month action plan between WCC and One Westminster to support the development of all elements of the new contract is progressing well.</li> </ul>
Implement the recommendations of our Community Cohesion Commission	On Track	<ul style="list-style-type: none"> <li>The Community Cohesion Report was launched at the Community Cohesion Summit on 29th November 2017. The summit was hosted by the Leader and other members of the Commission in the Lord Mayor's parlour and around 100 key stakeholders from across the city attended. At the summit, attendees discussed how the reports three recommendations could be delivered and this feedback has formed the basis of the action plan, which is in development and planned to be launched in the summer.</li> </ul>

City for all Pledge	Delivery Status	Progress update at the end of the quarter
Launching the 'My Westminster' campaign to celebrate the diversity and vibrancy of our neighbourhoods,	On Track	<ul style="list-style-type: none"> <li>Each element of the MyWestminster Programme directly responds to the recommendations in the community cohesion report</li> </ul>
A new City for All Day to bring people of all backgrounds together and take pride in Westminster	Achieved	<ul style="list-style-type: none"> <li>#MyWestminster Day was held on 18 June, bringing people of all backgrounds together to take pride in Westminster</li> </ul>

## **Responsible Procurement Briefing for A&P – April 2018**

**Provided by Snowia Hussain, Responsible Procurement Lead**

### **Introduction**

Westminster City Council spends approximately £700 million on goods, services and works per annum and therefore has a significant opportunity to leverage its supply chain to deliver additional benefits to residents, businesses and communities.

### **Responsible Procurement Definition**

The opportunity is realised by paying careful attention to how goods, services or works will be delivered, who may be delivering it and what else they can do to deliver added value where it will make the biggest impact for Westminster. At Westminster the process of identifying the added value through our purchasing activities is termed Responsible Procurement.

### **Selection Process**

The Council's Procurement Code states that all procurements with a total contract value over £100,000 must request Responsible Procurement outcomes from bidders. Procurement in partnership with Policy colleagues have developed a Responsible Procurement Delivery Plan (RPDP) which provides suppliers with a list of suggestions as to what additional value they might like to offer the Council.

The bidder is given a blank RPDP and asked to complete it in line with their own capacity and resources. The completed RPDP is submitted for evaluation as part of the overall tender submission. Bidders responses to Responsible Procurement are evaluated at a minimum of 5% of the overall quality score and the winning bidder's response is incorporated into the final contract with the supplier.

The Responsible Procurement Lead centrally collates all added value outcomes from contracts and provides internal teams with quarterly reporting. Internal teams and local partners will contact Contract Managers and suppliers to offer assistance in the delivery of social value outcomes. For example, the Employment Services team will offer support to suppliers who have committed to work placements for local residents.

### **Delivery**

Once a contract is awarded a Contract Manager from the relevant Directorate will take responsibility for its overall management and delivery which includes the delivery of the Responsible Procurement outcomes. The Responsible Procurement Lead will provide advice and guidance to ensure Contract Managers and suppliers have the support they need to aid delivery.

### **Benefits**

During the last quarter 86% of contracts awarded (13 out of 15) had the benefit of Responsible Procurement outcomes in comparison with 48% this time last year. Responsible Procurement outcomes offered by bidders have included 289 apprenticeships, employability support for over 200 residents, 10 Meet the Buyer events and over 700 hours of skilled volunteering time from our suppliers. The Council through its Contract Management approach must work proactively with its suppliers to ensure the benefits offered are delivered.





City of Westminster

## Committee Report

<b>Meeting or Decision Maker:</b>	<b>Audit &amp; Performance Committee</b>
<b>Date:</b>	<b>23 April 2018</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Update on Home Care Services within the City of Westminster</b>
<b>Wards Affected:</b>	<b>All</b>
<b>City for All Summary</b>	<b>This is a briefing paper, providing an update on the performance of Home Care services within Westminster</b>
<b>Key Decision:</b>	<b>Not Applicable, this paper is for information only</b>
<b>Financial Summary:</b>	<b>Not Applicable, this paper is for information only</b>
<b>Report of:</b>	<b>Mike Boyle, Bi-Borough Director of Integrated Commissioning</b>
	<b>Contact Details: <a href="mailto:mboyle@westminster.gov.uk">mboyle@westminster.gov.uk</a></b>

### **1. Executive Summary**

- 1.1 Supporting people to live safely and independently in their own homes is a key function of adult social care. Nationally over 500,000 people are in receipt of home care services and in Westminster around 1,000 people per week are receiving care in their own homes.
- 1.2 This briefing paper outlines the current commissioning approach to the provision of home care services within the City of Westminster. Approximately 60% of the service is delivered through 5 main 'block' contracts. Residents have the right to choose who provides their care and the remaining 40% of the service is delivered through a number of spot contracts.
- 1.3 The report explains the role of the Care Quality Commission (CQC), the national regulator for these services, and provides the Committee with information on CQC's rating of the performance of local home care providers. The report also provides information on any Safeguarding alerts or complaints that have been received on local home care providers.

1.4 Nationally, and across London, the home care market is fragile. Directors across London recently commissioned an external review of the market and the conclusions were that margins are very tight, recruitment and workforce development is challenging, and there is little or no scope for achieving savings by reducing the hourly rate paid to home care providers.

## 2. The Role of the Care Quality Commission (CQC)

2.1 The CQC is the independent regulator of health and adult social care in England. They ensure that health and social care services provide people with safe, effective, compassionate, high-quality care and encourage care services to improve.

Their role is to:

- **Register** care providers.
- **Monitor**, inspect and rate services.
- **Take action to protect people** who use services.
- **Speak with an independent voice.**

2.2 All inspections ask the following 5 key questions:

- Are they safe?
- Are they effective?
- Are they caring?
- Are they responsive to people's needs?
- Are they well-led?

2.3 Each of the five key questions are used in inspections and are broken down into a further set of questions; known as the key lines of enquiry. When an inspection is undertaken, these questions and key lines of enquiry ensure consistency and enable inspectors to focus on key areas.

2.4 Following an inspection the CQC awards the following ratings to each service:

### Outstanding



### Outstanding

The service is performing exceptionally well.

Good



Good

The service is performing well and meeting CQC expectations.

Requires improvement



Requires improvement

The service isn't performing as well as it should and CQC have told the service how it must improve.

Inadequate



Inadequate

The service is performing badly and are taking action against the person or organisation that runs it.

### 3. Current Commissioned 'Block' Contract Provision

3.1 The current contracted provision for home care services has been allocated over 4 patches; one of the providers also has a subcontracting arrangement with another provider. All the contracts were awarded from 29<sup>th</sup> September 2015 for five years, with an option to extend for up to a further 2 years.

The contracted providers are:

**Healthvision:** Northeast. (*WCC Northeast* is the area to the north of the borough but outside Northwest patch, bordered by the Westway, Edgware Road and above St John's Wood Road and Regents Park.)

**Sage Care:** Central. (*WCC Central* covers the remainder of the area, from Birdcage Walk/ Westminster Bridge, up to St John's Wood Road, broadly aligning with W1 and WC1 postcodes, but also with some NW1 and NW8 postcodes)

**London Care:** Northwest. (*WCC Northwest* is loosely based on geographical boundary of West London/ Central London CCGs. Very broadly, bordered by Shirland Road, The Westway, Sussex Gardens and Bayswater Road. Predominantly W9, W10, W11, and W2)

**Vincentian Care Plus (VCP)** who also subcontracts to Verilife. South. (*WCC South* includes the area below Hyde Park and St James's Park, broadly aligning with the SW1 and SW7 postcodes that also fall into Westminster.) VCP subcontracts to Verilife to ensure that there is capacity to manage and maintain the number of ongoing packages of care and new referrals that are received.

- 3.2 Activity for the period ending 25<sup>th</sup> March 2018, shows that 8,475 hours of actual care being delivered per week to 687 service users and accounted for 61% of the total numbers of hours delivered.

Provider Name	No. of S.Users	No. of Hours Provided Per Week	Annual Forecast Spend to 25/3/18
Healthvision	236	2,819.2	£2,456,268
Sage Care	130	1,874.9	£1,633,535
London Care	122	1,177.2	£1,025,605
Vincentian Care Plus	132	1,647.1	£1,435,017
Verilife (VCP)	67	957	£833,830

- 3.3 The current CQC ratings for the commissioned providers and the last inspection dates are illustrated in the table below:

Provider	Overall CQC Rating	Date Inspected
Healthvision	Good	07/11/2017
Sage Care	Good	17/11/2017
London Care	Requires Improvement	17/01/2017
Vincentian Care Plus	Inadequate	11/08/2017
Verilife (VCP)	Requires Improvement	15/08/2017

- 3.4

Healthvision Performance Update:

- 3.4.1 Operational colleagues raise the most low-level concerns around Healthvision. Anecdotally issues arising frequently around timeliness,

continuity and skill base. There are case surgeries with the social work teams and formal review points to address these.

3.4.2 Through the above actions and as Healthvision remain responsive the low-level concerns are not typically escalating into formal complaints.

3.5 London Care Performance Update:

3.5.1 Services at London Care have been strong albeit it is a small service. There is some evidence nationally of a correlation between the size of the agency and the quality of the service. In this case smaller tends to be better.

3.5.2 London Care has recently taken over a number of other contracts (Ark in WCC and Mears in LBHF & Croydon) and it is too soon to see what, if any impact, this may have on their Westminster contract. Officers will monitor the situation to determine if there is likely to be any negative impacts upon the local market..

3.6 Sage Care Performance Update:

3.6.1 The anecdotal feedback from Operational colleagues is positive. Currently Sage are doing well managing complex cases (hoarding and dementia) and office based staff are responsive to enquiries.

3.6.2 Their office covers both the LBHF and WCC contract c5,500 hours in total. This is also a large patch.

3.7 Vincentian Care Plus Performance Update:

3.7.1 Significant work has already been undertaken to improve the service and there is a continuous improvement plan in place to keep the momentum going. They have improved their organisational structure, leadership and staff engagement, and invested in improved back office technology

3.7.2 CQC are due to reinspect VCP in mid-April and Officers will brief the Committee on the outcome of that inspection.

Electronic Home Care Monitoring

3.8 All of the block providers are required to use an electronic home care monitoring system to enable the Council to monitor missed and late calls. The system also means the Council only pays for actual hours delivered, as opposed to planned time. Initially, compliance with electronic monitoring was challenging but recent performance is much improved:

Provider	Compliance Rates
Healthvision	86.41%

London Care	94.18%
Sage Care	81.54%
Vincentian Care Plus	91.68%

3.9 Work continues with all commissioned providers to improve and to sustain performance. Recruitment and retention of care workers is an industry challenge and is particularly difficult in central London where the cost of travel can act as a disincentive. The four providers are now working with and advertising through the Council's employment networks. This aims to support local residents to find job opportunities within the local community to support providers and to recruit local candidates who are interested in a career as a care worker.

3.10 The number of complaints and safeguarding alerts that have been raised in the last six months from September 2017 to February 2018 inclusive, are as follows:

Provider	Complaints	Safeguarding	Total
Healthvision	5	5	10
London Care	0	0	0
Sage Care	0	3	3
Vincentian Care Plus	1	4	5
Total	6	12	18

#### 4. Spot Home Care Provision within Westminster

4.1 For the period ending 25<sup>th</sup> March 2018, there are approximately 30 spot providers delivering 5,454 hours of care per week to 358 service users; equating to 39% of the total hours of care delivered in this period.

4.2 The top ten spot providers in Westminster based, upon the number of service users that they support, are as follows:

Provider Name	No. of S.Users	No. of Hours Provided Per Week	Annual Forecast Spend to 25/3/18

Respect Care Services	90	2,024.2	£1,604,459
Mind	59	279.3	£238,904
Ark	45	631.6	£493,945
Healthvision	39	626.3	£1,806,300
Carewatch	37	361.2	£282,463
Sweettree	17	426	£333,175
Independent Care Solutions	13	276	£215,860
Priory Nursing Agency	11	217.3	£169,982
Bluebird Care	8	144.6	£141,463
Camden Chinese Community Centre	6	62.8	£49,077

4.2 The current number of safeguarding alerts that have been received over the last six months are:

Provider Name	Safeguarding
Respect Care Services	7
Ark	3
Carewatch	1
Independent Care Solutions	2

There have not been any other known complaints made regarding spot providers in the last six months.

4.3 The CQC current ratings for the top ten spot providers are as follows:

Provider Name	CQC Rating
Respect Care Services	Requires Improvement
Mind	Awaiting Inspection
Ark	Requires Improvement
Healthvision	Good
Carewatch	Requires Improvement
Sweettree	Outstanding
Independent Care Solutions	Good
Priory Nursing Agency	Good
Bluebird Care	Good
Camden Chinese Community Centre	Requires Improvement

- 4.1 Work is about to start on developing a procurement strategy for an approved list or framework to manage the provision of spot purchased Homecare across the Bi-Borough. This will provide better oversight and management of the spot market.
- 4.2 This will also include the development of a contract management framework which will be aligned with performance management requirements of the commissioned providers and provide opportunities for the Procurement and Contracts Team to develop effective relationships and encourage workforce development to help underpin and sustain the market.
- 4.3 A Home Care standard has been agreed in principle and this will be used to define the minimum requirements for a provider to enter into contract arrangements and will form the standards required for any future procurement process. It could also be shared with providers who contact the Council(s), seeking work.
- 4.4 This exercise will also allow the local authority to negotiate an agreed set of rates that will be in line with the hourly rate that is offered to the commissioned providers.
- 4.5 It is also recognised that spot providers will need to sign up and use the Ezi-Tracker homecare monitoring system. Currently, spot providers are paid by the number of hours commissioned instead of actual hours delivered. This



should deliver further efficiencies that have yet to be realised and has the potential to be developed as a quality assurance tool.

- 4.6 An options appraisal will be undertaken to explore and identify a number of viable options for consideration and approval. These currently will include:
- A Dynamic Purchasing System
  - A Framework for approved providers
- 4.7 Whichever option that is chosen to be procured will need to be able to also underpin the main Home Care contract and will be form the main part of the revised Contingency Plan that will be used to maintain service provision in light of provider failure either as a result of poor quality or financial failure.
- 4.8 There will be a focus on the following criteria:
- Financial viability
  - Business resilience
  - Quality of care delivered.
- 4.9 Key next steps include:
- review the learning from the London ADASS review on the impact of commissioning practices on the domiciliary care market;
  - benchmark best practice locally and nationally;
  - provide recommendations to commissioning colleagues to incorporate into new service design and;
  - establish a programme of local home care provider networks to continue the sharing of best practice and establish communication channels in preparation for the procurement process.

## 5. Quality Assurance Framework

- 5.1 A key principle of the Care Act is that residents should be able to choose who provides their care. We are required by law to inform people of how much the Council will pay for their care needs to be met (personal budget) and to offer people the opportunity to receive their personal budget as a cash payment (direct payment).
- 5.2 The Council also has a statutory duty to have an oversight of the quality of all care being provided, irrespective of whether the Council is directly contracting for that service.
- 5.3 The recently appointed Executive Director has established a new Quality Assurance team. The QA team will be responsible for monitoring the quality of care being delivered by providers irrespective of their procurement methods used to access these services. The team are in the process of developing a

designated domiciliary care toolkit that will support ongoing work to improve quality standards, This will be complemented by a joint (health and social care) workforce development programme. This team, along with our contract management processes, will also review recruitment practices to ensure, as far as possible, staff working in home care cannot have unsupervised access to residents prior to police checks being completed.



City of Westminster

## Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	23 April 2018
<b>Classification:</b>	For General Release
<b>Title:</b>	Internal Audit 2017/18 – Progress Report (January to March 2018)
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	The Council's budget
<b>Report of:</b>	Steven Mair, City Treasurer (Section 151 Officer)
<b>Report author:</b>	Moira Mackie, Senior Manager; email: <a href="mailto:moira.mackie@rbkc.gov.uk">moira.mackie@rbkc.gov.uk</a> Tel: 020 7854 5922

### 1. Executive Summary

- 1.1 The work carried out by the Council's Internal Audit Service in the reporting period found that, in the areas audited, internal control systems were generally effective with 12 positive assurance reviews (substantial or satisfactory) being issued in the period, although three limited assurance audits have also been issued since the last report to the Committee.
- 1.2 The follow up reviews completed in the period for three audits confirmed that the implementation of recommendations has been effective with the majority (87%) of recommendations fully implemented at the time of review.
- 1.3 Internal Audit's performance for the period was slightly below target for one indicator (timely issue of the draft report following the completion of the fieldwork) but it is anticipated that this will improve in the coming year.
- 1.4 The Appendices to this report provide the following information:
  - **Appendix 1** Audit reports finalised in the year to date, showing the assurance opinion and RAG status;
  - **Appendix 2** - Additional information on the audited areas;
  - **Appendix 3** - Performance Indicators.

## **2. Recommendation**

That the Committee consider and comment on the results of the internal audit work carried out during the period.

## **3. Background, including Policy Context**

The Council's internal audit service is managed by the Tri-borough Director for Audit, Fraud, Risk and Insurance. Audits are undertaken by the in house audit team or by the external contractor to the service, in accordance with the Internal Audit Charter reported to the Committee in June 2016. Reports on the outcomes of audit work are presented each month to the Council's Section 151 Officer. The Audit & Performance Committee are provided with updates at each meeting on all limited and no assurance audits issued in the period.

## **4. Internal Audit Opinion**

- 4.1 As the provider of the internal audit service to Westminster City Council, the Tri-borough Director for Audit, Fraud, Risk and Insurance is required to provide the Section 151 Officer and the Audit & Performance Committee with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control arrangements. In giving this opinion it should be noted that assurance can never be absolute. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- 4.2 The results of the audit reviews undertaken in the reporting period concluded that generally systems operating throughout the Council are satisfactory, with 12 positive assurance (substantial or satisfactory) reviews being issued in the period.
- 4.3 Three limited assurance reports have been issued:
- Corporate Services (HR) - Payroll;
  - Corporate Services (HR) – Absence Management;
  - Corporate Services – Supplier Resilience.

The details of these audits are contained in paragraph 5.1.1. to 5.1.3.

- 4.4 Two of the limited assurance audits relate to HR systems currently provided through the BT Managed Service which is due to be replaced during 2018/19. Recommendations from these audits are therefore focused on issues to be considered by the Council during the transition from the BT system to the Hampshire County Council (HCC) solution.
- 4.5 The HCC service which will be replacing the BT Managed Service relies on managers as the key control for a number of processes that would have previously been managed and overseen by HR and/or Finance. The Council has therefore been

engaged in a number of workshops with HCC to review how the Council's processes align with those of HCC any to identify any gaps where the Council will need to modify their existing processes to fit with those provided by HCC.

## 5. Audit Outcomes (January to March 2018)

5.1 Since the last report to Members fifteen audits have been completed, twelve of which did not identify any key areas of concern:

<b>Audit</b>	<b>Assurance</b>	<b>RAG</b>
CHS Special Educational Needs (SEN) Provision	Satisfactory	Green
CHS Queens Park Primary School	Satisfactory	Green
CS (IT) Cloud Computing	Satisfactory	Green
CS (HR) Payroll	Limited	Amber
CS (HR) Absence Management (still a draft)	Limited	Amber
CS Supplier Resilience (still a draft)	Limited	Amber
CMC Prevent Strategy	Satisfactory	Green
CMC Highways Contracts	Satisfactory	Green
CMC Code of Construction Practice	Satisfactory	Green
GPH Apprenticeships in Procurement & Development (still a draft)	n/a	n/a
FIN Accounts Payable	Satisfactory	Green
FIN Pension Investments	Satisfactory	Green
FIN Accounts Receivable	Satisfactory	Green
FIN Council Tax	Substantial	Green
FIN Income Manager	Satisfactory	Green

Further information on these audits is contained in Appendix 2.

### 5.1.1 Corporate Services (HR) – Shared Service Payroll (Amber)

The payroll service is delivered through the BT Shared Service Centre supported by the Framework Intelligent Client Function (ICF) and the retained HR teams within each Council. The retained HR teams are available to provide managers with support on certain HR and payroll related matters across each Council although the bulk of these issues should be directed in the first instance to the BT Shared Service. The system used by BT is Agresso which is an Enterprise Resource Planning (ERP) system which delivers a standard transactional solution for HR (including Payroll), Finance and Procurement functions across the three Councils with hierarchy based workflow and self-service for end users. As a managed service provider BT has responsibility for managing, maintaining and delivering related support services such as the help desk through the BT Shared Service arrangements.

This audit reviewed the effectiveness of controls and processes in place to ensure that the councils' payroll systems in respect of new starters, leavers, variations to pay, standing data and management performance are managed appropriately and that payments made to employees through the payroll are administered, processed and approved in accordance with each Council's rules and regulations. In addition, the available procedures and guideline documents were reviewed.

From various payroll data provided by BT for all three Councils, a suite of tests and analytical processes was applied to the data using audit specialist software to highlight potential indicators of control weaknesses and erroneous transactions. The results from the data analytics reports were used to focus audit testing.

The audit identified that the following controls were in place and operating effectively:

- Updated procedure and guidance notes are available for users under the Service Now / Knowledge Base / Learning Guide portal which provide comprehensive desktop guidance on how to undertake key payroll and HR related tasks;
- Various self-service reports and functionality has been built into the Agresso application which enable line managers to view payroll and HR information and data for those employees that they are responsible for;
- The workflow enables appropriate authorisation and escalation of payroll related requests in accordance with the organisational hierarchy and approval profiles across the three Councils; and,
- Performance monitoring reports for the BT managed payroll services are produced and monitored by the ICF. Additionally, appropriate arrangements also exist to manage the risk of any decline in performance as the BT contract approaches its conclusion.

However, a number of areas were identified where controls were not considered to be effective:

- The absence of supporting documentation and records on Agresso for payroll transactions meant that the audit trail was either incomplete or missing. This limited the audit checks that could be undertaken on payroll records and their accuracy and consequently the integrity of payroll transactions could not always be confirmed. The retention of supporting documentation and maintaining an audit trail for payroll transactions on Agresso by BT was previously raised in the 2016/17 payroll audit and appropriate recommendations made to address this issue. It was, however, noted that there has been an improvement in compliance in this area since the previous audit;
- Due to the incomplete audit trail within Agresso, reliance cannot be placed on the accuracy of the data recorded for starters and leavers or the appropriate level of approval for variations to pay; and,
- Due to the number of omissions noted on the standing data held in Agresso, the accuracy and completeness of this data could not be validated.

It was noted that limited progress has been made with implementing the recommendations made in the 2016/17 audit of payroll. Of the nine high priority

recommendations made in the previous audit, four had not been fully implemented (all of which relate to maintaining an adequate audit trail for starters, leavers, variations to pay and standing payroll data). It should be noted that some of the weaknesses identified need to be addressed by line managers and employees who are responsible for requesting changes on Agresso through the self-service process. The system that will replace Agresso is even more reliant on employee and manager self-service and the need for compliance with processes needs to be addressed as part of the implementation of the new system.

Four high and one medium priority recommendations have been made to address the weaknesses identified. The Framework Intelligent Client Function has confirmed that it will review and address the findings of the audit with BT as well as liaising with the retained HR teams to consider any further actions which can be taken to improve data integrity.

### **5.1.2 Corporate Services (HR) – Absence Management (Amber)**

As mentioned in paragraph 5.1.1 above, the Council uses the Agresso system to manage a number of HR functions including Absence Management. The system for recording absence is primarily self-service whereby employees are required to record their own absence information, although certain functions are reserved for management to complete. The principal objectives of the audit were to ascertain whether:

- absences are being appropriately recorded on Agresso by employees and managers in a timely manner;
- systems are in place to detect and investigate incomplete or incorrect information;
- Agresso functions in the intended manner, by applying the rules relevant to each Council and processes the absence information correctly; and,
- employees have received payments to which they are not entitled.

The audit involved contacting line managers to verify the accuracy of information contained on Agresso and the following was identified:

- Where there were inaccuracies with the sickness or absence leave information on Agresso, in a number of cases, this had only come to the attention of the managers through the audit process which indicates that managers are not regularly reviewing Agresso for accuracy and completeness;
- Managers were using a variety of methods to correct errors and inaccuracies in sickness and annual leave records that they were aware of, some of which were not in accordance with the agreed process;
- Some managers were unsure of how to effectively escalate issues when their initial requests for amendments to errors had not been effective;
- Several managers experienced difficulties in initiating and terminating long term absences;

- Some managers admitted that they did not use Agresso for recording leave absences as they did not think it had the functionality to deal with the absence; and,
- Some managers stated that they maintained separate records of leave as they lacked confidence in the Agresso system.

The overall assessment arising from the audit was that the Agresso system was not being used properly to record staff absence which undermines the completeness of the absence details held on Agresso. Although, some problems with the functionality of Agresso were experienced when it was first implemented, the processes for recording absence are clearly documented and it is the responsibility of employees and their managers to comply with these processes.

Three high and three medium priority recommendations have been made which are focused on those areas of non-compliance by employees and managers which need to be addressed by the Council when implementing the new SAP system during 2018.

### **5.1.3 Corporate Services – Procurement: Supplier Resilience (Amber)**

The Council holds approximately 560 contracts with over 350 different suppliers and a combined total lifetime value of just under £1.97 billion. These suppliers provide a variety of services across all Council departments, ranging from critical services such as waste collection through to less critical ones including printing services.

Although the delivery mechanism for these services may be outsourced, responsibility for the service remains attached to the local authority. As a result of this, all contracts require adequate management and monitoring of the supplier, to ensure continuity and satisfactory performance of the services provided.

The current economic climate and the continuation of reduced Council budgets will have significant implications across the entire supply chain. As the configuration of supply chains changes, Local authorities must adapt their own capabilities, cultures and processes to reflect this. Local authorities must prepare for business critical supplier failure by identifying operational and strategic interdependencies and areas of reliance between parties.

They must also understand the likelihood of supplier failure through market analysis, credit rating data and intelligence through less formal networks such as supplier forums. This work should be supported by a monitoring process that provides early warning of supplier stress and establishes agreed processes for operating in the event of supplier withdrawal or failure. The importance of contingency planning is especially high where there is a direct link between suppliers and service or policy outcomes.

The controls in place with regards to resilience were found to be satisfactory; however, a significant degree of non-compliance with these procedures was



identified. Managing supplier resilience in the Council is decentralised to a large extent and consideration should be given to whether greater assurance should be obtained that departments are complying with the Council's requirements with regards to supplier resilience. It should be noted that at the time of this audit, a report was submitted to the Council's Executive Management Team which outlined a proposed approach to improve Contract Management and provide increased assurance for the Councils contracts. The report was approved in late September 2017 and will be delivered as part of a Contract Management Development Programme during 2018/19.

## 5.2 Implementation of Audit Recommendations

Three follow-up reviews were undertaken in the period (January to March 2018) which confirmed that 87% of recommendations made had been implemented with good progress made to implement the remaining recommendations:

<b>Audit</b>	<b>No of Recs Made</b>			<b>No of Recs Implemented</b>			<b>No of Recs In Progress</b>			<b>No of Recs not yet actioned</b>		
CS – IT – Security Incident Management	2			2			0			0		
CMC – Registrar Service	7			5			2			0		
CHS – All Souls Primary School	6			6			0			0		
<b>Total</b>	<b>15</b>			<b>13</b>			<b>2</b>			<b>0</b>		
Priority of recommendations	H	M	L	H	M	L	H	M	L	H	M	L
	0	7	8	0	6	7	0	1	1	0	0	0

Follow up is undertaken when the majority of the recommendations made are expected to have been implemented as indicated in an agreed management action plan. Sometimes recommendations cannot be fully implemented in the anticipated timescales. In these cases, where appropriate progress is being made to implement the recommendations, these are identified as "in progress". Recommendations will be followed up until all high and medium priority recommendations are implemented or good progress in implementing them can be demonstrated. Where appropriate, the follow up is included in the next full audit of the area.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

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### **BACKGROUND PAPERS**

Internal Audit Reports;  
Monthly monitoring reports.

**Audits Completed Year to Date**

## Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
Children's Services	Departmental Governance (Cfwd from 2015/16)	Green	SUBSTANTIAL	0	1	0	Sep-17
Children's Services	Contract Management – Passenger Transport Contract	Green	SATISFACTORY	0	5	8	Sep-17
Children's Services	St Vincent's Primary School (Cfwd from 2016/17)	Green	SATISFACTORY	0	2	3	Sep-17
Children's Services	St Clement Danes Primary School	Green	SUBSTANTIAL	0	2	2	Nov-17
Children's Services	Robinsfield Primary School	Green	SATISFACTORY	0	2	7	Nov-17
Children's Services	Westminster Cathedral Primary School	Green	SATISFACTORY	0	4	4	Nov-17
Children's Services	Portman Early Childhood Centre	Green	SATISFACTORY	0	2	10	Nov-17
Children's Services	St Matthew's Primary School	Green	SUBSTANTIAL	0	1	5	Nov-17
Children's Services	QE II Special School	Green	SATISFACTORY	0	6	4	Nov-17
Children's Services	Tachbrook Nursery School	Green	SATISFACTORY	0	3	1	Nov-17
Children's Services	Dorothy Gardner Nursery School	Green	SATISFACTORY	0	5	10	Feb-18
Children's Services	Mary Paterson Nursery School	Green	SATISFACTORY	0	3	9	Feb-18
Children's Services	St Joseph's Primary School	Green	SUBSTANTIAL	0	2	5	Feb-18
Children's Services	St Mary's Bryanston Square Primary School	Green	SATISFACTORY	0	4	5	Feb-18

## Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
Children's Services	St Mary of the Angels Primary School	Green	SATISFACTORY	0	4	4	Feb-18
Children's Services	College Park Special School	Amber	LIMITED	1	7	4	Feb-18
Children's Services	Special Educational Needs (SEN) Provision (Cfwd from 2016/17)	Green	SATISFACTORY	1	2	0	Apr-18
Children's Services	Queen's Park Primary School	Green	SATISFACTORY	0	2	8	Apr-18
Growth, Planning & Housing	TMO Odham's Walk (Cfwd from 2016/17)	Amber	LIMITED	2	10	7	Sep-17
Growth, Planning & Housing	Energy Performance of Buildings Directive (Cfwd from 2016/17)	Green	SUBSTANTIAL/ SATISFACTORY	2	2	1	Sep-17
Growth, Planning & Housing	Lessee Charges (Cfwd from 2016/17)	Green	SATISFACTORY	0	3	1	Sep-17
Growth, Planning & Housing	Gas Servicing (Cfwd from 2016/17)	Green	SATISFACTORY	0	2	1	Sep-17
Growth, Planning & Housing	Total Facilities Management (TFM) Contract Management (Cfwd from 2016/17)	Green	SATISFACTORY	2	3	3	Nov-17
Growth, Planning & Housing	Millbank Estate Management Office (MEMO) (Cfwd from 2016/17)	Amber	LIMITED	10	8	5	Nov-17
Growth, Planning & Housing	CityWest Homes – Acquisition & Disposal of HRA Properties	Green	SATISFACTORY	0	3	2	Nov-17
Growth, Planning & Housing	Apprenticeships in Procurement & Development	n/a	N/A	0	6	0	Apr-18
Adult Social Care	Commissioning Governance (Cfwd from 2016/17)	Green	SUBSTANTIAL	0	0	0	Sep-17
Adult Social Care	Commissioning & Contracts – SHSOP (Cfwd from 2016/17)	Green	SUBSTANTIAL	0	0	0	Sep-17

## Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
Adult Social Care	Commissioning & Contracts – Disability Connect (Cfwd from 2016/17)	Green	SATISFACTORY	1	1	0	Sep-17
Adult Social Care	Customer Journey (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	1	Sep-17
Adult Social Care	Contract Management – Mental Health Day Services (Cfwd from 2016/17)	Green	SATISFACTORY	1	2	1	Sep-17
Adult Social Care	Contract Management – Carers Hub (Cfwd from 2016/17)	Amber	LIMITED	1	4	0	Sep-17
Adult Social Care	Health & Wellbeing Strategy (Cfwd from 2016/17)	Green	SUBSTANTIAL	0	0	2	Sep-17
Adult Social Care	Contract Management – Dementia Outreach (Cfwd from 2016/17)	Amber	LIMITED	2	4	1	Nov-17
Adult Social Care	Homecare (Cfwd from 2016/17)	Green	SATISFACTORY	0	6	1	Feb-18
Adult Social Care	Accounts Receivable (Cfwd from 2016/17)	Amber	LIMITED	3	4	1	Feb-18
Public Health	Contract Management – GP & Pharmacy Services (Cfwd from 2016/17)	Green	SATISFACTORY	0	2	0	Sep-17
Public Health	Supplier Resilience (Cfwd from 2016/17)	Green	SATISFACTORY	0	2	2	Nov-17
Public Health	Contract Management – Obesity (Cfwd from 2016/17)	Green	SATISFACTORY	0	6	1	Nov-17
Public Health	Commissioning Governance (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	1	Nov-17
City Management & Communities	Food Safety (Cfwd from 2016/17)	Green	SATISFACTORY	0	2	2	Sep-17
City Management & Communities	Registrar's Service (Cfwd from 2016/17)	Green	SATISFACTORY	0	3	4	Sep-17

## Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
City Management & Communities	Street Trading (Cfwd from 2016/17)	Green	SATISFACTORY	2	5	2	Sep-17
City Management & Communities	Commercial & Domestic Waste Enforcement (Cfwd from 2016/17)	Green	SATISFACTORY	0	5	1	Sep-17
City Management & Communities	Procurement Compliance – Youth Offending Service (Cfwd from 2016/17)	Green	SUBSTANTIAL	0	0	0	Sep-17
City Management & Communities	Libraries – Risk Management	Green	SATISFACTORY	0	2	0	Sep-17
City Management & Communities	Parking Permits	Green	SATISFACTORY	0	3	0	Nov-17
City Management & Communities	Sayers Croft – Outdoor Learning Centre	Green	SATISFACTORY	0	3	1	Nov-17
City Management & Communities	Waste Disposal Contract Management	Green	SATISFACTORY	0	2	0	Feb-18
City Management & Communities	Parks & Opens Spaces Contract Management	Green	SATISFACTORY	0	3	1	Feb-18
City Management & Communities	Parking – Business Technology Contract Management	Green	SATISFACTORY	0	3	0	Feb-18
City Management & Communities	Prevent Strategy	Green	SATISFACTORY	0	1	0	Apr-18
City Management & Communities	Highways Contracts	Green	SATISFACTORY	0	6	2	Apr-18
City Management & Communities	Code of Construction Practice	Green	SATISFACTORY	0	5	1	Apr-18
Policy & Communications	Partnership Governance (Cross River) (Cfwd from 2016/17)	Green	SUBSTANTIAL	0	0	2	Sep-17
Corporate Services	HR - Pensions Administration (Cfwd from 2016/17)	Amber	LIMITED	2	0	1	Sep-17

## Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
Corporate Services	HR – Payroll (Cfwd from 2016/17)	Amber	LIMITED	9	1	0	Sep-17
Corporate Services	IT – Risk Management (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	0	Sep-17
Corporate Services	HR – Your Voice Survey (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	0	Sep-17
Corporate Services	Managed Services – Data & Information Security	Green	SATISFACTORY	1	2	1	Nov-17
Corporate Services	IT – Asset Management & Disposal (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	2	Feb-18
Corporate Services	IT – Mobile Device Security (Cfwd from 2016/17)	Green	SATISFACTORY	0	1	0	Feb-18
Corporate Services	HR – Occupational Health	Green	SATISFACTORY	0	2	5	Feb-18
Corporate Services	IT – Cloud Computing (Cfwd from 2016/17)	Green	SATISFACTORY	0	6	0	Apr-18
Corporate Services	HR - Payroll	Amber	LIMITED	4	1	0	Apr-18
Corporate Services	HR – Absence Management	Amber	LIMITED	3	3	0	Apr-18
Corporate Services	Supplier Resilience	Amber	LIMITED	3	2	1	Apr-18
City Treasurer	Accounts Payable (Cfwd from 2016/17)	Green	SATISFACTORY	0	5	2	Sep-17
City Treasurer	Accounts Receivable (Cfwd from 2016/17)	Green	SATISFACTORY	0	3	1	Sep-17
City Treasurer	Procurement Cards	Green	SATISFACTORY	0	4	1	Nov-17



Audits Completed Year to Date - 2017/18

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
City Treasurer	Accounts Payable	Green	SATISFACTORY	0	8	0	Apr-18
City Treasurer	Pension Investments	Green	SATISFACTORY	1	3	2	Apr-18
City Treasurer	Council Tax	Green	SUBSTANTIAL	0	1	1	Apr-18
City Treasurer	Income Manager	Green	SATISFACTORY	0	0	1	Apr-18
City Treasurer	Accounts Receivable	Green	SATISFACTORY	0	1	0	Apr-18

## Additional Information on Audits (Main report – Paragraph 5.1)

### Children's Services:

#### 1. Shared Services: Special Education Needs (SEN) Provision (satisfactory assurance)

The SEND Code of Practice provides statutory guidance on duties, policies and procedures relating to Part 3 of the Children and Families Act 2014. It relates to children and young people with SEN and disabled children and young people. The Code of Practice sets out a definition of eligibility for statutory assessment and the Education Health & Care (EHC) plan. It places emphasis on taking children and young people whose needs cannot be reasonably met through their normally resourced local mainstream provision through the EHC planning process.

An Education Health & Care Plan (EHC plan) is the way support is planned and provided for children and young people (from birth to 25 years of age), who have special educational needs (SEN) and need a much higher level of support than good education providers can deliver on their own. The purpose of an EHC plan is to make special educational provision and related health and social care support meet the learning needs of the child or young person, to secure improved outcomes for them in learning, to co-ordinate provision better across education, health and social care and, as they get older, to prepare them better for adulthood. The SEND Code of Practice requires that children, young people and parents have more control over decisions about their support.

The key findings of this audit are summarised below:

- The Special Educational Needs and Disabilities Code of Practice (2015) provides the Council with a structure and guidelines to follow in providing a service to children and young people within the borough. The Code of Practice is available online and staff within the SEN department are provided with hard copies. It provides details on the assessment process including the involvement with service users, the relevant timeframes for producing a plan, and the requirement to review plans on an annual basis. Details on the appeals process are underlined in the document. In addition to the Code of Practice, an SEN services handbook was rolled out in November 2017 providing local guidance to staff;
- The challenge of securing permanent staff has been a recognised issue facing SEN Services across England. As such, a number of staff within the service are agency staff although a number of steps have been taken to remedy this, including: review of pay and reward; and the development of a robust CPD for staff;
- Referrals to the SEN Service can be made via a variety of means; through referral forms, face-to-face at Council offices (LBHF &, RBKC) or via telephone (WCC), or by schools. Information on the Councils' Special Educational Needs Services and Local Offers are available on the Councils' websites, along with contact details. The Councils have also prepared and posted bulletins in schools within the borough as a means of informing schools' staff of the process for referring children and young people to the service;
- The referral and assessment process is the same for each of the three boroughs. The local authority is required to undertake an 18-week transfer review process, which is a re-assessment of needs, for those children and young people and who currently have a statement of SEN. For all new referrals and applications, an assessment must be undertaken within 20-weeks. At the time the audit fieldwork started, trackers were in place detailing all children and young people with a statement of SEN or an Education, Health and Care Plan. There were two trackers in place across the three boroughs - one for individuals requiring 18-week assessments and one for individuals requiring 20-week assessments. Examination of the trackers identified that many of the fields had not been fully populated, including the date the statements/plans have been issued. Due to this, the annual review date in many cases was not immediately apparent. Discussion with the Deputy Head of SEN established that the tracker did not alert the necessary officers where action is due or overdue. These trackers have since been replaced with a case management system which allows staff and management to more effectively track and report on staff workload and pending deadlines;

- The service has set a KPI of 10 weeks from initial referral for an assessment to be undertaken. This is to ensure that the SEN department have sufficient time to prepare an EHC Plan in the 18/20-week mandatory timeframe;
- A decision group is in place to review each case at referral stage as a means of establishing whether an assessment will be carried out by the SEN department;
- A standardised EHC Plan template is used across the three boroughs for all individuals upon completion of an assessment. This includes information about the individual, a summary of the individual's needs/requirements, outcomes, and provisions needed. The plan is tailored to each individual's needs and is developed collaboratively by a member of the Clinical Commissioning Group, a Local Authority Officer, the individual and their family/guardians. However, minutes or action points were not taken at each meeting. Therefore, although the output of the meeting is captured in the EHC plan we were unable to confirm the decision making process when formulating the plan;
- Examination of quarter 3 performance reports indicated that the number of EHC Plans completed in the 20-week mandatory timeframe were 67% (LBHF), 64% (RBKC) and 80% (WCC). However, performance has improved since this sample testing was undertaken and therefore no recommendation was made;
- Assessments are signed off by a senior officer as evidence of review and approval. The Senior Officer checks to ensure that all the areas of the assessment have been completed and all relevant supporting documentation is provided;
- In accordance with the Code of Practice, all EHC Plans require an annual review to ensure that the service provided meets the needs of the individual and reflects any changes since the plan was developed. The service is currently developing systems for better oversight of annual review., managed in the new Case Management Site, allowing monitoring reports on performance and proactive reports. A guide on the annual review process is currently being developed for schools;
- Carers can appeal against the outcome of an assessment. A log of all appeals is maintained by the service. According to the Code of Practice, the Councils must provide parents with information regarding appeals and the process for resolving disagreements. Where an application for an assessment has been rejected, a letter is sent out to parents with a paragraph regarding future support, advice and the appeals procedure. Further information on the appeals process is outlined on the Councils' websites and is posted on School bulletins. Discussions established that outcomes of appeals are reviewed and significant practice issues fed into the service improvement process through the monthly practice meetings and the weekly service updates. A quality assurance system is currently being developed where outcomes and appeals and complaints will be formally fed into the assessment process, however this is still in the implementation stages;
- The DfE identified through the work with the regional SEND Adviser that there were significant concerns in relation to the statutory compliance in the SEN Service. This related specifically to the completion of EHC needs assessments within 20-weeks and the transfer of Statements to EHC Plans by 31 March 2018. Funding was identified by the DfE to support the three boroughs and an experienced former Head of SEN was placed in the Service between 1 September 2017 and 31 March 2018. The focus of this work was to improve the statutory compliance. The final meeting with the DfE took place in March 2018 and it was considered that this had proved to be successful in supporting the service to improve their statutory compliance. An improvement plan was developed with the aim of improving performance and is being monitored against by the SEN Service Leadership Team;
- The Director of Education has set performance targets service and these in turn have been translated into individual targets for staff. These targets are reported on monthly to senior officers and Members. A SEN Improvement Group has also been established to oversee performance and the service improvement plan. This group meets monthly and is chaired at Executive Director level;
- The SEN budget is monitored on a monthly basis by finance officers with assistance from the Head of SEN. Reports are produced on a monthly basis including a directorate commentary for each borough highlighting any over/underspend, any spending pressures and rationale for these. These reports are submitted to the Senior Management team and the Senior Leadership Team where any actions required as a result of the reports are discussed, agreed and monitored. The Financial position is also reported to the Schools Forum on a termly basis.

One high and two medium priority recommendations have been made as follows:

- A summary of matters discussed, and key decisions made should be recorded and retained for all EHC Planning meetings;
- EHC Plans should be reviewed on an annual basis;
- The Case Management System should notify SEN staff of upcoming annual review dates. These dates should continue to be monitored against to ensure that reviews are identified, organised and completed in good time to meet the 12-month review period.

### 2. Schools

Audits of the Council's schools are carried out using an established probity audit programme, usually on a three-year cycle unless issues dictate a more frequent review. The programme is designed to audit the main areas of governance and financial control. The programme's standards are based on legislation, the Scheme for Financing Schools and accepted best practice. The purpose of the audit is to help schools establish and maintain robust financial systems.

In the reporting period, one final report has been issued in respect of school audits:

- Queen's Park Primary School (satisfactory assurance).

No significant issues were identified at the school and the recommendations made will be followed up later in the year.

### Growth, Planning & Housing:

### 3. Apprenticeships in Procurement & Development (advisory report)

The Council's 2016 City Plan contains a policy that "Where appropriate, new development will contribute towards initiatives that provide employment, training and skills development for local residents and ensure that local people and communities benefit from opportunities which are generated from development".

A significant part of this entails removing barriers to the growth of sustainable communities, in the form of access to skills, training and employment to foster economic and social vitality and diversity, and improved life chances for Westminster's residents.

As well as running its own Apprenticeship Programme, the Council can also set requirements for suppliers and developers to employ apprentices and or support trainees when developing in, or contracting with, the Council.

Public Sector organisations have an obligation under the Public Services (Social Value) Act 2012 (SVA) to consider how a procurement might improve the economic, social and environmental wellbeing of the area. Westminster City Council spends approximately £460 million on goods, services and works per annum and therefore is able to leverage its supply chain to deliver additional benefits to residents, businesses and communities, including through Apprenticeship and Traineeship opportunities.

Planning obligations are used by the Council to allow, in appropriate circumstances, planning permission to be granted for development proposals that might have otherwise been considered unacceptable in planning terms. Planning obligations are used to secure measures to mitigate the impacts of a development. In some cases, this may include the requirement to prepare an Employment & Skills Strategy setting out how the developer will contribute towards the Council's policy contained within the City Plan 2016

The purpose of this audit was to gather information to establish the current processes operating within the Council in respect of securing apprenticeships and traineeships in procurement and development. As such this was an advisory review and no assurance opinion was provided.

The audit confirmed that there are policies and processes in place to support the Council's drive to generate apprenticeships/traineeships from development. However, some of the key controls such as formal monitoring of compliance with the developer's Employment and Skills Plan has only recently been introduced and further work is required to strengthen the control environment. In addition, the Council does not currently have a reportable figure on the total number of apprenticeships/trainees generated from development. This information will be critical in assessing whether the Council is maximising opportunities to contribute towards the Council's policy set out in the City Plan 2016 in respect of generating employment, training and skills

benefits from development. Following the introduction of a quarterly monitoring template in the summer of 2017, the Employment and Skills team will use the figures submitted to collate the total number so that this can be reported in the future.

With regards to procurement, there is an appetite to secure apprenticeships/traineeships through contracts. It should be noted that whilst there is a requirement to assess Social Value as part of tender process, there is currently no Council policy mandating apprenticeship in tenders as use of apprenticeships is not always appropriate. However, business areas are encouraged to think about including the use of apprenticeships in the tender specification and where it is considered appropriate this is written into the specification. The introduction of the Responsible Procurement approach has brought about a number of significant changes to the process as follows:

- Introduction of a Responsible Procurement Delivery Plan to be completed by the suppliers at tender stage (all tenders where the contract value exceeds £100k) and to formally capture their social value promises;
- Social Value Deliverables Tracker to provide an overview of the social value promises made; and
- Recruitment of officers to engage with the contract managers and suppliers and assist them to deliver the social value promises set out in the Responsible Procurement Delivery Plan.

Further work is underway including the process of collating compliance data through updates to the Responsible Procurement Delivery Plan.

### **City Management & Communities:**

#### **4. Prevent Strategy (satisfactory assurance)**

Section 26 of the Counter-Terrorism and Security Act 2015 (the Act) places a duty on certain bodies (“specified authorities” listed in Schedule 6 to the Act), in the exercise of their functions, to have “due regard to the need to prevent people from being drawn into terrorism”.

Prevent is one of the four elements of CONTEST, the government’s counter-terrorism strategy. It aims to stop people becoming terrorists or supporting terrorism. The Prevent Strategy:

- Responds to the ideological challenge of terrorism and aspects of extremism, and the threat faced from those who promote these views;
- Provides practical help in order to safeguard vulnerable people from being drawn into terrorism and ensures they are given appropriate advice and support; and
- Works with a wide range of sectors (including education, criminal justice, faith, charities, online and health) where there are risks of radicalisation.

The strategy covers all forms of terrorism, including far right extremism and some aspects of non-violent extremism. The National Prevent Board, which includes senior members of the cabinet and security chiefs, prioritise the Prevent Strategy on the needs of the local area. The Home Office works with local authorities, a wide range of government departments, and community organisations to deliver the Prevent Strategy. The Police also play a role in Prevent, when taking a preventative approach to other crimes. The Channel Programme forms a key part of the Prevent Strategy. The process is a multi-agency approach to identify and provide support at an early stage to individuals who are at risk of being drawn into terrorism.

The audit identified that:

- The roles and responsibilities of the staff within the Prevent Team are defined and embedded within the legislation. All staff members have access to Prevent Duty Guidance for England and Wales and Channel Duty Guidance;

- Grant Agreements are set up between the Council and the Home Office on an annual basis. The four agreements in place cover Local Authority Prevent Coordinators, the Prevent Education Officer, Youth Mentoring and Prevent Local Delivery Fund;
- A Safer Westminster Partnership Information Sharing Protocol is in place between the Council and other public institutions, such as the Metropolitan Police, London Fire Brigades and National Probation Service. The responsibilities for the Council in the Information Sharing Agreements for the Channel Project are clearly defined, however, only four of the eight Authorities involved had signed the Agreement. In addition, none of the 12 'Co-operating Persons / Bodies' had signed the Agreement (Co-operating Persons / Bodies are other people or organisations co-operating in implementing the Prevent strategy);
- A Prevent Team organisational structure is in place, which is documented and up to date, listing the roles of each member of the Prevent Team. This structure includes both internal organisations and key third parties involved in the Prevent strategy;
- A Counter-Terrorism Local Profile (CTLP) is prepared by the Metropolitan Police Service, including information provided by the Council, on an annual basis to outline the threats and vulnerabilities from terrorism related activities within the borough. This document highlights the risks relating to terrorism and non-violent extremism and recommendations to address them;
- A Council delivery plan is in place for 2017/18 to monitor progress in implementing projects approved by the Office for Security and Counter-Terrorism (OSCT). The project's intended outcomes, outputs/actions and progress are recorded and each project is RAG (red, amber, green) rated;
- Currently, the Council funds six different projects. These are grassroots community projects designed to deal with some of the risks faced in the local area. Every quarter the Prevent Team complete a Prevent Monitoring Return report. This assesses the effectiveness of each project in dealing with different types of risks that the local area faces;
- Quarterly reclaims are submitted to the Home Office to claim expenses on agreed projects;
- Referrals can be made to the Prevent Team where an individual is believed to be at risk of radicalisation. Cases are then managed through a Prevent case management system. Where individuals meet certain criteria, they will be referred onto the Channel Programme. Channel is a programme which focuses on providing support at an early stage to people who are identified as being vulnerable to being drawn into terrorism;
- Referral information can be found on the Council's website, along with all necessary contact details. Once a referral is made to the Prevent Team via email, it will be passed onto the police for assessment;
- The Council has set up Channel Panel meetings which occur on a monthly basis. All individuals referred to the Channel Programme appear as a standing item on the agenda in each meeting;
- Budget monitoring is performed on a quarterly basis by the Prevent Programme Manager and no significant budget variances were identified;
- Training feedback forms are provided to individuals in order to pinpoint any areas for improvement and monitor performance of Prevent Officers. A tracker is maintained by the Prevent Team to track all the sessions the team have carried out and which institutions may want to take part in the voluntary training again in the future;
- The Prevent Steering Group meets on a termly basis and consists of representatives from Westminster City Council, the London Borough of Hammersmith and Fulham, the Royal Borough of Kensington and Chelsea and the Home Office. Amongst its responsibilities, is to provide a high level review of the functions of the Prevent Programme across the three boroughs.

One medium priority recommendation was made that the Information Sharing Protocol needed to be signed by all of the relevant parties. At the time of the audit the impact of the General Data Protection Regulations was being discussed with the Home Office on Prevent related matters.

## 5. Highways Contracts (satisfactory assurance)

Under section 41 of the Highways Act 1980, local authorities have a statutory duty to maintain the public roads including major and minor works. Westminster City Council's (WCC) planned maintenance programme support the 'City for All' vision in delivering a well-managed, high quality streetscape. Highways maintenance is delivered through:

- A planned maintenance programme of works which prolongs the life of the asset whilst maintaining its structural capacity;
- Reactive maintenance which is completed as a result of defects to the carriage and footway which may be dangerous to the users of the highway;
- Inspection and testing used to gather information of the state of repair of assets which assists in planning the maintenance programme.

Highways maintenance is provided by FM Conway (FMC) WSP partnership under three separate contracts which commenced on 1st April 2014 and will run for eight years ending on 31 March 2022. The service provided by Conway/WSP includes design and consultancy services; reactive and planned highway maintenance and management services; public realm projects; management and improvement of Westminster City Council's highway assets and maintenance and management of two Thames Crossings. Although the contract with FM Conway is self-monitoring, the council has also retained the services of an independent company to inspect a proportion of completed highway maintenance jobs to provide assurance that the quality of workmanship and material used by FMC meets expected standards and regulations.

Income is generated from works performed by the Council via FM Conway with the three main income streams being works performed under:

- Section 106 Town and Country Planning Act 1990. This relates to income derived as part of a planning condition and can cover contribution to a range of obligations within the borough such as affordable homes, public open spaces, highways, and borough improvements;
- Section 278 of the Highways Act 1980. This relates to the income derived from invoicing a developer for the cost of works completed specifically to the highways which is designed and delivered by the WSP and FMC team on behalf of the developer; and
- Works performed on behalf of Transport for London (TfL) under the Local Implementation Program (LIP). For 2017/18 an income budget of £720,000 was approved by TfL. At the time of the review, TfL had reimbursed £287,971 for completed works against the projects in the LIP programme.

The key findings of the audit are summarised below:

- Officers within Public Realm (Highways) have a clear understanding of the objective of the service, gained through experience of managing and delivering highways maintenance and public projects across the borough over many years. The stated objectives covering each area of WCC Highways Management is details in the Consolidated Asset Management Board Action Plan. The review highlighted that there is a good level of communication across the team and with FMC's staff;
- The performance of the highways team is reported quarterly to the Audit and Performance Committee. The performance information presented to committee is compiled independently of the Highways team and includes results against two Key Performance Indicators (KPI): Repairs to Carriage and footway completed within 24 hours and the number of highways inspections completed;
- The controls over the creation and approval of the Highways Annual Planned Preventative Maintenance (PPM) programme are applied to a satisfactory level. The programme is devised following a whole borough annual street inspection process carried out by a firm accredited to undertake the surveys. Scrutiny and final approval of the PPM programme is provided by the Cabinet Member for City Highways under delegated authority;
- NRP's Divisional Director assigned to the Council's contract has enabled a good level of continuity within the monitoring role undertaken by NRP. Consequently, it has also enabled good working relationship with the Council and FMC staff to be developed. As part of NRP's continual service improvements, their staff will provide an enhanced level of scrutiny over construction of the annual PPM plan by FMC. This will provide the Council with assurance that the overall scope of works, the design parameters used to estimate cost of works is satisfactory, material allocation is reasonable and

that the planned programme will deliver each project in the PPM program by the end of the financial year. The 2018/19 PPM programme will be subjected to this review;

- The controls over the reimbursement claims for projects completed on behalf of Transport for London (TfL) is working to a satisfactory level. The amounts claimed by the Council against the LiP allocation approved by TfL is based on financial information provide by FMC. The aim is for monthly LiP reimbursement claims; the timings are dependent on when FMC complete the works and provide the required financial information. The claims are made via TfL's portal and the reimbursed amounts paid directly to the Council via a Bank Automated Credit (BAC) transfer. The amounts received are monitored by the department's finance team;
- There are sufficient safeguards in the Highways IT system (Confirm) to prevent reactive maintenance work being undertaken by the Council for neighbouring boroughs in error. The process for assigning a priority rating for each reactive maintenance job and of the pre-arranged priorities for jobs within the borough's key shopping, high footfall streets ensures jobs are dealt with based on the urgency of the repair. Confirm enables efficient electronic transfer of works orders to FMC. The system also holds key information on each job raised and can track its progress from start to completion, including payment details;
- The control over payment to FMC for work completed under the Council's "highways maintenance" processes are being correctly applied. Purchase orders are approved at the start of the year to cover the costs of the various maintenance work streams. Testing confirmed that individual invoices from FMC relating to the PPM programme are reviewed and approved for payment by Highways managers with the appropriate delegated authority under the workflow process;
- NRP's Associate Director reported that there is an on-going dispute with FMC over the "Binder Course" used for carriageway repairs. The issue stems from NRP not being entirely sure that the amount of binder course used in certain jobs is an accurate reflection of the amount actually used and, for some jobs, whether a binder course was actually required. NRP plan to resolve this matter through its review of the PPM programme as part of the enhanced service delivery which will include a greater scrutiny of the material assigned to each job;
- The monitoring of financial performance of the highways maintenance process is carried out by the department's finance team. As part of the monitoring function, monthly meetings are held with Highways managers to discuss financial performance and forward spending profiles against remaining budgets. In addition, there is a good level of communication with officers from the Council's Insurance team. The information shared in terms of claims profiles and the outcome of court cases informs the Highways team of areas of the maintenance process which may require additional scrutiny;
- NRP carried out a shadow exercise at the request of the Head of Service. The purpose of the exercise was to validate the job orders raised by Council Inspectors to identify any defects that should have been raised by the Inspectors in accordance with the Council's "Risk Register for Highways Safety Defects". The results of the exercise were reported to the Head of Service who along with senior managers within the division will address the issues raised in the report.

Six medium and two low priority recommendations were made to address the following control weaknesses:

- the number of completed reactive maintenance jobs inspected quarterly by NRP which meet the quality standard relating to system and sites checks, is currently not included in the report to Committee;
- The task of producing the Council's Asset Management Plan (AMP) with the associated procedures is assigned to an officer who is a long term temporary member of the team. This could cause possible business continuity issues should the officer leave the Council with little or no notice period being served;
- The AMP is supported by a set of procedural guidance notes describing the highways maintenance process and the key control areas. Good practice advises that in order to maintain the currency of the guidance notes, they should be periodically reviewed and updated to reflect changes by a specific member of the team;
- The location and retrieval of copies of s278 and s106 agreements is time consuming due to the copy agreements being held by individual project managers and storage arrangements for these agreements needs to be improved;
- Income received from developers under s278 and s106 agreements will need to be reconciled against the contribution specified in the agreements to ensure that all income due has been received;



- The process for paying FMC for reactive maintenance jobs operates as expected and the approval process for invoice payments is appropriate. However, the process for clearing disputed claims for payment for individual jobs frozen by the Council, are not being completed in a timely manner;
- NRP conducts a review of all completed projects in the PPM programme. The reviews provide assurance to the Council that FMC has completed the works to the expected standards using the correct materials and quantities. The review of NRP's inspection process, using a sample of completed PPM projects, revealed that NRP's own internal processes need to be strengthened to improve business continuity and guidance available to their staff;
- NRP also undertakes inspections of completed reactive maintenance jobs based on a six per cent random sample which is computer generated. This removes any bias or "cherry picking" by NRP. A review of the inspection process revealed that the timeliness of informing the Council of those jobs that failed the inspection needs to be improved.

### 6. Code of Construction (satisfactory assurance)

The Council has approximately 2000 licenced sites undertaking various construction projects throughout the borough although only 34 require monitoring under the Council's Code of Construction Practice (CoCP). These are categorised as either Level 1 and 2 sites and works to basements. Construction works at these sites includes full or partial demolition of existing buildings and full or partial reconstruction, basement extension and/or excavation and deep piling works lasting more than 30 days. The type of impact the above categories of construction could have on the carriage and footway includes:

- Road Closure;
- Noise and dust pollution relating to the construction;
- Restriction of carriage and footway width due to the construction works;
- Mud and other works debris accumulation on the highway during construction; and
- Vehicle activity in and around the work site.

The developer responsible for construction works is required as part of the planning consent to produce a Construction Management Plan (CMP) for Basement developments or a Site Environmental Management Plan (SEMP) for Level 1 and Level 2 developments. It is mandatory that the Highways Authority (the Council) reviews both the CMP or SEMP and based on the review, develop a suitable monitoring schedule so that during construction, the site is fully inspected to ensure compliance with the CMP or SEMP. The cost of conducting the site inspections during the construction works is passed onto the developer.

Income derived from set rates is linked to specific inspection activities required to monitor the development, with greater income derived from monitoring Level 1 sites. Apart from Level 1 sites, the Council can upgrade a site from a lower level to the one above based on the impact the site has on the local neighbourhood. An invoice is raised to the developer to recover the inspection fees. It is vital to ensure that the cost calculation associated with the inspections captures all support costs including officer salaries.

The review highlighted that communication and interaction between officers within the Council's Environmental Science and Highways Management sections works to a satisfactory level. Officers from both sections are involved in site monitoring requiring a co-ordinated approach. The review identified that amendments are required to current practices to improve information supporting the monitoring process and from developers to address insurance risk.

Officers within both the Environmental Science (ES) and Highways Management (HM) offices have a clear understanding of the objective of the service. This has been gained through experience of monitoring the various developments across the borough over many years. The complexity and duration of the development determines the seniority of staff assigned monitoring responsibility for a development. The Contract Officer (Environmental Science) – COES with input from Team Leaders determines the allocation of work.

Pre-start site inspections are undertaken to ensure that ES and HM officers become familiar with the site and the contractor's personnel. The visits enable offices to seek explanations and clarification on specific issues from the developer as part of the SEMP or CMP approval procedure.

It was reported that the service will not meet its £300,000 fee income target for CoCP reviews during 2017/18. The budget, when set was based on a larger number of developments starting 2017/18 than is the case. It was noted fairly early in the year that the budget overly ambitious, it was revised to a more realistic figure of between £160,000 to £180,000. The Finance Manager reported that developers have a five-year window of opportunity to commence a development once all Planning conditions are met. The Council cannot influence when the development starts and by extension when the income based on site monitoring can be transferred to Highways Management. The budget monitoring process is undertaken independently by the Group Finance manager. This segregates responsibility from the Highways Management team. Regular meetings between the Group Finance manager and the COES ensures that potential issues affecting financial performance are highlighted in a timely manner.

Five medium and one low priority recommendations were made to improve control in the following areas:

- There is potential for construction to commence on site once a developer receives the relevant approval form from the Council, without first settling the fee invoice;
- The process covering work allocation, calculating income fees and monitoring time charges followed by the COES is not supported by a set of procedures with the knowledge of the process is confined to one individual which could have future business continuity implications. In addition, the processes followed for pre-inspections and regular monitoring visits are not supported by guidance notes which highlight key control points in the process;
- The hourly rates used by the COES to determine the monitoring fees is provided by a Group Finance manager. The support costs used as part of the calculation does not currently include the Team Managers' costs. Future staff changes due to a departmental re-structure will also impact on the value of support costs and ultimately the hourly rates;
- The current form does not include any reference to contractor's insurance arrangements as an approval condition although the Council's standard s106 Agreements stipulates the type and value of insurance cover a contractor must have throughout the construction period.

### **Corporate Services:**

#### **7. Shared Services: IT Cloud Computing (satisfactory assurance)**

Although most IT services are provided separately, at the time of this audit, the shared service relationship still supported some council services (such as Adults and Children's Services) and some IT services such as network/telephony. In the creation of the Shared Service relationship, IT Outsource providers and Cloud Service Providers (CSP) were central to achieving economies of scale. All three councils use cloud based services with differing delivery models. Some of these include the BT Managed Services Solution, Frameworki (Adults and Children's case management system) Capital e-Sourcing, SirsiDynix Libraries system and Parking Management applications.

Cloud Computing is an emerging technology that has rapidly become mainstream. Whilst IT outsource arrangements have provided dedicated IT services to organisations for many years, Cloud Computing now provides services across the internet using shared infrastructure. This has resulted in many organisations moving their IT services to cloud provision due to the cost savings and efficiencies that can be achieved using this approach. Cloud Computing is implemented by one or more of the service models set out below with each providing a distinct computing service to the enterprises that utilise them:

- Infrastructure as a Service (IaaS) - offers processing, storage, networks and other fundamental computing resources, enabling the customer to deploy and run arbitrary software, which can include operating systems and applications. Microsoft Azure and Amazon Web Services are market leader examples;
- Platform as a Service (PaaS) - provides the capability to deploy customer created or acquired applications developed using programming languages and tools offered by the Cloud Service Provider. Web hosting is a common PaaS;
- Software as a Service (SaaS) - provides a business application used by many individuals or enterprises concurrently. It provides the most common types of cloud applications used. Facebook,

G-mail™, LinkedIn®, Yahoo® user applications, Google Docs and Microsoft® Online Services are all examples of popular consumer-directed SaaS applications. It also allows customers to use the provider's applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a web browser.

In terms of service deployment, three cloud deployment models exist for cloud customers:

- Private cloud - has one enterprise as its user. Several different departments or divisions may be represented, but all exist within the same enterprise. Private clouds often employ virtualisation within an enterprise's existing computer servers to improve computer utilisation;
- Public cloud - an offering from one Cloud Service Provider to multiple clients who share the cloud processing power concurrently. Public cloud clients share applications, processing power and data storage space communally. Client data is co-mingled, but logically segregated;
- Hybrid cloud - a combination of two of the previously mentioned deployment models.

The audit identified that:

- That council management had oversight of the service provider with the use of dedicated service managers to support IT Senior Management in this role;
- Each contract reviewed included provisions describing roles and reporting responsibilities that support service reporting and review;
- Each contract reviewed included a section on service levels, service reporting and in some instances the option to use service credits to encourage compliance with service levels. The service levels and related reporting were considered to be appropriate to the nature of services delivered. Separate key performance indicators were not established in any of the contracts, but the service levels were sufficiently detailed to promote effective service;
- Each contract included sections on Data Protection and Freedom of Information.

Six medium priority recommendations were made in the following areas:

- There was no evidence of recent review of the exit arrangements or regular tests of the disaster recovery/business continuity provision;
- The requirement for incident reporting was included in each contract however, we were unable to confirm that security incidents are being reported for one of the shared services contracts;
- Data classification and retention are detailed in contracts to varying degrees but the IAAS / network services under review are subject to arrangements that overlay the contracts and are retained by individual council departments. Centralised oversight of the application and implementation of these policies is limited and is unlikely to comply with GDPR;
- Security obligations are provided in each contract, but these and associated security requirements do not clearly mandate encryption or data segregation and in some instances refer to a data classification scheme that has been superseded;
- The IT Security staff of each council do not provide ongoing assurance of the Cloud Service providers in support of IT or business departments. Service Operating Control (SOC) reports should form part of an ongoing review process which includes other reviewing data and discussion with the cloud provider;
- Each council uses a portal for management to initiate access requests with their provider but satisfactory assurance wasn't provided to demonstrate that dormant accounts are being monitored and disabled.

### City Treasurer:

#### 8. Accounts Payable (satisfactory assurance)

An effective Accounts Payable function ensures prompt payment of all invoices and accounts received by the councils whilst ensuring compliance with legislation and contractual obligations. The delivery of the service by BT is overseen by an enhanced Intelligent Client Function that works closely with business groups and services to ensure the Agresso solution and the BT Shared Service Centre meet user requirements. The Council will

not seek to extend the BT Managed Services contract beyond May 2019 and the Hampshire Partnerships SAP solution will replace BT in providing the managed service for HR, payroll and finance during 2018/19.

The audit utilised specialist data interrogation software to conduct a suite of tests and analytical processes to highlight potential indicators of control weaknesses and erroneous supplier payment transactions. Overall the system was considered to be operating effectively with effective guidance available, good reconciliation processes and appropriate workflow and approval processes in place. Compliance with the Council's policy of no purchase order no payment was very good with the majority of transactions supported by a purchase order.

Eight medium priority recommendations were made to improve controls in the following areas:

- Changes to supplier vendor bank account details are not subject to review by a second officer thereby increasing the risk of changes being made for fraudulent purposes and going undetected;
- Although the number of manual payment requests has gradually decreased since April 2017 an average of 145 requests with an average value of £22k per month are still being processed. This payment method should be used sparingly due to the additional cost and risk involved;
- At the time of the audit testing (November 2017), approximately 140 items with a value of £907k were held as exceptions which need intervention before they can be processed. Exceptions need to be processed in a timely manner and the number of transactions reduced prior to the transfer to the Hampshire Partnership solution during 2018;
- At the time of the audit approximately 300 items valued at £1.47m were identified as rejected payments where either the payment sort code or bank account number is incorrect which need to be reversed and re-issued;
- Approximately £2.06m in credit notes (530 transactions) were held on Agresso with suppliers as at January 2018. As at end of February 2018 there were 359 open credits with a value of £2.8m. Outstanding credits was raised in the 2016/17 audit and has been a historical one that requires further attention with credit notes being applied against current invoices or refunds requested from suppliers. This should be reviewed and the credit notes outstanding should be reduced prior to migrating data to the Hants CC SAP system;
- The value of unapproved invoices on Agresso as at January 2018 was £6.59m relating to 895 items where the budget holder has not approved the transaction or there has been a query over the transaction preventing it from being processed for payment. As at the end of February 2018, the total number of unapproved invoices within the Purchase to Pay workflow awaiting manual coding and held since they had not been goods receipted was 376 items with a value of £3.14m which confirms that action is in place to address these transactions, although there is a need to reduce this balance prior to migrating to the Hants CC SAP system.

## 9. Shared Services: Pension Investments (satisfactory assurance)

The Shared Services Pensions and Treasury team is based at Westminster City Council. This audit was undertaken to provide the City Treasurer with assurance that controls in respect of pension investments are sufficiently robust following changes in personnel and accounting systems.

The Superannuation Act 1972 (and the Public Service Pensions Act 2013) provide the statutory underpinning for the local government pension scheme (LGPS). The 1972 Act specifies lead authorities to administer and manage pension funds operating in their geographic area depending on the local government structure. For example, in county areas, the county council is the lead authority responsible for running the pension fund on behalf of the county and all local government bodies within the county. In London, each London borough is responsible for running its own pension fund. Membership of the LGPS is open to employees of the pension fund administering authority, scheduled bodies (organisations specified in schedules to primary and secondary legislation) and admitted bodies (i.e. organisations which may be admitted to the Fund under an admission agreement). The Fund's objective is to provide a pool of assets sufficient to meet the long-term pension (as prescribed by the Local Government Pension Scheme Regulations) for its members.

The Councils employ seven external fund managers to manage shares of the investment portfolio in line with fund mandates set out in the Investment Management Agreements with the respective fund managers. Transactional processing and safeguarding of assets is undertaken by the Custodian (Northern Trust). Any transactions through the Custodian account which are generated by Council staff, require counter approval from another member of the Treasury and Pensions team. The Custodian, Northern Trust (NT), provides monthly and quarterly reporting for each pension fund. The Custodian supplied information is the prime records for investment transactions for all three Pension Funds. Previously this information was manually journalled onto the general ledger for each pension fund. With effect from the 2017/18 financial year, all investment transactions are being journalled automatically each quarter onto the general ledger using an interface with Northern Trust. Any non-Custodian transactions and Fund Managers' costs are paid through the Council's main accounting system (Agresso), which has workflow and approval levels already established. Pension Fund performance, including analysis from the Investment Advisors is reported quarterly to each Council's Pension Fund Committee.

Overall, the system controls were considered to be appropriate audit identified that suitable controls were in place with one high, three medium and two low priority recommendations made in the following areas:

- Although processes were in place, not all policies or procedures were fully documented for the pensions team;
- There is no training plan in place for pension staff to ensure that the team has the necessary knowledge and skills to operate in line with the CIPFA framework and current legislation. The risk registers for LBHF and WCC however, indicate that training plans are in place for all officers as part of performance appraisal arrangements. In addition, at the time of the audit there had not been a recent skills assessment or any training sessions for members of the Pension boards of the three Councils.
- The agreements signed between the Councils and the custodian (Northern Trust) and between the three Councils and individual fund managers were not available within the Pensions team. These had to be requested from the external service providers for the purposes of the audit and not all of those tested in our sample could be obtained;
- Not all of the Fund Managers were recorded in the relevant Council's Contracts Register;
- Fund managers' management fees are either deducted at source or paid via an invoice. Although a sense check is undertaken on fund manager reports (where deducted at source) or invoices received, fees charged are not systematically checked to management agreements to confirm they are accurate.

**10. Council Tax (substantial assurance)**

The Council is obliged by statute to set a balanced budget and has a responsibility to set Council Tax in accordance with the Local Government Act 1992. Council Tax is a tax on property and is collected to pay for the Council's own services, such as libraries, refuse collection and social services, as well as the services provided by the Greater London Authority. The Valuation Office Agency allocates a valuation band to every home or a rateable value to every home. The Council uses the banding or the rateable value to work out each bill. There are eight bands from A to H, arranged in increasing property value. In 2016/17, the Council received Council Tax income of approximately £49m. The administration and collection of Council Tax is provided to the Council by Capita Business Services. The re-tendering process for this service is currently underway.

The audit confirmed that appropriate controls were in place which were consistently complied with. One medium and one low priority recommendations were made to address the following:

- all staff must provide details of any property, benefit claim or account with which they may be associated on any systems that Capita uses and/or administers. Staff are required to make a new declaration annually and forms should be signed, dated and returned to Managers. We were informed that the Council Tax team had last completed their declaration forms in 2015; however, the forms could not be located and could not be reviewed;
- Discounts and exemptions should only be applied on a Council Tax account after supporting documentation is received, and evidence of this should be retained within the document management system. In one of the sample reviewed as part of this audit, no supporting evidence had been provided or reviewed prior to the discount being applied for a period of six months.

**11. Accounts Receivable (satisfactory assurance)**

This high level review primarily focused on the sundry debtor process and how this function is managed by Council officers and through the Agresso application. BT are responsible for setting up new customer records once the request has been received from the service user and it has gone through the workflow approval process with local and Framework ICF. Business groups and services are responsible for raising their own sales orders using the Agresso application. BT are responsible for issuing sales orders to customers following requests raised by council staff through the Agresso application (Customer and Sales module).

For Westminster Council approximately 1,500 customer records had been created and amended for the period April to December 2017 whilst approximately 9,000 Customer Sales Orders had been issued by BT for WCC clients. Services such as Property, Commercial Waste, Parking, Temporary Accommodation, Business Rates, Council Tax and Housing Benefits that raise their own invoices using legacy systems which fell outside of the remit of this review. Similarly, services that manage their own debt recovery process such as Adult Social Care, are subject to separate reviews.

The audit identified that generally controls were in place and working effectively. One medium priority recommendation has been made to reduce the levels of unallocated income prior to the migration to the Hampshire SAP solution during 2018.

**12. Shared Services: Income Manager (satisfactory assurance)**

Agresso Income Manager is an integrated suite of programmes designed to efficiently manage the receipting and allocation of enterprise wide income encompassing a range of sources and business processes within the council. There are currently over 1,100 users across the Councils who can process receipts in the customer facing module of Income Manager. In total over 4.8million receipt lines are processed through Income Manager with a value of over £31.8billion for the period April 2015 to June 2017. Agresso Income Manager went fully live for RBKC and WCC in July 2017. Prior to this only some elements of Income Manager were functioning.

BT are responsible for providing all management reports to services from Income Manager which are used to undertake reconciliations of income totals. A number of different management reports are also distributed to services by BT that are specific to income management areas for each service. The audit consisted of a high

level review of key system controls for Income Manager and how services are using the system to manage local income collection processes and compliance with system guidelines for key processes.

The systems and controls were considered to be operating effectively with one low priority recommendation made on ensuring that improvements to the training provided on the operation of the income manager process are addressed in a timely manner.

## Performance Indicators 2017/18

Internal audit performance is summarised below against a range of performance indicators:

Performance Indicators	Target	Actual	Comments
<b>Delivery</b>			
Percentage of audit plan completed YTD (Month 12) Full year target = 90%	90%	94%	
Percentage of draft reports issued within 10 working days of fieldwork being completed	90%	82%	Below target – focus on improvement in this area.
Percentage of audits finalised within 10 days of a satisfactory response	95%	96%	
Percentage of jobs with positive feedback from client satisfaction surveys	90%	100%	25 received average score 4.3 (where 5 is the top score)
Percentage of recommendations implemented or in progress	95%	100%	YTD 125 out of 125 recommendations.



## Work Programme 2017/18 Audit and Performance Committee

17 July 2017

Agenda Item	Reasons & objective for item	Lead Officer
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Annual Statement of Accounts</b>	To formally receive and approve the final accounts with any update arising from the public inspection period.	Steve Mair (Finance)
<b>Annual Contracts Review 2016/17</b>	To review of the City Council's contracts, including details of contracts awarded, waivers and performance.	Anthony Oliver (Procurement)
<b>2016/17 End of year Performance Business Plan Monitoring and Period 2 (May) Report</b>	<p>The year-end report presents detailed performance results for the year April 2016 to March 2017 against the 2016/17 business plans.</p> <p>To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA</p>	<p>Steve Mair (Finance)</p> <p>Damian Highwood/Mo Rahman (Performance)</p>

	revenue and capital expenditure and reserves.	
<b>Capital Programme Delivery Review</b>	To consider key solutions to address concerns regarding delays in the delivery of key capital projects including how the capacity and capability of the organisation to deliver capital programmes can be enhanced. To receive an overview of the implementation of the new approach across 3 or 4 schemes..	Steve Mair (Finance)
<b>Discretionary Housing Payment (DHP) Delegated Decisions</b>	To receive an overview of DHP applications received and determined at officer level in the last 12 months including amounts awarded as well as information on procedures and verification processes.	Gwynn Thomas Senior Benefits Policy Officer

## 18 September 2017

Agenda Item	Reasons & objective for item	Lead Officer
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	<p>To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.</p> <p>To monitor Quarter 1 performance results against the 2017/18 business plans</p>	<p>Steven Mair (Finance)</p> <p>Mo Rahman (Performance)</p>
<b>Internal Audit Monitoring Reports</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
<b>Commercial Revenue Performance</b>	To consider the performance and outcomes as well as future targets of corporate commercial revenue performance. To examine the risks and mitigations associated with achieving these objectives.	Steve Mair (Finance)
<b>General Fund Reserves Policy</b>	To consider how the aim to build up further general fund reserves over the next 5 years can be delivered and the risks for achieving this together with mitigation measures.	Steve Mair (Finance)

**23 November 2017**

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Grant Thornton Annual Audit Letter 2016/17</b>	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Progress and Update on 2017-2018 Audit</b>	To consider an update on the 2017 - 2018 Audit and key information on accounting changes and emerging issues for local government	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Corporate Complaints 2016/17</b>	To report on the volume and details of complaints received by the Council and CityWest Homes in 2016/17.	Sue Howell (Complaints)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	<p>To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.</p> <p>To monitor Quarter 2 performance results against the 2017/18 business plans</p>	Steven Mair (Finance)  Graeme Gordon/Mo Rahman (Performance)
<b>Tri-Borough to Bi-Borough Governance and Assurance</b>	To review the Tri-Borough to Bi-Borough transition arrangements including key opportunities and risks and performance monitoring but also issues such as	Siobhan Coldwell (Chief of Staff)

	contractual changes moving to the new arrangements	
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
<b>Mid-Year Counter Fraud Monitoring Report</b>	To oversee and monitor the success of the Counter Fraud Service	Andy Hyatt (Anti-Fraud)
<b>Update on MSP</b>	To consider the performance and transitional arrangements of the Managed Services Programme	John Quinn (Corporate Services)

## 1 February 2017

Agenda Item	Reasons & objective for item	Lead Officer
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Grant Thornton Certification of Claims and Returns Annual Report (Audit 2016/17)</b>	To report the findings from the certification of 2016/17 claims and the messages arising from the assessment of the Council's arrangements for preparing claims and returns and information on claims that were amended or qualified.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Grant Thornton Annual Audit Plan 2017/18</b>	To set out the audit work that Grant Thornton proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2017/18.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Maintaining High Ethical Standards at the City Council</b>	To maintain an overview of the arrangements in place for maintaining high ethical standards throughout the Authority	Tasnim Shawkat (Monitoring Officer)
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
<b>Internal Audit Plan 2018/19</b>	To review and comment on the draft audit plan for 2018/19	David Hughes (Internal Audit)
<b>Update on Cyber Security</b>	To monitor the mitigation measures to protect the Council from the risk of cybercrime.	Ben Goward (ICT)

**23 April 2017**

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
<b>Draft Annual Statement of Accounts and Outturn 2017/18</b>	To review the draft 2017-18 Annual Statement of Accounts and outturn.	Steve Mair (Finance)
<b>Draft Audit Findings Report 2017/18</b>	To review the reports from the Council's external auditors on the key findings arising from their audit of the councils 2017-18 financial statements (Council and Pension Fund)	Paul Dossett Paul Jacklin (Grant Thornton)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 3 performance results against the 2017/18 business plans	Steven Mair (Finance)  Graeme Gordon/Mo Rahman (Performance)
<b>Update on the Performance of the Home Care Service contracts in Westminster</b>	To consider a report on the governance arrangements including performance monitoring of commissioned Homecare Service in Westminster.	Bernie Flaherty (Adults)

<b>Internal Audit Monitoring 2017 - 18 Progress Report (January - April 2018)</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
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**COMMITTEE ACTION TRACKER**  
**ACTIONS: 1 February 2018**

ACTION	OUTCOME	LEAD OFFICER
<b>FINANCE (PERIOD 9) MONITORING REPORT</b>		
The committee requested that future updates on capital of major projects include greater detail about the cause of delays and an assessment of the overall costs of them to the council	This will be included from the 16 July meeting onwards.	<b>Steve Mair, City Treasurer</b>
<b>UPDATE ON CYBER SECURITY</b>		
Liaise with the Member Services Manager on the proposed member development programme and delivering education and communications to members on their responsibilities as data controllers and the introduction of 0365.	This has been actioned and relevant training has been incorporated within the Member Development Programme to take place during summer 2018.	<b>David Francis, IT Security Consultant, Information Technology</b>
Provide a note to members on the fines that can be issued to organisations which are in breach of GDPR legislation and whether the Council is financial liable if data (such as banking details) is lost or stolen and is then misused	This was circulated on the 8 February 2018.	<b>David Francis, IT Security Consultant, Information Technology</b>

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