



City of Westminster

Title: **Audit and Performance Committee**

Meeting Date: **Wednesday 2nd December, 2015**

Time: **7.00 pm**

Venue: **Rooms 3 & 4 - 17th Floor, City Hall**

Members: **Councillors:**

Jonathan Glanz (Chairman)
Lindsey Hall (Vice-Chairman)
David Boothroyd
Judith Warner

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 at City Hall from 6.00pm. 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.

**Tel: 020 7641 3160 Email: rsegal@westminster.gov.uk
Corporate Website: 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 Head of Legal & Democratic Services 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 (public and confidential versions) of the meeting held on 3 November 2015.

(Pages 1 - 8)

4. KPMG ANNUAL AUDIT LETTER 2014/15

Report of KPMG

(Pages 9 - 20)

5. CORPORATE COMPLAINTS 2014/15

Report of Complaints and Customer Manager

(Pages 21 - 60)

6. UPDATE ON CORPORATE CONTRACT MANAGEMENT

Report of the Head of Procurement

(Pages 61 - 66)

7. FINANCE (PERIOD 6) AND PERFORMANCE BUSINESS PLAN (QUARTER 2) MONITORING REPORT

Report of the City Treasurer and Director of Policy, Performance and Communications

(Pages 67 - 102)

8. INTERNAL AUDIT PROGRESS REPORT

Report of the City Treasurer

(Pages 103 - 116)

9. HEADLINE RESULTS FROM 'YOUR SURVEY' 2015

(Pages 117 - 130)

Report of the Director of HR

10. WORK PROGRAMME

(Pages 131 - 148)

Report of the Head of Committee and Governance Services

11. EXEMPT REPORTS UNDER THE LOCAL GOVERNMENT ACT 1972

RECOMMENDED: That under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), the public and press be excluded from the meeting for the following item(s) of business because they involve the likely disclosure of exempt information on the grounds shown below and it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

<u>Item No</u>	<u>Grounds</u>	<u>Para. of Part 1 of Schedule 12A of the Act</u>
12	The financial and/or business affairs of the Council or other body	3

12. LESSONS LEARNED - MANAGED SERVICES PROGRAMME

(Pages 149 - 184)

Report of the Interim Bi-Borough Executive Director of Corporate Services

**Charlie Parker
Chief Executive
24 November 2015**

This page is intentionally left blank



CITY OF WESTMINSTER

MINUTES

Audit and Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit and Performance Committee** held on **Tuesday 3rd November, 2015**, Rooms 10A & 10B - 17th Floor, City Hall.

Members Present: Councillors Jonathan Glanz (Chairman), Lindsey Hall (Vice-Chairman), David Boothroyd and Judith Warner

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 Councillors Glanz, Warner and Hall declared that they are BT customers.

3 MINUTES

3.1 **RESOLVED:** That the minutes (public and exempt versions) of the meeting held on 17 September 2015 be agreed as correct record of proceedings.

4 EXEMPT REPORTS UNDER THE LOCAL GOVERNMENT ACT 1972

4.1 **RESOLVED:** That under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), the public and press be excluded from the meeting for the following item(s) of business because they involve the likely disclosure of exempt information in relation to the financial or business affairs of the Authority and/or other parties and it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5 OPERATIONAL UPDATE ON MANAGED SERVICES PROGRAMME

5.1 The committee considered an update report on issues associated with the Managed Services Programme reported to it at its September meeting and the actions in place to resolve them.

5.2 The committee submitted questions to Craig Anderson, the senior executive with BT Global with day to day oversight of managed services.

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

5.4 **ACTIONS:**

1. Provide the committee with a note on the other local authorities that the Council shares financial information with through MSP. (**Action for: Steve Mair, City Treasurer**)
2. Provide the committee with details of the due diligence undertaken in relation to the procurement of the Managed Services Programme including the period over which this occurred and how this compares to other similar projects (**Action for: Nick Dawe, Interim Bi-borough Executive Director of Corporate Services**).
3. Provide details of current WCC payroll accuracy compares to accuracy prior to Managed Services (**Action for: Nick Dawe, Interim Bi-borough Executive Director of Corporate Services**).
4. Schedule an additional Committee meeting in the second week of December to enable members to monitor progress on resolving outstanding issues and delivering programme stabilisation (**Action for: Reuben Segal, Committee & Governance Services**).

The Meeting ended at 8.40 pm

CHAIRMAN: _____

DATE _____

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	2 December 2015
Classification:	General Release
Title:	Annual Audit Letter 2014/15 from external auditors KPMG
Wards Affected:	All
Financial Summary:	N/A
Report of:	Steven Mair, City Treasurer and Section 151 Officer.
Author:	Daniel Peattie, dpeattie@westminster.gov.uk 0207 641 2279

1. Executive Summary

1. The Council's external auditors KPMG have issued their Annual Audit Letter in which they report to the Committee their key findings from their audit of the Council's financial statements (Council & Pension Fund) for the year ended 31st March 2015.
2. During the audit cycle KPMG issued status reports to the Committee on their findings. The ISA 260 report which was issued to the Committee on the 18th May 2015 included both an unqualified opinion and an unqualified value for money conclusion. This was the earliest set of local government body accounts for 75 years, exceeded the performance of 83% of the FTSE 100 and greatly improved the quality of the accounts. The Annual Audit Letter is consistent with what has been previously reported i.e. no new issues are brought to the attention of the Committee.
3. In relation to the Council's financial statements, the Audit Letter reports:

- a. An unqualified value for money conclusion;
 - b. An unqualified opinion on the Council's financial statements;
 - c. That the audit identified seven audit adjustments other than trivial adjustments;
 - d. One recommendation already reported in the ISA 260 report, management has instigated actions on these recommendations;
 - e. That KPMG have reviewed the Annual Governance Statement and concluded that it is consistent with their understanding;
 - f. There are no recommendations relating to the Pension Fund;
 - g. That the Whole of Government Accounts Pack prepared by the Council is consistent with the audited financial statements.
 - h. The improved quality of the accounts compared to the previous year
4. As the auditors are still considering objections raised by members of the public they have not yet been able to issue a certificate closing the audits from 2008/9 onwards. Senior Officers of the Council are actively working with KPMG and the Council's new auditors Grant Thornton to bring these objections to a conclusion over the next few months.
 5. Following on from the national changes made by the Audit Committee, the planned audit fee for 2013/14 was £275,526, an increase of £9,501 over the estimate due to technical and logistical matters during the audit.

2. Recommendations

1. That the Committee consider the Annual Audit Letter 2014/15.
2. That the status of the objections is noted.

3. Reasons for Decision

No decision is required.

4. Background, including Policy Context

- 4.1 The final, audited statement of accounts of the Council and the Pension Fund for the year ended 31st March 2015 were previously presented to the 18th May 2015 meeting for the Committee's consideration.

5. Financial Implications

The audit fee incurred is budgeted for

6. Legal Implications

None

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact:**
Daniel Peattie at dpeatie@westminster.gov.uk or 0207 641 2279

BACKGROUND PAPERS

1. Annual Audit Letter 2014/15, City of Westminster Council.

This page is intentionally left blank

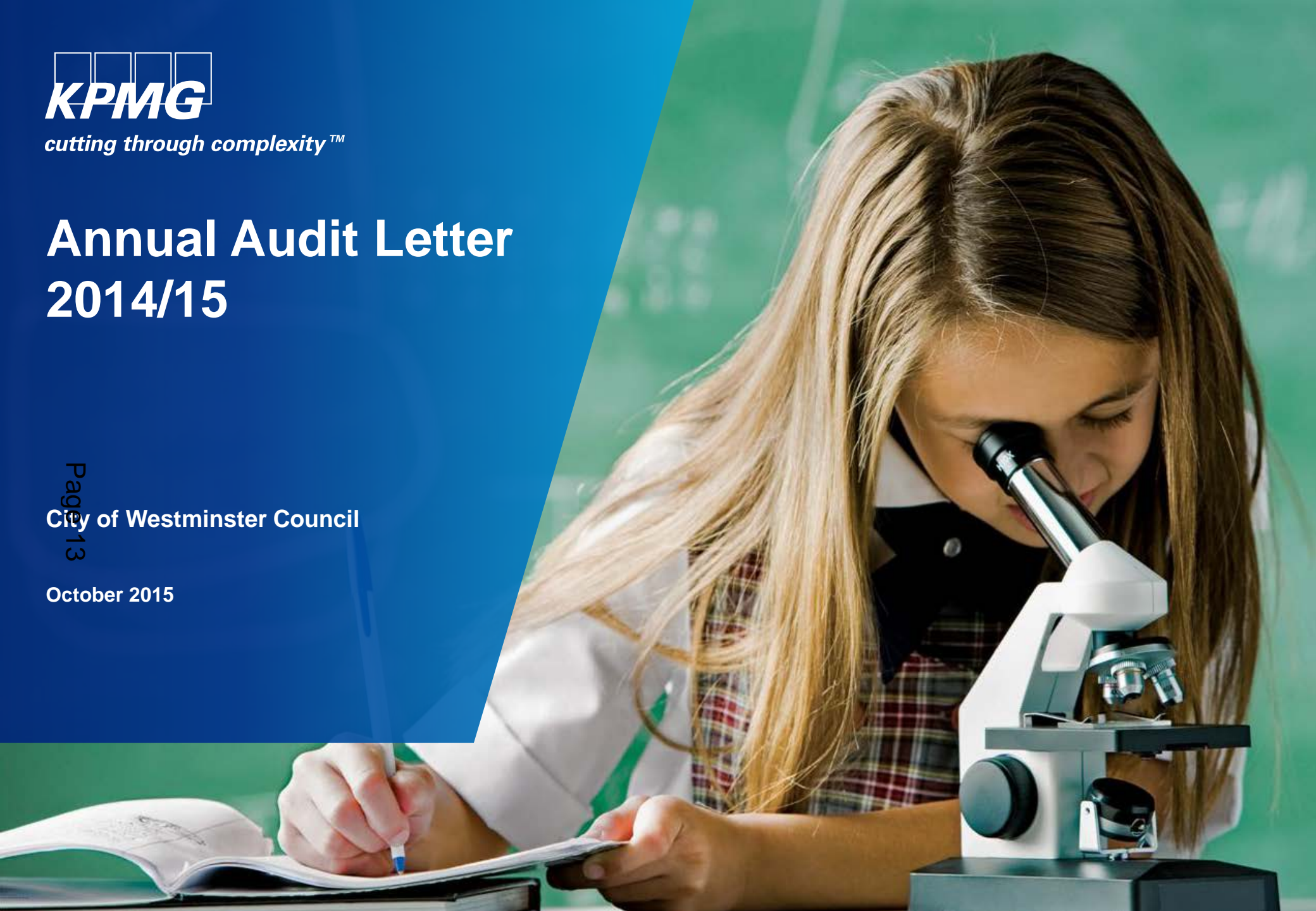


cutting through complexity™

Annual Audit Letter 2014/15

Page 13
City of Westminster Council

October 2015



The contacts at KPMG in connection with this report are:

Andrew Sayers

Partner

KPMG LLP (UK)

Tel: 0207 694 8981

andrew.sayers@kpmg.co.uk

Grant Slessor

Manager

KPMG LLP (UK)

Tel: 0207 311 3849

grant.slessor@kpmg.co.uk

Satinder Jas

Assistant Manager

KPMG LLP (UK)

Tel: 07979 612 771

satinder.jas@kpmg.co.uk

Report sections

- Headlines

Page

2

Appendices

1. Key issues and recommendations
2. Summary of reports issued
3. Audit fees

4

5

6

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission issued a document entitled *Statement of Responsibilities of Auditors and Audited Bodies* summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Andrew Sayers, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Trevor Rees (on 0161 246 4000, or by email to trevor.rees@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

This report summarises the key findings from our 2014/15 audit of City of Westminster Council (the Authority).

Although this letter is addressed to the Members of the Authority, it is also intended to communicate these issues to key external stakeholders, including members of the public.

Our audit covers the audit of the Authority's 2014/15 financial statements and the 2014/15 VFM conclusion.

VFM conclusion	<p>We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2014/15 on 18 May 2015. This means we are satisfied that that Authority had proper arrangements for securing financial resilience and challenging how it secures economy, efficiency and effectiveness.</p> <p>To arrive at our conclusion we looked at the Authority's financial governance, financial planning and financial control processes, as well as the arrangements for prioritising resources and improving efficiency and productivity.</p> <p>Our audit report included a Report by Exception highlighting weaknesses in particular for contract letting, contract variations and formalising contract documentation. These weaknesses were identified from our work considering the objections to the Authority's accounts for the 2008/09 to 2011/12 financial years. While we note the Authority has made further improvements in this area in year there is still further work required to embed the improvements across all areas of procurement activity.</p>
Audit opinion	<p>We issued an unqualified opinion on the Authority's financial statements on 18 May 2015. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year. The financial statements also include those of the pension fund.</p>
Financial statements audit	<p>The Authority worked to an accelerated closedown timetable this year with the aim of having an audited set of accounts by 21 May 2015. We agreed with officers that a draft set of financial statements would be made available for audit on 16 April 2015 along with supporting working papers and that the draft financial statements would be made available for public inspection at the same time. Draft financial statements were provided to audit on this date with working papers being provided over the following week.</p> <p>The Authority invested and planned carefully for the accelerated year end timetable and overall the process has improved significantly compared to the prior year. The improved levels and robustness of the quality assurance process in operation is evidenced from fewer errors in the accounts identified during the audit compared to the prior year.</p> <p>We identified 7 audit adjustments other than those which were trivial. The Authority amended for all of these matters.</p>
Annual Governance Statement	<p>We reviewed your Annual Governance Statement and concluded that it was consistent with our understanding.</p>
Pension fund audit	<p>There were no significant issues arising from our audit of the pension fund and we issued an unqualified opinion on the pension fund financial statements as part of our audit report.</p>
Whole of Government Accounts	<p>We reviewed the consolidation pack which the Authority prepared to support the production of Whole of Government Accounts by HM Treasury. We reported that the Authority's pack was consistent with the audited financial statements.</p>

We provide a summary of our key recommendations in Appendix 1.

All the issues in this Annual Audit Letter have been previously reported. The detailed findings are contained in the reports we have listed in Appendix 2.

Page 16

High priority recommendations	<p>We raised one high priority recommendation as a result of our 2014/15 audit work. This is detailed in Appendix 1 together with the action plan agreed by management.</p> <p>This recommendation relates to the need for further work to be conducted to embed arrangements to address procurement weaknesses identified through our work in response to a number of objections raised by a local elector in previous years.</p>
Certificate	<p>We are currently considering an objection to a prior year's financial statements. This means that we are not yet able to issue our certificate.</p>
Audit fee	<p>Our fee for 2014/15 was £278,126, excluding VAT. This includes the fee for the audit of the Pension Fund. Further detail is contained in Appendix 3.</p>

Appendix 1: Key issues and recommendations

This appendix summarises the high priority recommendations that we identified during our 2014/15 audit, along with the Authority's response.

Lower priority recommendations are contained, as appropriate, in our other reports, which are listed in Appendix 2.

Page 17

No.	Issue and recommendation	Management response / responsible officer / due date
1	<p>Procurement</p> <p>We have again included a report by exception with our VFM conclusion with regard to weaknesses identified in respect of procurement. Weaknesses were identified in previous years through our work in response to a number of objections raised by a local elector. Whilst the Authority has taken action to address the weaknesses identified, testing carried out in 2014/15 suggests that the improvements are not embedded across all areas of the Council and some instances of non compliance with the Procurement Code are still being identified. Weaknesses identified in 2014/15 include contracts being extended without provision in the contract to do so and the contracts register not being up to date and/or including incorrect items.</p> <p>The Authority should consider the results of in year testing and take remedial action to ensure that there is timely procurement in advance of contract expiry and more accurate data recording in future years.</p>	<p>Accepted</p> <p>The Council is proactively tackling this issue including arranging for internal audit to undertake further compliance reviews on the procurement process during the 2015/16 financial year while the Procurement team will also be undertaking regular reviews of the contracts register so that anomalies/errors/omissions are identified at an early stage and resolved within the financial year.</p> <p>Chief Procurement Officer 31/03/2016</p>

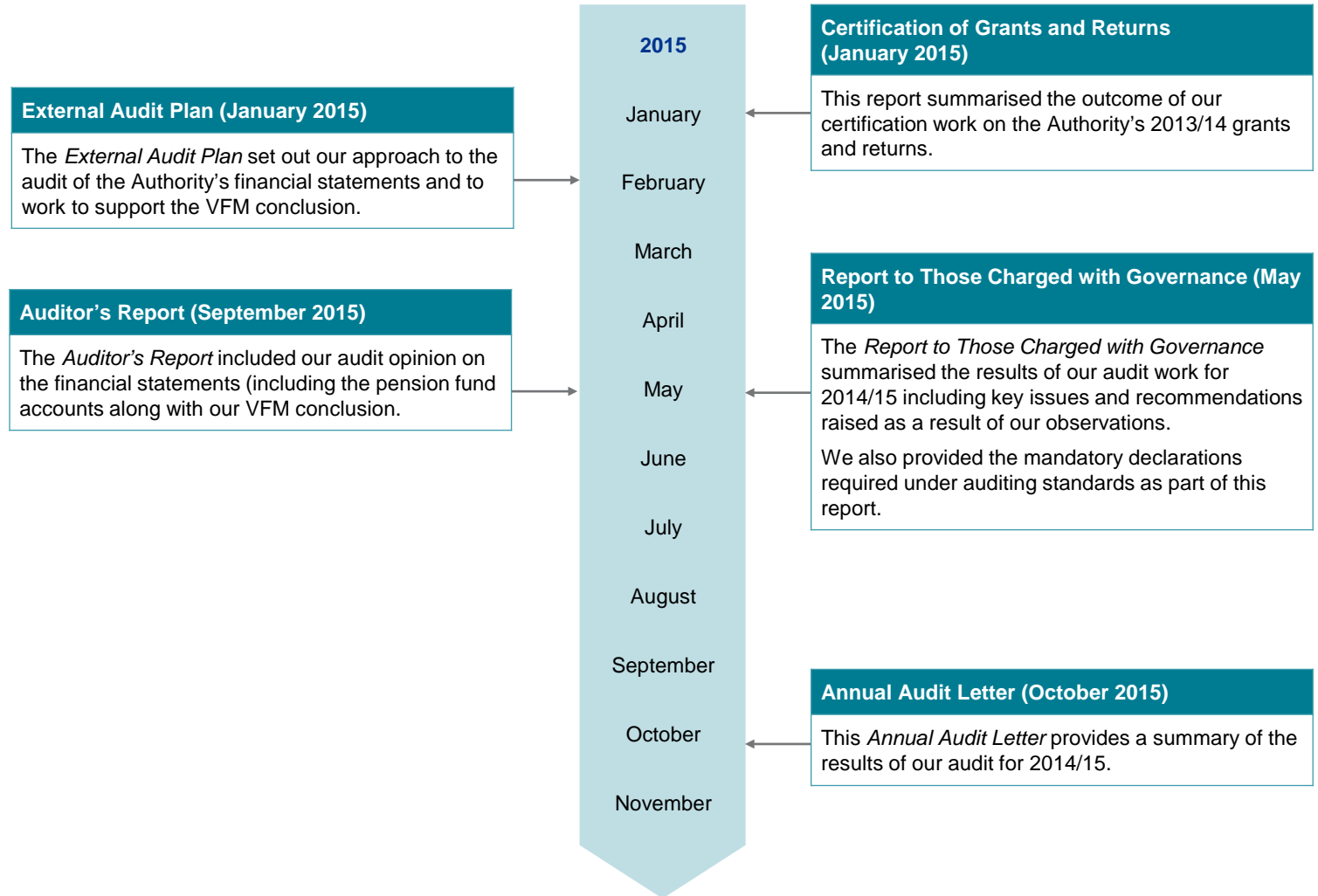
Follow up of previous recommendations

As part of our audit work we followed up on the Authority's progress against previous audit recommendations. We are pleased to report that the Authority has taken appropriate action to address the issues that we have previously highlighted through high priority recommendations.

Appendix 2: Summary of reports issued

This appendix summarises the reports we issued since our last *Annual Audit Letter*.

Page 18



This appendix provides information on our final fees for the 2014/15 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2014/15 planned audit fee.

External audit

Our final fee for the 2014/15 audit of the Authority was £257,126. This compares to a planned fee of £247,625. The increased fee reflects technical and logistical matters that arose during the course of the audit.

Our final fee for the 2014/15 audit of the Pension Fund was in line with the planned fee of £21,000.

Certification of grants and returns

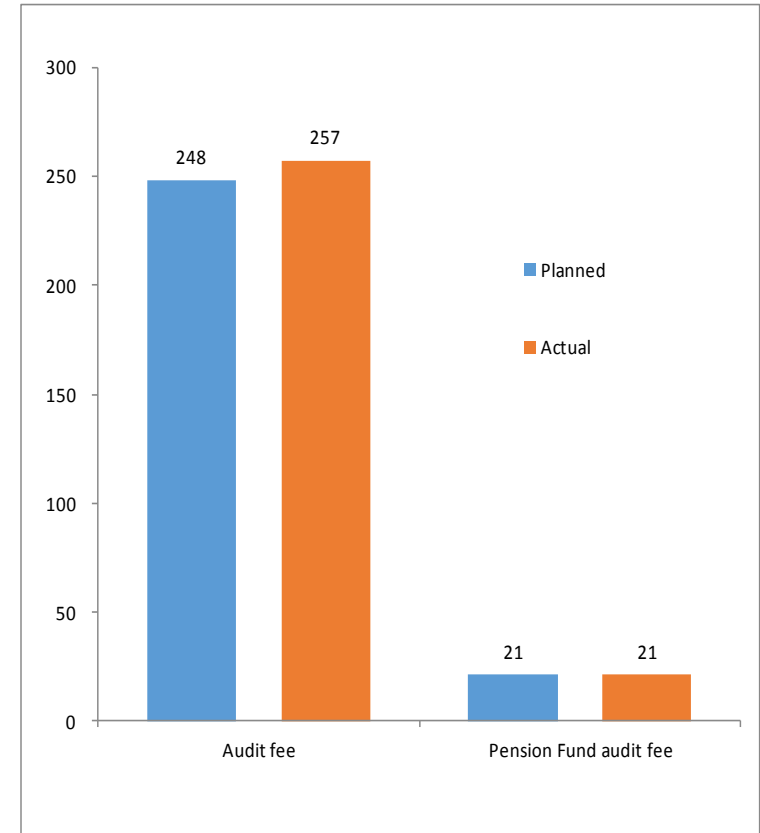
Under our terms of engagement with Public Sector Audit Appointments we undertake prescribed work in order to certify the Authority’s housing benefit grant claim. This certification work is still ongoing. The final fee will be confirmed through our reporting on the outcome of that work in January 2016.

Other services

Where additional costs are incurred as a result of work being required on ongoing objections these are billed at cost. The amounts billed in 2014/15 amounted to £19,990.

We did not charge any additional fees for other services.

External audit fees 2014/15 (£'000)





cutting through complexity™

© 2015 KPMG LLP, a UK public limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

The KPMG name, logo and 'cutting through complexity' are registered trademarks or trademarks of KPMG International Cooperative (KPMG International).



City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	2 December 2015
Classification:	General Release
Title:	Annual Complaints Review 2014/15
Wards Affected:	All
Financial Summary:	There are no financial implications from this report
Report of:	Sue Howell, Complaints and Customer Manager Telephone: ext 8013 E-mail: showell@westminster.gov.uk

1 Executive Summary

- 1.1 The purpose of this report is to present to the Audit and Performance Committee the Council's Annual Complaints Review for 2014/15 (**see Appendix 1**).
- 1.2 The attached report (**Appendix 1**) summarises the Council's complaints performance (complaint stages 1, 2), those complaints received by Local Government Ombudsman (LGO), and a limited review of dealing with the Leader and Cabinet Member correspondence. Appended to the Annual Complaints Review is a copy of the Local Government Ombudsman Annual Letter/Review for the year ended 31 March 2015 (see **Appendix B** of that report) and a copy of CityWest Homes Complaint Report for 2014/15 (see **Appendix A1**).

2 Recommendations

- 2.1 Members are requested to review and note the information about complaints set out in the Annual Complaint Review 2014/15 (**Appendix 1**).

3 Complaints Handling

3.1 The Council has two stage complaints procedure. The two stage procedure is as follows:

- **Stage 1** - Complaints are addressed by the local service delivery manager (10 working day turnaround).
- **Stage 2** - A Chief Executive's review undertaken (10 working day turnaround)

If the complainant still remains dissatisfied he/she can take the concern to the Local Government Ombudsman (LGO)

3.2 The procedure covers most council services. However, Adults and Children's Social Care Services each have their own separate statutory complaints procedure and as such separate reports are produced for Member and Officer oversight. In view of this information about these services has not been included in this report. In addition, CityWest Homes (CWH) has been operating its own complaints procedure since 1 April 2012 and produces its own annual complaint report which goes to the Housing Board. A copy of the 2014/15 report is attached (see **Appendix A1**).

3.3 The Council's definition of a complaint as redefined and agreed by the policy and Resources Committee in April 1994 is:

'Dissatisfaction expressed by the customer which the customer wishes to be treated as a complaint, whether expressed in writing, on the telephone or in person. If in doubt, it's a complaint'

3.4 This definition is quite broad and also includes complaints made by email or via the Council's website.

3.5 There can be confusion between what constitutes a complaint and a request for a service. Generally when a member of the public makes a first request for a service usually this is not considered a formal complaint. The request can become a complaint if the person makes further contact and remains dissatisfied as the matter has not been dealt with satisfactorily, or to protest against the Council's policies and procedures regarding their service request. Departments apply common sense when deciding what is a complaint as the majority of customers simply wish the Council to put something right so a service area may attempt to do this a couple of times before the matter is put into the formal complaints procedure.

3.6 With effect from 1 April 2014, the target response time for both stage 1 and stage 2 is 10 working days. Previously it was 15 working days. The reduction was an opportunity for the Council to take a lead in best practice to reduce the total number of days to go through the whole process as most London local authorities were taking 30 days to go through the whole procedure. Our procedure now takes a total of 20 days to go through both stages.

- 3.7 Data in the Annual Complaint Review (see Item 5 – Response times) suggests that the reduction in target response times is not having an adverse effect on overall performance. There was a reduction of those stage 1 complaints being completed within target response time (down 7%), and this can be attributed to the new shorter 10 day target. However, 86% of stage 1 complaints did meet the target, and this is still considered a good performance. In contrast performance at stage 2 showed a small improvement (up 1%) and 76% of complaints were completed in target response time. This was achieved despite an increase in complaint volume (up 17 cases on the previous year) and with the new 10 working day target therefore more complaints were done in less time.
- 3.8 As previously mentioned in item 3.2 not all complaints are dealt with through the Council's complaints procedure, and Adults and Children's Social Services have their own statutory complaints procedure as does CityWest Homes.
- 3.9 In addition to this the council's complaint procedure does not deal with issues where there are separate legal procedures such as disputes over parking tickets, planning applications appeals and Housing Benefit appeals. For example, the complaints procedure cannot deal with a complaint from a motorist who is disputing the issue of a parking ticket. This is because there is a separate and statutory appeals process which takes precedence over the complaints procedure. A motorist can however complain about other aspects of the service such as allegations that communications were not responded to or that the Council has failed to follow due process. For this reason the complaints included in this report only relate to allegations of service failure and where there is not a legal, statutory procedure or an alternative complaint procedure to deal with the specific issue.
- 3.10 The analysis of stage 2 complaints revealed that there were no serious service failings in any of the 183 complaints received and as noted in item 5.22 and 6.1 of the report only 5 stage 2 complaints were Upheld (5 of 183). Overall human error was the main factor in the 5 complaints being upheld.
- 3.11 While the Annual Complaint Review noted that the council has seen more complaints escalating to stage 2 in 2014/15, the data reveals in 84% of the complaints received the complainant did not cite specific fault with the stage 1 decision, and either requested a review without explaining why, or repeated the same complaint made at stage 1. This indicates that complainants were requesting a review simply because they did not like the stage 1 decision rather than because they found fault with how the service area reached its decision.
- 3.12 There has been leaning from complaints, and as noted in Item 6.1 of the report ten stage 2 complaints gave rise to a change in policy or procedure, and these were complaints which did not have an Upheld finding. The report provides more detail of these 10 cases

3.13 The Annual Complaint Review has done some analysis of complaints made to the Local Government Ombudsman (LGO) and has not highlighted any serious failings coming from those complaints. The report did advise that the LGO Annual Letter/Review (**Appendix B** of that report), no longer comments on a local authorities performance when handling complaints made to them and simply provides some statistical information and details some news on their organisation.

3.14 Some headline findings from the Annual Complaint Review are as follows:

- **Complaint Numbers** – There has been an overall decrease (down 56) from 994 to 938 in the total number of complaints across all stages of the complaints procedure. The decrease is not significant.
- **Response Times** - A reduction in meeting the target response times for stage 1 and stage 2 – Fewer stage 1 complaints met the target response time (down 7% on 2013/14). This can be attributed to the new 10 working day target. However, 86% of stage 1 complaints did meet the target response time, and this is still considered a good performance.

There was an improvement in the Stage 2 target response time performance from 75% to 76%.

- **Upheld Complaints** – The percentage of upheld complaints is low. At Stage 1, they are down from 28% to 24%. At Stage 2 they have been reduced significantly, from 14% to 3%.
- **Local Government Ombudsman (LGO)** – The LGO Annual Review for the year ending 31 March 2014 provided no comment on the Council's performance
- **LGO Average Response Times** - The council's average response time was 27 days against a benchmark of 28 days.
- **Leader and Cabinet Member Correspondence** – The data provided indicates that there has been an increase (up 63) in the volume of correspondence received

4 The Management of Complaints

4.1 The following are being or have been developed to address and improve the management of complaints:

- From 1 April 2015 the target response times for stage 1 and stage 2 complaints are now 10 working days. Previously they were 15 working days for each stage.
- A decision was taken at the beginning of the financial year not to go ahead and create a tri borough complaints team.
- The Complaints Team has drafted a paper setting out corporate targets for responding to various forms of communications such as general correspondence, e-mails and Member correspondence. This paper will go to

the Executive Management Team in October 2015. This will set a corporate standard in dealing with all types of communications and provide service areas with clarity regarding all types of target response times and promote consistency so that a customer and Members should receive similar service from all areas.

- A project is underway to purchase a one IT system to manage complaints/FOI and Member correspondence. A single system is required so that we can standardise and harmonise procedures where practical, to improve the external customer experience of complaints, correspondence and requests for information and provide greater transparency and resilience in processes for departments.
- As part of the implementation of the new system it is proposed that the role of the Complaints team is expanded to undertake some of the functions carried out by the FOI team at present, in particular the tracking and managing of FOIs. This will free up the FOI team to focus on the more complex cases where specialist knowledge is required. There are synergies between the two functions in that both are process driven and that both follow a complaints process if there is dissatisfaction either with the service provided or in meeting the FOI request. The model of having a team that undertakes complaints and FOI requests is not uncommon, and skilling up officers to handle complaints and FOI enquiries will provide a more resilient team in times of high volume.

5 Financial Implications

There are no financial Implications associated with this report.

6 Legal Implications

There are no legal implications associated with this report.

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

Sue Howell, Complaints and Customer Manager

E-mail: showell@westminster.gov.uk

BACKGROUND PAPERS

None

APPENDIX 1

Annual Complaint Review 2014/15



City of Westminster

Annual Complaints Review 2014/15

15 October 2015

For further information contact: Sue Howell,
Customer and Complaints Manager
Telephone: ext. 8013
Email: showell@westminster.gov.uk

1. Introduction

- 1.1 This report presents complaints performance and trends for 2014/15. It also includes a performance review of Local Government Ombudsman (LGO) first time enquiries and a limited review of Leader and Cabinet Member correspondence.

2. Background

- 2.1. The council's two stage complaints procedure is as follows:
- **Stage 1** - Complaints are addressed by the local service delivery manager (10 working day turnaround).
 - **Stage 2** - A Chief Executive's review undertaken (10 working day turnaround)
 - **LGO** - If the complainant still remains dissatisfied he/she can take the concern to the LGO
- 2.2. The procedure covers most council services although Adults and Children's Social Care Services each have their own statutory complaints procedure. In view of this separate reports are produced for Member and Officer oversight, therefore information about these services has not been included in this report.
- 2.3. CityWest Homes (CWH) has been operating its own complaints procedure since 1 April 2012, and therefore their complaints data is not included in this report. CWH produces its own annual complaint report and this goes to the Housing Board. A copy of the 2014/15 report is attached (see **Appendix A1**).
- 2.4. At stage 1 of the complaints procedure data relating to complaints is captured on a number of different systems although some services do use the Council's SharePoint Complaints database. All stage 2 complaints are recorded on the SharePoint Complaints database. For this reason a detailed analysis of data across both stages of the complaints procedure is not possible. However, data collected by the Customer and Complaints Team on a quarterly basis means we can report on volume, response times and complaint decisions.

3. The management of complaints

- 3.1. The following are being or have been developed to address and improve the management of complaints:
- From 1 April 2015 the target response times for stage 1 and stage 2 complaints are now 10 working days. Previously they were 15 working days for each stage. The Council took this decision so it could deal with complaints more efficiently and lead the way in best practice by reducing the length of time it takes to get through a complaints process (currently the average time for most London authorities is 30 days against 20 days for the Council). Therefore this report cannot do a like for like comparison although we can with

simply compare performance on those cases who met the target response time regardless if the target response was 15 or 10 working days.

- A decision was taken at the beginning of the financial year not to go ahead and create a tri borough complaints team.
- The Complaints Team has drafted a paper setting out corporate targets for responding to various forms of communications such as general correspondence, e-mails and Member correspondence. This paper will go to the Executive Management Team in October 2015. This will set a corporate standard in dealing with all types of communications and provide service areas with clarity regarding all types of target response times and promote consistency so that a customer and Members should receive similar service from all areas.
- A project is underway to purchase a one IT system to manage complaints/FOI and Member correspondence. A single system is required so that we can standardise and harmonise procedures where practical, to improve the external customer experience of complaints, correspondence and requests for information and provide greater transparency and resilience in processes for departments.
- As part of the implementation of the new system it is proposed that the role of the Complaints team is expanded to undertake some of the functions carried out by the FOI team at present, in particular the tracking and managing of FOIs. This will free up the FOI team to focus on the more complex cases where specialist knowledge is required. There are synergies between the two functions in that both are process driven and that both follow a complaints process if there is dissatisfaction either with the service provided or in meeting the FOI request. The model of having a team that undertakes complaints and FOI requests is not uncommon, and skilling up officers to handle complaints and FOI enquiries will provide a more resilient team in times of high volume.

4. **Headline findings**

Complaint Numbers – There has been an overall decrease (down 56) from 994 to 938 in the total number of complaints across all stages of the complaints procedure. The decrease is not significant.

A reduction in meeting the target response times for stage 1 and stage 2 – Fewer stage 1 complaints met the target response time (down 7% on 2013/14). This can be attributed to the new 10 working day target. However, 86% of stage 1 complaints did meet the target response time, and this is still considered a good performance.

There was an improvement in the Stage 2 target response time performance from 75% to 76%.

Upheld Complaints – The percentage of upheld complaints is low. At Stage 1, they are down from 28% to 24%. At Stage 2 they have been reduced significantly, from 14% to 3%.

Local Government Ombudsman (LGO) – The LGO Annual Review for the year ending 31 March 2014 provided no comment on the Council’s performance

LGO Average response times - The council’s average response time was 27 days against a benchmark of 28 days.

Leader and Cabinet Member Correspondence – The data provided indicates that there has been an increase (up 63) in the volume of correspondence received

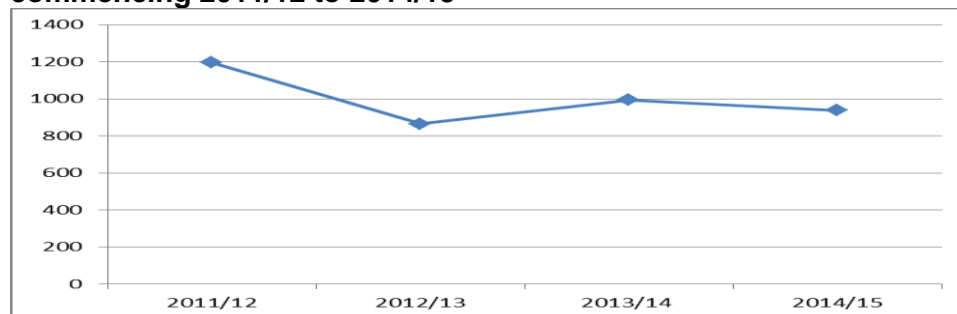
5. Complaint Volumes

Table 1: Comparison of total numbers of complaints for 2013/14 and 2014/15

	2013/14	2014/15	Variance	% change
Stage 1	830	755	-75	-9%
Stage 2	165	183	18	11%
Total	994	938	-56	-6%

- 5.1. As indicated in **Table 1** there has been an overall decrease (down 56) in the total number of complaints across all stages of the complaints procedure when compared to the previous year.
- 5.2. Given the data limitations it is difficult to draw any firm conclusions from the decrease as it is not a significant change, and as shown in **Chart 1** below complaint totals for the last four years remain within the range of between 1200 to 940 complaints.

Chart 1: Total complaint numbers across all stages for the years commencing 2011/12 to 2014/15



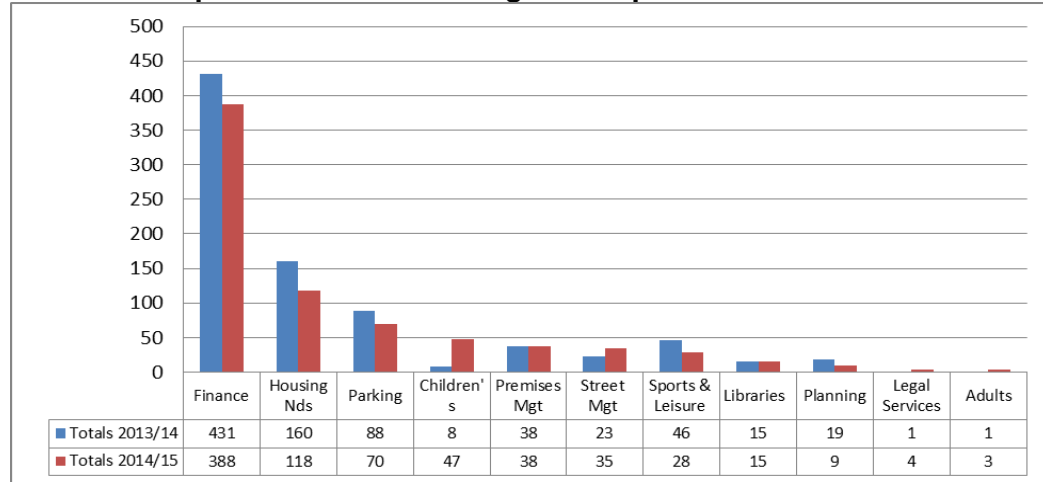
Volumes by service areas across all stages of each complaints procedure

Stage 1

- 5.3. Complaint volume is not a good indicator when looking at performance and when trying to determine if service areas have been delivering good services or not. Therefore complaint volumes need to be viewed with

some context as the council successfully carries out the majority of transactions with its residents and customer, and very few requests enter the complaints procedure. For instance, there were a total of 84 stage 1 Council Tax complaints relating to 123,000 Council Tax properties (160,000 Council Tax accounts per annum), for Benefits the 280 stage 1 complaints needs to be taken in the context of there being 27,000 claimants in the borough.

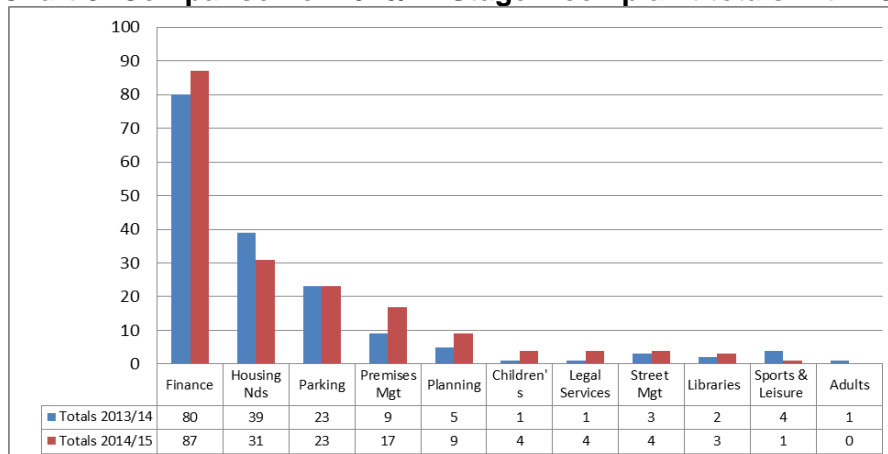
Chart 2: Comparison of 2013/14 Stage 1 complaint totals with 2014/15



- 5.4. As indicated in **Chart 2** the volume of stage 1 complaints comes from Finance which includes Housing Benefit (HB), Council Tax (CT) and Business Rates (NNDR), and also from Housing Needs and Parking Services. This mirrors the previous financial years.
- 5.5. While generally there was an overall downward trend in complaint volumes it appears there has been an increase in corporate complaints from Children's Services (up 39). However, data for 2013/14 wasn't collected from across all teams so the total figure of 8 is not a full representation of complaints received for that year. The data for 2014/15 reflects complaints received across all teams.

Stage 2

Chart 3: Comparison of 2013/14 Stage 2 complaint totals with 2014/15



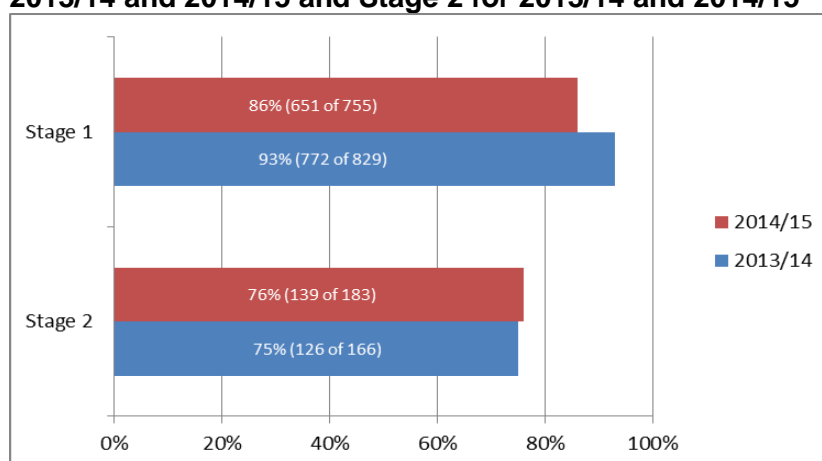
5.6. **Chart 3** indicates there has been an increase in the volume at stage 2 when compared with the preceding year (up17). As complaint volume as a performance measure is not a good indicator and what is more relevant is why the complaint went to stage 2 and whether the complaint was upheld or not. The reasons for complaint escalation are discussed later in this report.

Response Times

5.7. The target response time for complaints received in 2012/13 was 15 working days for both stage 1 and stage 2, and since 1 April 2014 the target response time for stage 1 and stage 2 is 10 working days.

5.8. As there has been a change in the target response times the data in the graphs and charts represent those cases which met the target response regardless of whether it was 15 or 10 working day target.

Chart 4: A comparison of target response times for Stage 1 between 2013/14 and 2014/15 and Stage 2 for 2013/14 and 2014/15



5.9. As seen in **Chart 4** there was a reduction of those stage 1 complaints being completed within target response time (down 7%). The decline can be attributed to the new shorter 10 day target. However, 86% of complaints met the target and this is still considered a good performance.

5.10. Performance at Stage 2 showed a small improvement (up 1%) and 76% of complaints were completed in target response time. This is a good performance as complaint volume is up 17 and the response time was reduced to 10 working days therefore more complaints were done in less time.

5.11. **Table 2** below compares performance for the service areas across stage 1 & 2.

Table 2: Comparison of % of stage 1 complaints answered within target response time for 2013/14 & 2014/15

	% STAGE 1 completed within Target Response for 2013/14	% STAGE 1 completed within Target Response for 2014/15	Performance indicator	% STAGE 2 completed within Target Response 2013/14	% STAGE 2 completed within Target Response 2014/15	Performance indicator
Housing Nds	90%	97%	▲	64%	84%	▲
Planning	74%	67%	▲	100%	22%	▼
Education	38%	9%	▲	0%	Nil complaints rcvd	▶
Parking	95%	71%	▼	78%	83%	▲
Finance	98%	99%	▲	79%	78%	▼
Legal	100%	100%	▶	100%	100%	▶
Libraries	93%	93%	▶	100%	100%	▶
Street Mgt	57%	46%	▼	67%	50%	▼
Sports & Leisure	96%	89%	▼	25%	100%	▲
Premises Mgt	81%	74%	▼	89%	59%	▼

▼	decline in performance
▲	improvement in performance
▶	no change

Escalation rate (from stage 1 to Stage 2)

5.12. When looking at the escalation rate it is worth noting that the Council’s complaints procedure is open and welcomes residents wishing to make a complaint. The process is designed to learn from complaints so to improve service delivery and the customer experience. The procedure has no bar to escalating a complaint so long as there is a stage 1 response a stage 2 review is undertaken even if the complainant has not fully explained why they are dissatisfied with the stage 1 reply. This approach also allows the complainant access to the Local Government Ombudsman (LGO) as the LGO will not normally investigate a complaint unless it has been through all stages of the authorities’ complaints procedure.

5.13. **Chart 5** below indicates that there has been a 4% increase in cases escalating from stage 1 to stage 2 when compared with 2013/14. Data in **Table 3** below provides a service comparison.

Chart 5: Comparison of escalation rates from stage 1 to stage 2 for 2013/14 and 2014/15

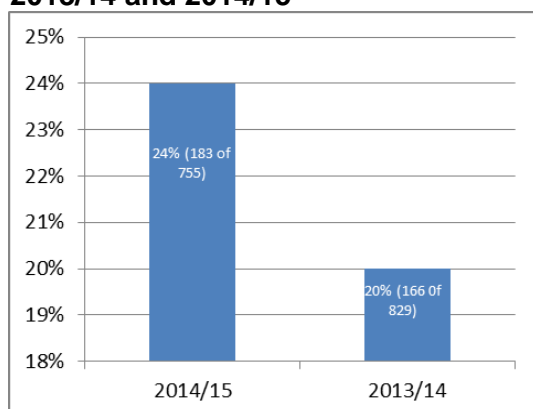


Table 3: A comparison breakdown of complaints escalating from stage 1 to stage 2 for 2013/14 & 2014/15

	2013/14 Complaint Escalation stage 1 to stage 2	2014/15 Complaint Escalation stage 1 to stage 2	% Variance
	S1 to S2	S1 to S2	
Housing Nds	39 of 160 (24%)	31 of 118 (26%)	2%
Planning	5 of 19 (26%)	9 of 9 (100%)	74%
Children's	1 of 8 (13%)	4 of 47 (9%)	-4%
Parking	23 of 88 (26%)	23 of 70 (33%)	7%
Finance (HN/CT/NNRD)	80 of 431 (19%)	87 of 388 (22%)	4%
Legal	1 of 1 (100%)	4 of 4 (100%)	0%
Libraries	2 of 15 (13%)	3 of 15 (20%)	7%
Street Mgt	3 of 23 (13%)	4 of 35(11%)	-2%
Sports & Leisure	4 of 46 (9%)	1 of 28 (4%)	-5%
Premises Mgt	9 of 38 (24%)	17 of 38 (45%)	21%
Totals	166/829 (20%)	183/755 (24%)	

5.14. While we have seen more complaints escalating to stage 2 in 2014/15 the data reveals in 84% of the complaints received the complainant did not cite specific fault with the stage 1 decision, and either requested a review without explaining why, or repeated the same complaint made at stage 1. This indicates that complainants were requesting a review simply because they did not like the stage 1 decision rather than because they found fault with how the service area reached its decision.

Complaint decisions

5.15. An upheld complaint indicates that all the main component(s) of the complainant's dissatisfaction has been accepted by the service area. Therefore high volumes of upheld complaints are an indicator that there has been a problem with aspects of service delivery. Small proportions of complaints being upheld can indicate that there is not a problem with service delivery.

Table 4: A comparison of complaint decisions for 2013/14 & 2014/15

	Stage 1	Stage 1		Stage 2	Stage 2	
	2013/14	2014/15		2013/14	2014/15	
Upheld	28% (234 of 829)	24% (178 of 755)	▲	14% (23 of 166)	3% (5 of 183)	▲
Not Upheld	50% (416 of 829)	52% (393 of 755)	▲	67% (111 of 166)	77% (140 of 183)	▲
Partially Upheld	21% (172 of 829)	24 % (180 of 755)	▼	19% (32 of 166)	21% (38 of 183)	▼

5.16. The data in **Table 4** indicates that at stage 1 there has been an improvement in performance with a slight decrease (down 4%) in Upheld decisions when compared with 2013/14. This data together with an increase (up 2%) in Not Upheld decisions indicates that overall fewer faults in service delivery are being found in those cases which enter the complaints procedure.

- 5.17. At stage 2 there has also been a decrease (down 11%) in Upheld decisions when compared with 2013/14, and only 3% (5 of 183) of stage 2 complaints were upheld in 2014/15. There was also an increase in the % of Not Upheld complaints (up 10%). These findings support a robust stage 1 process.
- 5.18. Overall there has been a slight increase in Partially Upheld complaints at both stage 1 and stage 2. A finding of Partially upheld decision is used when the majority of the complaint concerns are Not Upheld, but there have been some minor lapses in service delivery which the service area accept could have been done better. For example being more pro-active in communications. However, the minor lapse has not had an impact on the main concern.

6. *An analysis of Stage 2 complaints*

- 6.1. As mentioned in item 2.5 a more detail analysis of Stage 2 complaints can be made as this data is recorded by the Complaints and Customer team as it investigates the complaints on behalf of the Chief Executive. While a more detailed analysis is possible it should be noted that total complaint volume is low and only 24% (183 of 755) of stage 1 complaints escalated to Stage 2 with the volume of these coming from three services (Finance, Housing Needs and Parking).
- 6.2. Such a small proportion of complaints make it difficult to establish trends and/or any generic service failings. However, there has been some learning from stage 2 complaints and 10 complaints gave rise to a change in policy or procedure. It should be noted that most of the service learning has not come from the 5 upheld complaints. This supports the value of an open complaints procedure as Stage 2 provides an opportunity through the review process to improve service delivery even if the complaint has not been upheld.
- 6.3. The analysis of stage 2 complaints revealed that there were no serious service failings in any of the 183 complaints received and as noted in item 5.22 and 6.1 only 5 stage 2 complaints were Upheld (5 of 183).
- 6.4. Overall human error was the main factor in the 5 complaints being upheld. Of the 5 complaints 4 were from Finance of which 2 were from CT and 2 from HB. The fifth was a parking issue.
- 6.5. In one of the Council Tax complaints an error was made when searching for a company address using information from a third party. The error led to the wrong household being billed and owing to non payment the matter went to Liability Order. Members of staff have been made aware of the consequences of this error. In the other complaint an error was made in using an e-mail address and therefore the complainant did not receive copies of Council Tax demands. This error should have been picked up at stage 1 of the complaints procedure and the complaint was upheld for this reason.

- 6.6. There were 2 Upheld HB complaints. One involved a claimant being advised that he had an overpayment of around thirty thousand pounds. The claimant complained that this amount was not owed even though the stage 1 response confirmed it was. The stage 2 investigation revealed that there had been an error in the calculation as his claimed had been reassessed and the overpayment now due was around four thousand pounds. The second Upheld HB complaint was an allegation that claims for short stay hotels had not been assessed. It was found that there had been delays in requesting decisions from the rent officer and staff were reminded about the need to check whether a case had been referred or not. Errors were also found in some of the claims as rent officers decisions were requested despite existing decision being in place. The service is looking to see if it can strengthen its internal procedures when dealing with this type of multiple claim.
- 6.7. The Upheld Parking Services complaint involved miscommunications over a road which should have been enforced during the 2014 Notting Hill Carnival. Although this issue was resolved between the complainant and the control room a CEO did not attend the area despite 3 requests being made. It seems that an operator failed to pass on this information and this is why no visit was taken and the staff member was dealt with by his employers being the Parking enforcement Contractor.
- 6.8. As noted in 6.1 there was complaint learning and a further 10 stage 2 complaints gave rise to a change in policy or procedure, and these were complaints which did not have an Upheld finding.

***Complaint learning
Cases involving Parking Services***

- 6.9. Following a complaint regarding a vehicle being sold at auctioned despite the case being at Court with a late statutory declaration in process, Parking Services issued new instruction to the Bailiff contractor that all vehicles must be withdrawn from auctions once TEC notifies them of late statutory declarations being made.
- 6.10. A stage 1 response refused to answer a complaint made about staff behaviour under the previous contractor. The Parking Services Customer Relations team has now been instructed to respond to all queries about the former contractor.
- 6.11. A member of the public was filming a police car in Leicester Square and Parking Marshals mistakenly requested that he stop. This request led to a tussle and the member of the public was cautioned by police. As a result of the stage 2 investigations new instructions were given to the marshals clarifying their powers in such public areas and that they could expect members of the public to film the area.

Cases involving Housing

- 6.12. Following a complaint about the use of the term to call self-contained rooms with bathroom and cooking facilities as 'bed and breakfast', first stage accommodation will now be referred to as 'interim

accommodation' prior to the acceptance of statutory homelessness, and 'temporary accommodation' after acceptance.

- 6.13. The complainant had been housed in emergency accommodation and he complained that no planning permission had ever been granted for the property that Housing Options had placed him in. While there was planning permission for the building the issue was it did not cover all of the flats in the property. As a result of the complaint Housing Options are now aware of the need for Community Housing to check that planning permission has been granted for properties before passing them to Westlets for letting.
- 6.14. A complaint was made that all of the potential flats in a new-build were not shown to a prospective tenant who could in theory have applied for any of them. It was established that the Housing Association had shown a show-flat, but not alternative plans or flats to prospective tenants. Following the stage 2 complaint it was decided that this type of letting of new builds offered to the Council via a Housing Association did not match HOS' usual procedure therefore changes would be made to avoid repetition of this error if further new-builds are offered for lettings.
- 6.15. As a result of complaint about a Westlets property from a landlord regarding whether rent would be paid if a property remained empty procedure has now been changed and Westlets now send a letter to the landlord when they arrange a tenancy, explaining on what basis the transaction is proceeding, that is, the rent protection scheme or the tenant introduction scheme.

Cases involving Premises Management

- 6.16. The Safety team received a complaint from a member of the public regarding the suitability of a workstation and the requirements on their employer to make appropriate adjustments. The Safety team revised its approach to ensure that customers are advised that the team's investigation will proceed according to what the team's professional opinion dictates and not the requirements or expectations of the complainant.

Cases involving Sport and Leisure

- 6.17. A Leisure Centre which was partly closed following over-running repairs work and the complainant was concerned that this had not been communicated to customers wishing to use the facility that day. As a result of the complaint instructions were given to leisure centre managers to arrange signposting at the entrance to explain that part of the facility is closed on such occasions.

Cases involving Policy and Strategy

- 6.18. A complaint to the Digital Team that a member of the public had not been allowed to make a complaint by telephone or verbally led to the inclusion of wording to explain that this is possible on the Westminster website.

Compensation

- 6.19. During the complaint investigation if the council found it did something wrong it should offer a remedy which should put the complainant back in the position he/she was in before the error occurred. This is not always possible and sometimes an apology is not enough. Therefore when appropriate, Officers can make an offer of compensation.
- 6.20. Data in **Table 5** shows an increase in the amount of compensation offered (up £400) on the preceding year although there were fewer cases where a financial remedy was required.

Table 5: A comparison of compensation offered at the final stage of the complaints procedure for 2013/14 & 2014/15

Stage 3 Compensation	2014/15		2013/14	
	Totals (£) offered in 2014/15	Nos of cases compensation was offered in 2014/15	Totals (£) offered in 2013/14	Nos of cases compensation was offered in 2013/14
Parking	£200	1	£50	1
Finance	£1,300	7	£1,150	10
Housing Needs	£1,500	1	£1,400	1
Premises Mgt				
Planning				
Libraries				
Sports & Leisure				
Street Mgt				
Legal				
Totals	£3,000	9	£2,600	12

- 6.21. One compensation payment of £1500 was offered by Housing Options. The case involved a disabled, vulnerable applicant who was accommodated in emergency accommodation and it was discovered that this particular flat did not have planning permission. The complainant also had other concerns regarding the accommodation he was placed in. The compensation payment was met by Adult Services and by the contractor delivering the Housing Option Service, both paying equal amounts as both were involved in the placement of this individual and this was the main basis of his dissatisfaction.
- 6.22. A total of £1,300 in compensation payments for 7 cases was offered by Finance for HB/CT & NNDR. The amounts were small and were generally made to reflect short delays and minor errors in the claim process. However, the compensation paid did not come from Council revenue and was paid by the Revenue and Benefit contractor as they were responsible for the original errors/delays.

7. Local Government Ombudsman (LGO) first time inquiries

- 7.1. When the LGO decide that they wish to investigate a complaint about council services they can do so by simply reviewing the information the complainant has provided and/or use information from various web sites or set out in legislation. If they want to obtain specific information

from a local authority, such as asking questions or requesting copies of correspondence to assist in an investigation they will write to the relevant council with their request. This is known as first time enquiries. The average response times of first time enquiries is used as a performance measures by the LGO.

- 7.2. The data in **Table 6** shows a small decrease (down 3) in the number of first time enquiries when compared with the preceding year. This report also notes that these first time enquiries include 4 cases from Adults Social Care which were not investigated under the Council's Corporate Complaints Procedure.

Table 6: LGO total First Time Enquiries for the years 2013/14 & 2014/15

	First Time enquiries Totals 2013/14	First Time enquiries Totals 2014/15	Variance
Premises Mgt	0	2	2
CityWest Homes	8	0	-8
Street Mgt	1	0	-1
Sports & Leisure	1	0	-1
Finance - CT & NNRD	2	6	4
Finance - HB	4	5	1
Housing Nds	9	9	1
Parking	4	1	-3
Planning	1	1	0
Adult's Social Care	6	4	-3
Children's Social Care	0	0	0
Legal	0	0	0
Totals	31	28	-3

- 7.3. **Table 7** (below) provides a comparison of all the LGO complaints investigated and decided by the LGO (including the first time enquiries set out in **Table 6**), for 2013-14 and 2014-15 against each service area, and there has been an overall reduction of 14 complaints.

Table 7: A comparison of all LGO complaints received for 2013/14 & 2014/15

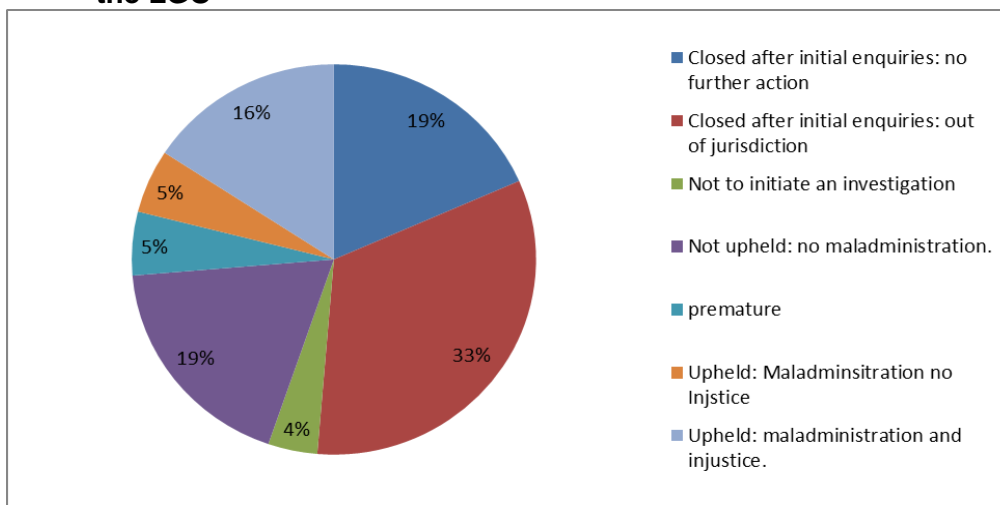
	LGO All Complaint totals for 2013/14	LGO All Complaint totals for 2014/15	Variance
Adults Social Care	7	6	-1
Children's Social Care	3	3	0
CityWest Homes	8	0	-8
Finance (HB/CR/NNRD)	25	22	-3
Housing Needs	17	23	6
Legal	1	1	0
Libraries	1	0	-1
Parking	17	14	-3
Planning	1	3	2
Premises Mgt	4	2	-2
Street Mgt	3	1	-2
Sports & Leisure	2	0	-2
Totals	89	75	-14

- 7.4. Of the 28 first time enquiries (**Table 6**) the LGO issued decisions of Upheld: maladministration with injustice in 12 cases (43%). This

classification of decision should not be confused with the issue of a formal report finding maladministration with injustice. From April 2014 the LGO changed the way it classifies its complaint decisions, and in particular a decision which was previously recorded as Investigation complete and satisfied with authority actions or proposed actions and not appropriate to issue report S30(1B), is now recorded as Upheld maladministration with injustice, or Upheld maladministration no injustice. If a formal report is issued the decision finding would be recorded as **Report issued: Upheld; maladministration and injustice.**

- 7.6. However, the new decision classifications do not reflect if the LGO has found any additional fault not identified in the stage 2 investigation and this is something for the local authority to analyse and comment.

Chart 6: A % breakdown of decisions made on all 75 cases decided by the LGO



- 7.7. **Chart 6** indicates that of the 75 decision made 85% of cases decided by the LGO found no fault, decided not to make enquiries, or decided the matter was out of jurisdiction as there was an alternative formal appeal route that should be used or the case went back into our complaints procedure. This does suggest many of the issues taken to the LGO are not matters for them or they have found no fault in the actions taken by the Council.

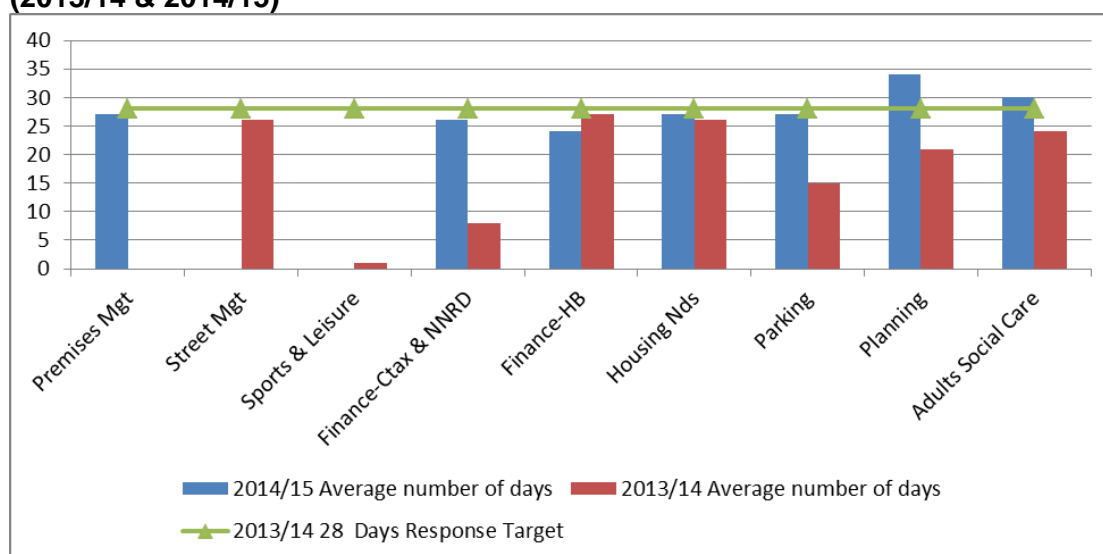
- 7.8. Of the 12 (16%) cases with a decision of Upheld: maladministration and injustice 4 were Partially Upheld at stage 2 of the complaints procedure therefore as the Council already found some fault, albeit very minor, the LGO would also issue an Upheld decision.

- 7.9. In the remaining 8 cases the LGO went on to find fault which was not identified as part of the stage 1 and stage 2 decision. In one case a complainant was unhappy that bailiffs had found a way into the concierge building to the company office to execute a warrant for unpaid business rates. The LGO agreed with the stage 2 finding that the bailiffs had done nothing wrong but found an error in the fees the bailiffs had charged. The amount the Bailiffs had charged were not part of the stage 2 complaint. The complaint learning from this case has led to stage 2 investigating officers checking any bailiff fees

applied when investigation complaints even if this is not part of the main complaint concern.

- 7.10. In one case the LGO generally agreed with the stage 2 complaint funding but increased the compensation offered at stage 2 from £25 to £50.
- 7.11. Overall, the LGO was finding fault through looking at the complaint in the wider context and sometimes with new information provided by the complainant, which was not brought to the Council's attention at stage 1 or stage 2. However, there were no cases where generally the stage 2 decision was completely at odds with the LGO finding.
- 7.12. The LGO monitors all local authorities on their response times to first time inquiries. The benchmark used for this is 28 calendar days from the date on the LGO enquiry letter.
- 7.13. The Council's calculation indicates that the average response time for first time enquiries is 27days for 2014/15. This is within the LGO benchmark of 28 days and represents a good performance. Data in **Chart 7** provides a comparative breakdown of the average number of days taken to reply based on the Council's records.

Table 10: Comparison of average response times for first time enquiries (2013/14 & 2014/15)



NB: Premises Mgt had no first time enquiries for 2013/14
 Street Mgt had no first time enquiries for 2014/15
 Sports and Leisure had no first time enquiries for 2014/15

- 7.14. The LGO produce an Annual Review/Letter and this used to set out any concerns the LGO might have regarding the handling of our complaints together with any performance issues surrounding meeting the 28 day benchmark for first time enquiries. The annual letter now provides some limited statistical information and an update on work they are developing. A copy of the Annual Review Letter can be found in **Appendix B**.
- 7.15. The Annual Review letter for 2014/15 provides two tables indicating the total number of complaints and enquiries this Council has received.

While the LGO tables state a 172 complaints and enquiries were received this figure includes all types enquiries and not just those cases where a decision is issued. Therefore of 172 complaints and enquiries made decisions were issued on 75 complaints and of these 31 cases were first time enquiries discussed in items 6.2.

Compensation

- 7.16. The LGO can award financial payments as part of a remedy for the complaint. The term “injustice remedied” is used to describe decisions where the council remedied or agreed to remedy any injustice to the LGO’s satisfaction during the investigation so allowing the complaint to be closed. These remedies can include the payment financial settlements.
- 7.17. A comparative breakdown of LGO financial remedies for the years 2014/15 and 2013/14 can be found below (**Table 8**).
- 7.18. It is difficult to make performance comparisons between financial years as each complaint is dealt with on its merits. However, the **Table 8** (below) indicates there has been an increase (up £743.50) in the amount of financial remedies.

Table 8: Comparison of Financial Local Settlements 2013/14 & 2012/13

Financial Local settlements	2014/15	nos of cases		2013/14	nos of cases
Housing Nds	£2,600.00	2		£2,500	4
Planning	£1,000.00	1		£0	0
Finance (HB, CT & NNRD)	£943.50	5		£1,450	3
Adults Social Care	£150.00	1		£0	0
Parking	£0	0		£0	0
Children's Social Care	£0	0		£0	0
Premises Mgt	£0	0		£0	0
Sports & Leisure	£0	0		£0	0
Street Mgt	£0	0		£0	0
Legal	£0	0		£0	0
Totals	£4,693.50	9		£3,950	7

- 7.19. One payment of £2,000 was awarded in an Housing Needs case. In this case the complainant incurred rent arrears following the imposition of the bedroom tax as his housing benefit no longer covered the rent of the property the council found for him. The complaint was partially upheld at Stage 2 saying that the error in placing him in a property too large for his family and his benefit level was down to the housing association as they did not check the number of people in the household against the Council’s records and allocated him a home larger than he required. The LGO did not agree and said that error was the fault of the Council and the financial award was to cover the cost of the rent arrears accumulated, moving costs and some money for time and trouble in pursuing the complaint.
- 7.20. The £1,000 awarded in the planning complaint was awarded as the LGO concluded that the initial decision to grant planning permission in

2000 to install gates was flawed. The gates were erected in 2002 and following complaints that they were obstructing public highway the owner was asked to remove them in 2003. There were attempts to sort the issue out, and these talks lapsed. More complaints about the gates were received in 2009 and there was more effort to resolve the matter ultimately this resulted in a letter threatening enforcement action. The gates were removed and the owner tried to recoup the costs of buying and installing the gates and well as the cost of removing the gates. The LGO said that while planning permission should not have been granted the owner (developer) should also take responsibility. The owner benefited from the gates for 11 years as they helped prevented anti-social behaviour and provided a spot for free parking. Therefore £1000 offered was to reflect other flaws in not responded to her solicitor's letters before threatening enforcement action and for delays in dealing with other communications.

8. Leader and Cabinet Members Correspondence

- 8.1. Correspondence addressed to the Leader and Cabinet Members, specifically in their capacity as an Executive portfolio-holder rather than as a Ward Councillor, will often take the form of a complaint or issue with a service that is provided by the city council and that falls under their portfolio. It can also constitute wider correspondence received by the Cabinet Member in the course of their portfolio.
- 8.2. The Cabinet Support section of the Cabinet Secretariat is responsible for the management of and collation of the statistical information about Cabinet Members' correspondence, and they have provided the relevant data.
- 8.3. The data provided in **Table 9** indicates that there has been an increase (up by 63) in the volume of correspondence received.

Table 9: A breakdown of correspondence totals received by Cabinet Portfolio

Portfolio	2014/15	2013/14
Adult Services	19	16
Planning	201	131
Housing	143	131
City Management and Transport	58	43
Sustainability (est. as a Cabinet Portfolio in May 2014)	18	7
Business	47	41
Parking	44	56
Children & Young People	24	54
Premises Management	4	9
Finance	7	7
Public Protection	14	16
Sports, Leisure & Parks	5	11
Libraries, Culture & Registrar Services	7	6
Totals	591	528

* (inc. Environment)

APPENDIX A1

CWH Service Improvement Performance Report 2014/15



**Board
2 June 2015**

Report title:	Service improvement performance report for 2014/15
Lead:	Jo Bowles, Director of Human Resources and Corporate Communications
Circulation:	For general circulation
Report outline:	This report presents information about the complaints received during 2014/15. The report identifies the key themes. Specifically what is new, what is going to improve and how we will measure and communicate improvement
Recommendations:	The Board notes the contents of this report
Financial Implications: Is the proposal budgeted:	No N/A
Risk Management Undertaken: Mitigations/actions included in report	Yes No
Resident Consultation:	N/A
Impact on Equalities (direct/indirect):	Yes
Attachments:	No

If you have any questions about this report please contact **Jo Bowles**
Tel: 020 7245 2050 or jbowles@cwh.org.uk

1. Introduction

The report sets out an analysis of the formal complaints and local resolutions received by CityWest Homes between April 2014 and March 2015. The report highlights the main themes emerging from the analysis and how the information will be used to improve service delivery and determine future priorities.

Performance Indicator	Lessee	Tenant	2014/15	2013/14	% diff between years
Stage 1	117	93	210	306	↓ 31.3%
Stage 2	27	14	41	45	↓ 8.9%
Housing Ombudsman	1	3	4	6	↓ 33.3%
Total	145	110	255	357	↓ 28.6%

Performance Indicator	Volume		Response Rate		
	2014/15	2013/14	Target	2014/15	2013/14
Stage 2 - written response option	20	25	100%	96%	100%
Stage 2 - panel option	21	21	100%	92%	100%

Performance Indicator	Volume		Response Rate		
	2014/15	2013/14	Target	2014/15	2013/14
Response rate for MP enquiries	25	111	100%	100%	100%
Response rate for councillor enquiries	30	117	100%	100%	95%

Performance Indicator	Local Resolution to Stage 1		Stage 1 to Stage 2		Stage 2 to Housing Ombudsman	
Escalation rates 2014/15	28	6.2%	41	19.5%	4	10%

Table 1 – performance statistics year ending 31 March 2015.

2. Executive summary

The information in Table 1 shows that overall there has been a significant reduction in the number of formal complaints logged. This is most significant at Stage 1 and is also reflected in the number of MP and councillor enquiries received.

There is evidence to support the perception that complaints are not dealt with as effectively as they could be across the organisation. The information in this report provides an analysis of the main themes, suggests areas where improvements can be made and how we plan to measure and communicate the improvements.

3. Background

The formal complaints procedure consists of two formal stages - Stage 1 and Stage 2. The complaints procedure was reviewed 3 years ago and re-designed to remove the Stage 3 part of the process. The local resolution is an informal stage of the process and an opportunity for residents to raise issues and concerns. The issues raised are not always complaints. For completeness the results of the local resolutions are also included in this report.

4. Analysis of each stage of the complaints procedure – informal and formal

The results show that there has been a reduction in the number of complaints logged at both of the formal stages of the process. This follows the trend seen in previous years.

The consistent themes arising from this report fall into 5 main categories: repairs, anti-social behaviour, major works, estate management and staff.

Informal - local resolution

	Lessee	Tenant	Total 2014/15	Total 2013/14	Total 2012/13
Local resolution	148	303	451	332	196

Local resolutions are dealt with by the service area and offer an informal way for our residents to have their concerns, service requests and queries answered. An officer from the responsible service will contact the resident, usually by telephone or email, and answer or put a resolution in place within two working days.

Throughout the year, we have seen a significant increase in the number of local resolutions being logged. At the end of March 2015, 451 issues had been recorded. This is a 36% increase on the previous year.

The reason for the increase in local resolutions could be that we are recording these

cases more effectively. We are also taking a more proactive approach to resolving issues. For example, in repairs, a call to the contractor can quickly put the repair back on track.

The issues or concerns raised cover a wide range of topics. An analysis of the information for the year 2014/15 shows the main themes at local resolution are:

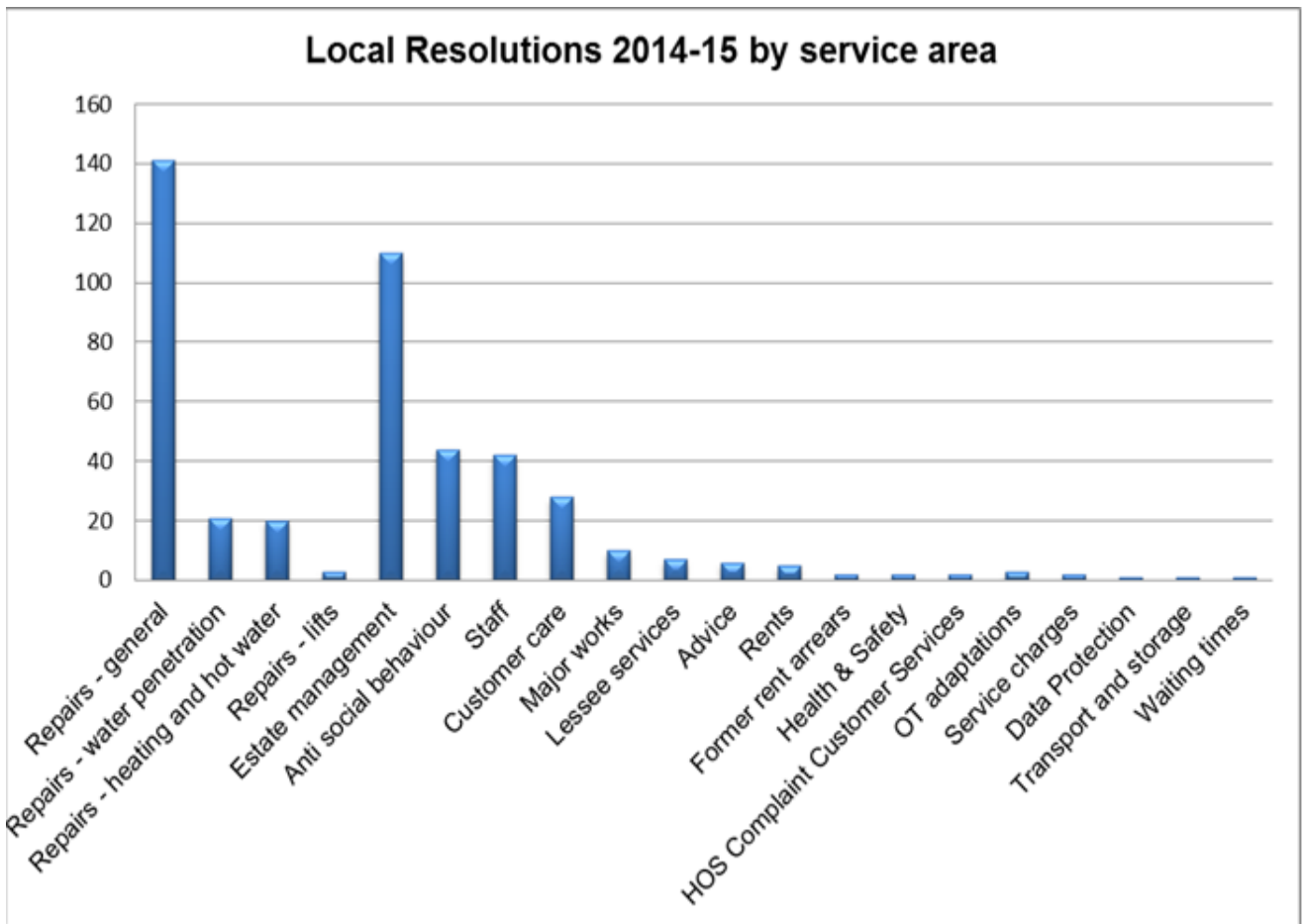


Chart 1 – Showing local resolution resolved by service area

1. Repairs

Repairs or repairs related concerns accounted for 185 of 451 cases; this represents 41% of all local resolutions. When compared to 2013/14 there has been a 7.6% increase in these cases.

General repairs cases consist of residents unhappy with issues of delays, perception that their repair is not progressing, appointments being missed or works are incomplete.

The number of cases should be put into context as the repairs service handles approximately 53,000 repairs each year, meaning that 185 local resolution cases account for less than half of one percent of repairs attended.

Major works cases (10) accounted for approximately 2%, compared to just over 3% in 2013/14. Repairs and major works together account for over 43% of local resolutions.

2. Estate management

Estate Management's 110 cases accounted for 24% of the local resolutions. In 2013/14 Estate Management was slightly higher at 28%.

At local resolution we find cases related to cleaning of estates and communal areas, estate parking issues and appeals and anything to do with pest control concerns. Local resolution is an effective way of dealing with concerns about cleaning as it allows the responsible service to act immediately and get an officer out to inspect and remedy.

3. Anti-social behaviour cases

Anti-social behaviour accounted for 44 cases represent 9.7% of local resolution cases. This compares to 60 cases in 2013/14.

4. Staff issues

Local resolution concerning staff or staff behaviour accounted for 42 cases and represents 9.3% of cases. This figure has increased markedly compared to only 5 such concerns in 2013/14.

Formal Stage 1 complaints

Stage 1	2014/15	2013/14	2012/13
Total	210	306	310
Lessee	117	165	131
Tenant	93	141	179

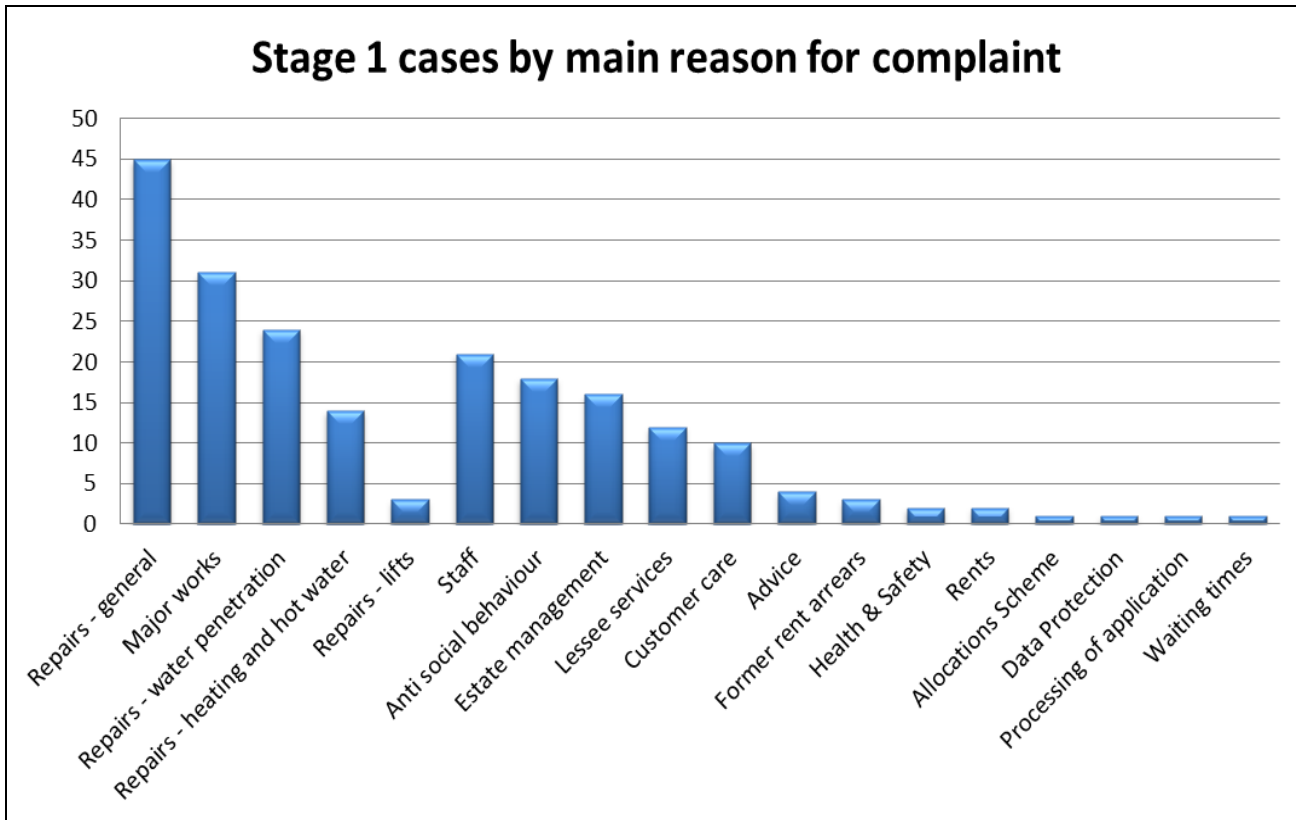


Chart 2 - showing the breakdown of Stage 1 cases by reason for complaint

Stage 1 is the first part of the formal complaints process. When a resident expresses dissatisfaction with our service the relevant service area will investigate and a written response is sent back to the resident within ten working days.

Compared with the previous year, we have seen a significant decrease in Stage 1 complaints. It is noticeable that the decrease in Stage 1s is almost equal to the increase in local resolution cases in both volume and as a percentage. This suggests more issues are being moved to local resolution in order to get a quick resolve.

Only 28 local resolution cases failed to be resolved at the informal stage and were required to be escalated to a formal Stage 1 complaint. That is an escalation rate of 6.2%. This means that 182 expressions of dissatisfaction were logged directly as a Stage 1 complaint.

The main themes at Stage 1 are similar to the local resolutions. The main areas receiving complaints are:

- Repairs - 41%
- Major works - 16%
- Staff - 10%
- ASB - 9%
- Estate services - 8%

Repairs related Stage 1 complaints (general, water penetration, lifts, heating and hot water) account for 41% cases – similar to local resolutions

Some examples of the issues being brought up at Stage 1 are below:

“I have reported a leak on the kitchen ceiling almost 2 week ago.”

“long term water damage the resident believes that this is down to plumbing in another property which has caused serious leaking...”

“Dissatisfied with the quality and supervision of the works on site - in particular concrete repairs and works to the railings.

...is considering suing Westminster Estate Office because of their negligence and lack of customer care. He was without central heating for over 2 weeks...”

“rude cold calling in relation to rent arrears....”

“Unhappy with ‘roundup’ herbicide on communal plants/walkways/footpaths. Feels residents have not been informed meaning children are playing in it.

In regards to Staff complaints, when looking at the specifics of those, we need to be better at distinguishing between an outcome a resident is not happy with and actual poor behaviour by a CWH officer.

Formal Stage 2 complaints

Stage 2	Total 2014/15	Total 2013/14	Total 2012/13
Total	41	45	38
Lessee	27	25	15
Tenant	14	20	23

The target to achieve at Stage 2 was a reduction to 35 cases. This has not been achieved.

Of 41 Stage 2 complaints, 66% were from leaseholders. This compares to 56% of Stage 2s emanating from a lessee in 2013/14.

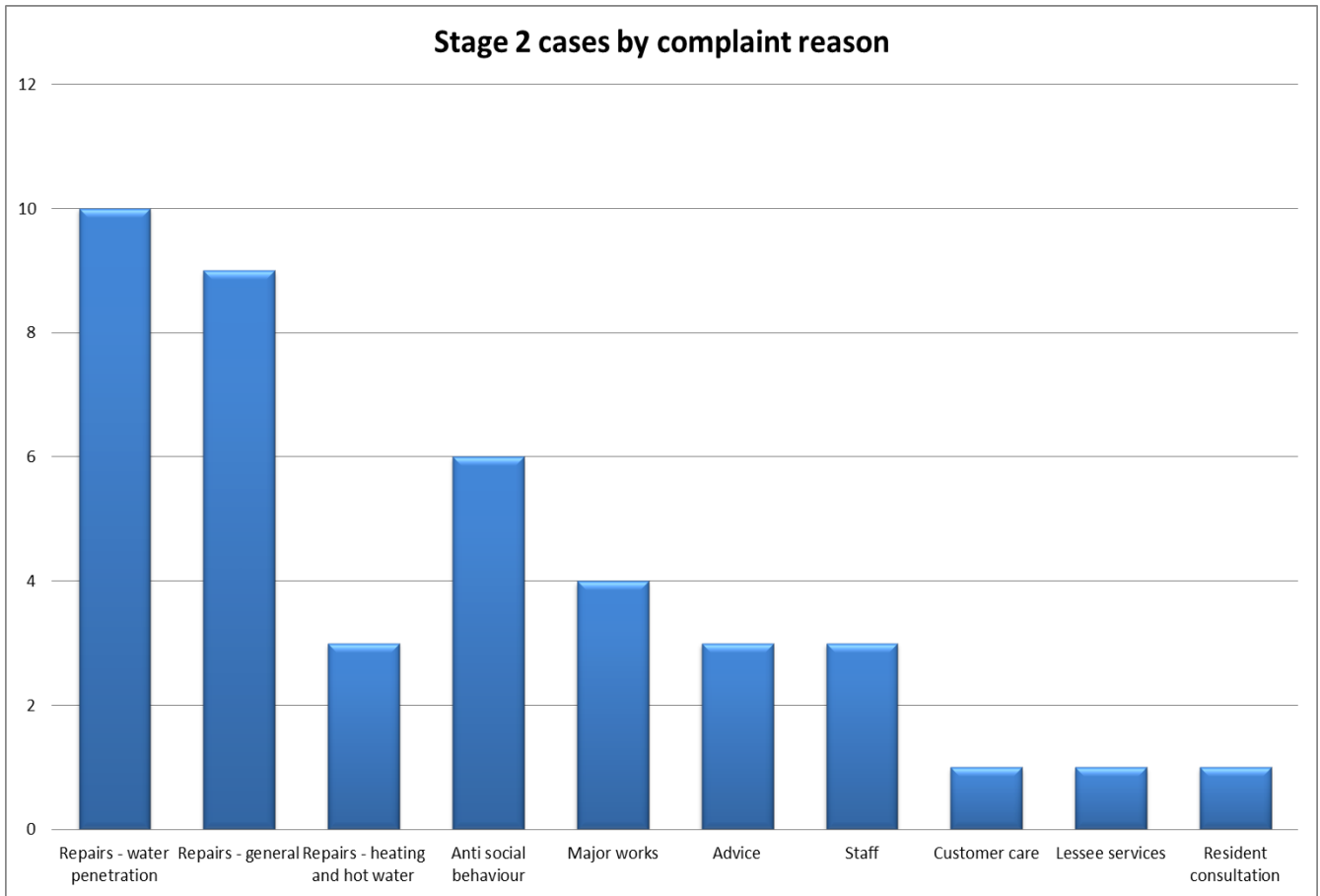


Chart 3 - showing the breakdown of Stage 2 cases by reason for complaint

The escalation of cases between Stage 1 and Stage 2 was 19.5% in 2014/15, compared to 14.7% in the previous year.

Further investigation shows that in each case the reasons for the escalation are very similar. Mostly relating to not being happy with what was said at Stage 1 or not following through on what was promised in the Stage 1 response.

We have not been able to meet the 100% response time for the Stage 2 complaints. The complexity of some of the cases and the amount of time to organise a panel hearing has been challenging and an area where we will be making improvements.

An analysis of the mains themes shows:

1. Repairs

Repairs related issues had 86 Stage 1 complaints and 22 of them were escalated to Stage 2 (a conversion rate of just over 25%).

2. Anti-Social Behaviour

The next highest category of Stage 1 to Stage 2 escalation is Anti-Social Behaviour cases. 6 cases escalated from 13 Stage 1 complaints. A conversion rate of nearly 46%. The complexity and very personal nature of this type of complaint makes it more difficult to find an agreeable resolution.

3. Major works

The cases here relate to dissatisfaction with major works e.g. poor quality windows and length of time scaffolding is up, or not being kept informed.

4. Advice

This category of complaint centres around advice CWH has given to residents. The quality of the advice is either not good enough or the resident is not happy with the outcome.

5. Staff issues

3 out of 21 Stage 1s relating to staff were escalated to Stage 2. Looking at the cases in detail we need to differentiate between the advice given by the officer not being in line with the residents' expectations and when a CWH officer is providing poor customer service.

6. Estate management

It is noticeable that no estate management Stage 1 cases escalated to Stage 2.

Last year we made comments about our prominent and repetitive complainants. This year we have not seen the same pattern. There are no Stage 2 complainants that have made a further complaint that has escalated to Stage 2.

Housing Ombudsman Complaints

Housing Ombudsman	Total 2014/15	Total 2013/14	Total 2012/13
Total	4 out of 41	6 out of 45	10 out of 38

There has been a decrease in the overall number of cases that were escalated to the Ombudsman. In the last 5 years, the number of escalations has decreased fairly dramatically. For example in 2008/2009, 21 complaints were escalated to the next stage. Our continued commitment to ensure complainants are satisfied at Stage 2 has contributed to the decrease in escalations.

Councillor and MP Enquiries

This year we registered and responded to 55 councillor and MP enquiries. This represents a 76% decrease on the 2013/14 year end of 230. The numbers registered may not be entirely accurate if people have not recorded these in the correct way. It is likely that this is the case and will be an area for improvement.

The lower number recorded may be attributable to a number of things, including: Purdah period during the election periods (very small volume of enquiries from councillors during May and June of 2014 and a similar pattern for MP enquires in February and March 2015); possibly not all councillor enquiries to the business are going through the Service Improvement Team but are being handled at estate offices.

Over 80% of enquires from Councillor and MP concern either repairs (51%), ASB (20%) and estate management issues (10%).

There were 30 Councillor enquires logged by the Service Improvement Team, a reduction of 73% on 2013/14.

There were 25 MP enquiries, a decrease of 79% on the previous year's figures. From the office of Karen Buck there were 22 and 3 from the office of Mark Field.

Areas for improvement

There is a perception that complaints are not dealt with as effectively as they could be across the organisation and there is evidence to support this view. We are working on a number of things to change this as outlined below:

- Gaining a better understanding of where things go wrong

Marc Wolman commissioned an independent review by a research company called TLF. TLF sampled 34 people who had recently raised a complaint either informally or formally, to understand their experience of our processes in a qualitative study. This research has been a useful exercise understanding in detail how our customers feel from their interactions with us. This has highlighted a number of points along our current customer journey where improvements can be made and built into the process, to increase the satisfaction with our response to complaints. These findings focus on three areas of the process - raising the complaint, our approach to initial contact and how we move the complaint through to final decision. . Using the TLF findings will help to improve customer experiences that end in formal complaints.

The Business Transformation team plan to work closely with teams across the business to address some of the areas which would benefit from being updated and refreshed, which include several quick wins. E.g. refreshing our front line customer service training.

- Building a new service improvement team

We are in the process of building a new team as key members of the team have left recently. 100% of the team has changed and this has given an opportunity to take a fresh look at our approach to handling complaints centrally. We will be looking at all of the processes within the service improvement team. Zoe Evans will be returning to the area in June following maternity leave.

- Specialist complaint training

Looking at every Stage 1 and Stage 2 complaint over the past 3 months it is clear that the quality of response varies across the business. We plan to carry out specialist training with the Housing Ombudsman to improve the quality of our responses. We have also been working with the Complaints Manager at WCC to learn from their approach.

- Improve the quality/follow-up of Stage 1 investigations

Reviewing the complaints, we can see that there is a common theme at Stage 1. If investigations were carried out better there would be a reduction in Stage 2 escalations. Specifically where this relates to keeping our promises. It appears that we are not always good at carrying out what we said we would do or following through on what was promised in the Stage 1 response.

In addition, there needs to be a reflection period to make sure that we have done everything possible at Stage 1 to resolve the complaint. A number of organisations do not allow escalations immediately as they want to understand whether more could be done at the first stage.

How we will measure and communicate improvement

The findings of the TLF research will be communicated back to the business and improvements made.

Embedding lessons learnt is key to reducing repeat complaints and improving service delivery. Changes to the way complaints will be handled in the coming year will ensure that we are always mindful of the resident experience in all interactions.

Monitoring will continue to ensure that resident satisfaction is paramount in the delivery of our service and allow us to challenge the way we work.

Recommendations

The Board notes the contents of this report.

APPENDIX B

A copy of the LGO Annual Review for 2015

18 June 2015

By email

Mr Charlie Parker
Chief Executive
Westminster City Council

Dear Mr Parker

Annual Review Letter 2015

I am writing with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2015. This year's statistics can be found in the table attached.

The data we have provided shows the complaints and enquiries we have recorded, along with the decisions we have made. We know that these numbers will not necessarily match the complaints data that your authority holds. For example, our numbers include people who we signpost back to the council but who may never contact you. I hope that this information, set alongside the data sets you hold about local complaints, will help you to assess your authority's performance.

We recognise that the total number of complaints will not, by itself, give a clear picture of how well those complaints are being responded to. Over the coming year we will be gathering more comprehensive information about the way complaints are being remedied so that in the future our annual letter focuses less on the total numbers and more on the outcomes of those complaints.

Supporting local scrutiny

One of the purposes of the annual letter to councils is to help ensure that learning from complaints informs scrutiny at the local level. Supporting local scrutiny is one of our key business plan objectives for this year and we will continue to work with elected members in all councils to help them understand how they can contribute to the complaints process.

We have recently worked in partnership with the Local Government Association to produce a workbook for councillors which explains how they can support local people with their complaints and identifies opportunities for using complaints data as part of their scrutiny tool kit. This can be found [here](#) and I would be grateful if you could encourage your elected members to make use of this helpful resource.

Last year we established a new Councillors Forum. This group, which meets three times a year, brings together councillors from across the political spectrum and from all types of local authorities. The aims of the Forum are to help us to better understand the needs of councillors when scrutinising local services and for members to act as champions for learning from complaints in their scrutiny roles. I value this direct engagement with elected members and believe it will further ensure LGO investigations have wider public value.

Encouraging effective local complaints handling

In November 2014, in partnership with the Parliamentary and Health Service Ombudsman and Healthwatch England, we published *'My Expectations'* a service standards framework document describing what good outcomes for people look like if complaints are handled well. Following extensive research with users of services, front line complaints handlers and other stakeholders, we have been able to articulate more clearly what people need and want when they raise a complaint.

This framework has been adopted by the Care Quality Commission and will be used as part of their inspection regime for both health and social care. Whilst they were written with those two sectors in mind, the principles of *'My Expectations'* are of relevance to all aspects of local authority complaints. We have shared them with link officers at a series of seminars earlier this year and would encourage chief executives and councillors to review their authority's approach to complaints against this user-led vision. A copy of the report can be found [here](#).

Future developments at LGO

My recent annual letters have highlighted the significant levels of change we have experienced at LGO over the last few years. Following the recent general election I expect further change.

Most significantly, the government published a review of public sector ombudsmen in March of this year. A copy of that report can be found [here](#). That review, along with a related consultation document, has proposed that a single ombudsman scheme should be created for all public services in England mirroring the position in the other nations of the United Kingdom. We are supportive of this proposal on the basis that it would provide the public with clearer routes to redress in an increasingly complex public service landscape. We will advise that such a scheme should recognise the unique roles and accountabilities of local authorities and should maintain the expertise and understanding of local government that exists at LGO. We will continue to work with government as they bring forward further proposals and would encourage local government to take a keen and active interest in this important area of reform in support of strong local accountability.

The Government has also recently consulted on a proposal to extend the jurisdiction of the LGO to some town and parish councils. We currently await the outcome of the consultation but we are pleased that the Government has recognised that there are some aspects of local service delivery that do not currently offer the public access to an independent ombudsman. We hope that these proposals will be the start of a wider debate about how we can all work together to ensure clear access to redress in an increasingly varied and complex system of local service delivery.

Yours sincerely



Dr Jane Martin
Local Government Ombudsman
Chair, Commission for Local Administration in England

Local authority report – Westminster City Council

For the period ending – 31/03/2015

For further information on interpretation of statistics click on this link to go to <http://www.lgo.org.uk/publications/annual-report/note-interpretation-statistics/>

Complaints and enquiries received

Local Authority	Adult Care Services	Benefits and tax	Corporate and other services	Education and children's services	Environmental services and public protection	Highways and transport	Housing	Planning and development	Total
Westminster City C	12	47	10	10	12	28	48	5	172

Page 59

Decisions made

Local Authority	Detailed investigations carried out		Advice given	Closed after initial enquiries	Incomplete/Invalid	Referred back for local resolution	Total
	Upheld	Not Upheld					
Westminster City C	17	19	9	45	4	71	165

This page is intentionally left blank



City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	02 DEC 2015
Classification:	General Release
Title:	Annual Contract Review 2014/15 – Update
Wards Affected:	N/A
Financial Summary:	N/A
Report of:	Chief Procurement Officer
Author:	Della Main, Operations Support Manager – Process and Governance Tel: 020 7641 5981

1. Executive Summary

1.1 A report was presented to the Audit and Performance Committee on Wednesday, 15th July 2015 which provided details of the Annual Contracts Review 2014/15. The Committee requested updates on the following at the Audit and Performance Committee meeting to be held on 2nd December 2015:

- Compliance with contract record keeping within capitalEsourcing across the Council;
- Implementation of the Contract Management Framework;
- Procurement & Commercial training received by members of the Strategic and Commercial Procurement team.

2. Recommendations

2.1 It is recommended that the Audit and Performance Committee note the contents of this report.

3. Reasons for Decision

3.1 Not applicable.

4. Compliance with contract record keeping within capitalEsourcing across the Council.

4.1 The capitalEsourcing contracts register is regarded as the “single source of truth” and forms the basis for reporting on contract information across the Council. Through training and regular communications, it has been made clear to Contract Managers that it is a mandatory requirement to ensure that records are accurately maintained and regularly updated. Although it is evident that on the whole, compliance is improving, a number of records remain incomplete and therefore non-compliant and it is clear that it is not well maintained. Detailed analysis of the system demonstrates there has been good progress in some areas but others are lagging.

4.2 The table below provides an update on capitalEsourcing compliance to the end of September 2015. The WCC departments have been manually reviewed to reflect the recent organisation changes and further work is required to map to the new hierarchies to match the Managed Services Agresso system.

Mandatory Field Compliance		by Authority Resp		Updated: 1 October 2015		
All Contracts Above £100k						
Hosting Authority	All Mandatory			Contract Performance		
	Completed	Total	% Compliant	Updated	Total	% Compliant
H&F	259	269	96%	188	235	80%
Adult Social Care	159	160	99%	108	138	78%
Bi-Borough HR (RBKC and (H&F)	2	2	100%	1	2	50%
Environment, Leisure & Res RBKC & H&F	15	18	83%	13	16	81%
Finance & Corporate Services (H&F)	29	30	97%	25	27	93%
Housing and Regeneration (H&F)	25	28	89%	18	21	86%
Transport & Tech Services(RBKC & H&F)	29	31	94%	23	31	74%
RBKC	165	173	95%	54	156	35%
Children's Services	97	98	99%	23	91	25%
Finance & Corporate Services (RBKC)	53	57	93%	21	47	45%
Housing Services (RBKC)	14	17	82%	9	17	53%
Planning & Borough Development (RBKC)	1	1	100%	1	1	100%
WCC	203	236	86%	94	214	44%
City Management and Communities (WCC)	30	34	88%	19	32	59%
Corporate Services (WCC)	15	19	79%	4	15	27%
Growth, Planning & Housing (WCC)	59	80	74%	28	76	37%
Policy, Performance and Communications (WCC)	10	12	83%	3	11	27%
Public Health	69	69	100%	29	65	45%
Westminster Finance (WCC)	20	22	91%	11	15	73%
Grand Total	627	678	92%	336	605	56%

* Department structure for WCC has been manually corrected and may not be 100% accurate.

- 4.3 Strategic & Commercial Procurement, at the request of EMT, have re-allocated resources to work with Services and assist with the completion of the contract records in capitalEsourcing. However it is the responsibility of the Services to update records and provide the necessary information.
- 4.4 The Chief Procurement Officer and City Treasurer have commissioned internal audit to review capitalEsourcing compliance. The results of the audit and recommendations are currently under review.
- 4.5 Strategic & Commercial Procurement will require Category Managers who lead on all procurement activity above £100,000 to update the Contracts Register in capitalEsourcing which will improve compliance. However there is a requirement for the Services to maintain this, to address legacy data and to continue to address contracts awarded below £100,000 and contract extensions/variatioins where the decision has been delegated to the Executive Director.
- 4.6 It has been agreed that Finance Managers will be given an increased level of visibility of contracts for each of the Services they support and a better understanding of the requirements of contract record keeping. This will support a drive for improved contracts management and the possibility for driving savings through the lifetime of a contract.
- 4.7 The Assistant City Treasurer has agreed to update the Financial Regulations to place a requirement on managers to keep the contracts register updated. This will mirror the requirements of the Council's Procurement Code.
- 4.8 It has been noted that the structure in capitalEsourcing does not match that in Agresso (Managed Services). A list of organisational names was provided by Human Resources in week commencing Mon 19 Oct 15 and work has commenced to mirror the hierarchy in capitalEsourcing.

5. Training and Development

- 5.1 Contract Management and Development, Legal Aspects, and Category Management form the core of the Procurement and Commercial Development Programme. The programme will be delivered using learning techniques to embed key skills to support the success of the delegates.
- 5.2 The courses planned are:
- 14 sessions on Managing Successful Contracts;
 - 2 sessions on Legal Aspects and Contract Development;
 - 2 sessions on Embedding Category Management.

These courses will target:

- 94 Contracts Managers at Westminster City Council
- 40 Contracts Managers at London Borough of Hammersmith & Fulham
- 45 Contracts Managers at Royal Borough of Kensington & Chelsea

There is also a programme of Action Learning Sets planned that support the Managing Successful Contracts course that will be arranged according to demand.

5.3 Managing Successful Contracts (the Contract Management Framework) – mandated for all Contract Managers

5.3.1 The two day workshop covers all aspects of Contract Management. It provides delegates with an understanding of robust contract management principles and a practical insight into the “Managing Successful Contracts Framework”. The workshop has been designed to build awareness of the contract management process by exploring the lifecycle stages and their associated activities. It also provides practical insight into the application of contract management tools and techniques and the interpersonal skills required for managing contracts successfully. To further support and embed the valuable learning from this two day workshop delegates will also be invited to attend a series of Action Learning sessions. Here they will be able to knowledge share and put their new skills into practice on live projects, whilst being supported by a leading expert.

5.3.2 On completion of the workshop, delegates will be able to:

- Understand their role and the role of others in managing supplier contracts.
- Structure their approach to managing contracts with suppliers using the “Managing Successful Contracts” a contracts management framework.
- Manage and facilitate improved contract performance through sound procedures and motivation of suppliers.
- Manage supplier performance making effective use of review meetings and other approaches.
- Make a professional impact in their relationships with suppliers and other stakeholders.
- Input to and utilise the written contract in their management of contracts.
- Deliver tangible improvements and benefits from their supply contracts.

5.4 Legal Aspects & Contract Development (Back to basics) – mandated for all procurement staff

5.4.1 This one day workshop covers a range of legal aspects relating to commercial contracts. The skills developed will increase the confidence of delegates enabling them to contribute more effectively to both the development of new contracts and commercial decision making during the contract lifecycle. The course will reference and build awareness of the significance of the councils

template terms used on the capitalSourcing system and contained in the Clause Bank.

5.4.2 On completion of the Training Event called, “**Legal Aspects and Contract Development**”, delegates will:

- Understand the legal issues relating to commercial contracts.
- Understand the risks associated with a requirement and the commercial environment, and develop and implement suitable contractual mitigations.
- Appreciate and be able to work internally to develop appropriate contractual terms based on a better understanding of the council’s specific standard templates.
- Use legal insight to negotiate required contract terms with a supplier.
- Understand how suppliers will seek to use contract terms to minimise liabilities and risk.

5.5 **Embedding Category Management**

5.5.1 This 2 day workshop covers all aspects of Category Management, from category management principles and guidelines to practical insights into the best use of the techniques incorporated in the Westminster City Council Category Management Toolkit. The workshop has also been designed to promote enhancement and continuous development of the toolkit to facilitate its wider adoption and to ensure category management is embedded into council procurement practices.

5.5.2 On completion of this workshop delegates will:

- Understand the importance of Category Management to the delivery of Westminster City Council’s vision and strategy.
- Understand the Westminster City Council Category Management process and how to apply it to different categories of spend.
- Be able to apply a range of Category Management process tools and techniques to strategically inform the development of sourcing options and supply market decisions.
- Have developed a deeper appreciation of the value of applying key Category Management tools and techniques.
- Be aware of the governance structures required to support category management.
- Have confidence to deal with a variety of category implementation and management challenges, including the application of change management techniques.
- Have a greater awareness of what good Category Management looks like.
- Have gained experience in evaluating and suggesting improvements to Category Management process tools, techniques and approaches.

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

Della Main on 020 7641 5981; dmain@westminster.gov.uk



City of Westminster

Audit and Performance Committee Report

Meeting or Decision Maker:	Audit and Performance Committee
Date:	2 nd December 2015
Classification:	General Release
Title:	Quarter 2 (April - September 2015) Performance and Period 6 Finance Report (September 2015)
Key Decision:	Review and challenge officers on the contents of the report
Financial Summary:	Period 6 (September 2015) finance position reported
Report of:	Steven Mair, City Treasurer Julia Corkey, Director of Policy, Performance and Communications

1. **Executive Summary**

This report provides the Quarter Two (April 2015 – September 2015) update to the Audit & Performance Committee on delivery against the 2015/17 Business Plans.

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

3. **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.

4. **Background, including Policy Context**

This report sets out how the City Council is delivering on the City for All vision and Medium Term Savings Plan.

This report provides a compressed overview of the Council's financial position as at Period 6 (September 2015). It covers the following:

- SECTION 1 – Revenue expenditure including financial risks and opportunities
- SECTION 2 – Capital Expenditure
- SECTION 3 – Finance Strategic Projects

KEY MESSAGES:

The report of the Period 6 revenue and capital position is largely based on service and finance knowledge as the Council continues to embed the new financial ledger.

Revenue

At Period 6, the Council is projecting a potential overall £1.082m underspend against budget. This has improved from the position reported at Period 5 by £0.5m. Underspend is forecast by City management & Communities. All other services are forecasting no variance. At P6 there was a net opportunity of £0.618m.

Capital Expenditure

The forecast outturn for capital expenditure is a £2.588m underspend against budget. This is a reduction of £0.507m from Period 5. This is substantially the net of the Wilberforce School expansion which has been cancelled (£1.674m), slippage of Moberly Sports Centre Redevelopment to 2016/17 (£0.9m), slippage of Beachcroft and Carlton Dene project (£0.814m) and the slippage of lighting improvements from 2014/15 of an £0.8m overspend.

REVENUE EXPENDITURE**Operating Budget**

The Council has an operating budget of £192m. The projected overall outturn at period 6 is an under spend of £1.082m. This is made up of an underspend for City Management and Communities of £1.082m (see Table 1 which reports budgets, projected outturn and variances by Service Area).

Service Area Revenue Projected Outturn

The overall favourable variance of £1.082m to budget (see Table 1 overleaf) is made up of the following:

- City Management & Communities shows a favourable variance to budget of £1.082m which is predominantly due to commercial waste income performance and the positive outcome of the Hemming case appeal.

Table 1 – P6 Forecast Outturn by EMT Directorate

SERVICE AREAS - EMT Structure	Budget	Projected Outturn	Projected Variance	Risks Identified	Opp'nities Identified	Projected Net Risk
	£000	£000	£000	£000	£000	£000
Chief Executive	(366)	(366)	-	120	(170)	(50)
City Treasurer	17,705	17,705	-	196	(196)	-
Director of Policy, Performance and Communications	7,852	7,852	-	110	(110)	-
Executive Director of Adult Services	61,815	61,815	-	250	-	250
Executive Director of Childrens Services	37,253	37,253	-	680	(113)	567
Executive Director of City Management and Communities	25,028	23,946	(1,082)	521	(2,059)	(1,538)
Executive Director of Corporate & Commercial Services	16,009	16,009	-	483	(575)	(92)
Executive Director of Growth, Housing and Planning	26,800	26,800	-	245	-	245
SERVICE AREA TOTAL	192,096	191,014	(1,082)	2,605	(3,223)	(618)

The Hemming's case challenged the level of fees charged for sex establishment licences. It was brought by a number of licensees of sex shops in Soho and other parts of London within the City of Westminster. Shops which cater for the sex market have to be licensed, and those in Soho are regularly inspected to ensure that they are being properly run. In the past, the costs of enforcing the system have been reflected in the licence fee, but a recent change in the law to implement a European Directive is said to have made that unlawful. The initial judgement concluded that the Council could no longer factor in the cost of enforcement against illegal activity in its fee setting structure. The City Council was also made liable for the repayment of fees charged relating to the enforcement of illegal activity since the EU Directive (Provision of Services Regulations) came into force in December 2009. Provision was made in the budget for the likely knock-on effects of this ruling on some other licensing fee regimes.

The City Council requested permission to appeal to the Supreme Court. Westminster City Council were successful with this appeal and won the case in May 2015.

CAPITAL EXPENDITURE

For 2015/16 the projected outturn for Service Areas as at Period 6 is £97.879m which is £2.588m below the approved budget. (See Table 2 which reports budgets, projected outturn and variances by Service Area).

The main reasons for the variance are:

- Children Services is showing a £1.6m reduction against budget for expected expenditure on Wilberforce School Expansion which has been cancelled.
- City Management and Communities is showing £0.9m reduction against expected expenditure on the Moberly Sports Centre Redevelopment which has been carried forward to 2016/17 and an underspend on the libraries development programme.

- Adults Services showing a £0.814m reduction against budget for expected expenditure on development plans for the Beechcroft and Carlton sites within the Specialist Housing Strategy for the Older Persons (SHSOP) which has been carried forward to 2016/17.
- Growth, Planning and Housing is showing a further carry forward of £0.8m to £74.95m for 2014/15 Highways and Lighting Rolling Programme that is to be financed by the equivalent carry forward in financing.
- All other Service Areas are showing expenditure in line with the Approved Budget. In July, 2014/15 slippage of £13.86m was approved by the Cabinet Member for Finance and Corporate Services.
- Capital receipts have increased by £11.8m partly due to the sale of Farm Street which had been expected in 2014/15.

Table 2 – Capital Expenditure Projected Outturn by Service Area

SERVICE AREAS - EMT Structure	Budget (Expend.)	Budget (Grant and Contributions)	Budget (Net)	Forecast (Expend.)	Forecast (Grant and Contributions)	Forecast (Net)	Variance
	£000	£000	£000	£000	£000	£000	£000
Chief Executive	0	0	0	0	0	0	0
City Treasurer	10,175	0	10,175	10,175	0	10,175	0
Director of Policy, Performance and Communications	0	0	0	0	0	0	0
Executive Director of Adult Services	1,229	(165)	1,064	597	(347)	250	814
Executive Director of Childrens Services	31,222	(29,168)	2,054	28,903	(28,523)	380	1,674
Executive Director of City Management and Communities	11,554	0	11,554	10,654	0	10,654	900
Executive Director of Corporate & Commercial Services	1,475	0	1,475	1,475	0	1,475	0
Executive Director of Growth, Housing and Planning	132,653	(58,508)	74,145	128,453	(53,508)	74,945	(800)
SERVICE AREA TOTAL	188,308	(87,840)	100,468	180,257	(82,378)	97,879	2,588
Financing							
Capital receipts			(87,700)			(97,879)	(10,179)
Borrowing			(12,768)			0	12,768
TOTAL			(100,468)			(97,879)	(2,588)
Net			(0)			0	(0)

FINANCE STRATEGIC PROJECTS

At Period 6 the status of Finance Strategic projects is as follows:

- **Medium-Term Financial Planning/Strategic Planning**

Planning around the budget for the next three financial years continues with savings proposals being identified in order to bridge the estimated budget gap that the council faces.

The Chancellor's Summer Budget failed to clarify the scale of future local government funding reductions and we will have to wait until the Autumn CSR or December Finance Settlement before we have greater certainty. Our own (and the LGA's) modelling still suggests that on available evidence our MTP assumed savings target remains a reasonable expectation of the requirement to be found.

- **Annual Accounts Plan**

Following a successful finalisation of the final accounts for 2014/15 and favourable reports on the quality of all elements of them by KPMG, work is continuing to develop and embed processes and develop staff. It is anticipated that "hard closes" will be completed throughout the majority of the remainder of the year.

QUARTER 2 (APRIL - SEPTEMBER 2015) PERFORMANCE A REPORT

1. KEY MESSAGES AT THE END OF QUARTER 2 (SEPTEMBER 2015)

Section 2 below provides greater detail on performance of each service area at the end of September 2015.

	✓ Notable areas of achievement	✗ Key Service pressures and challenges
Page 72	Council wide summary	
	<ul style="list-style-type: none"> ✓ At the end of September, service areas are projecting an underspend of £1.082m against the net budget position for the Council. ✓ Total savings of the £36m savings targeted for 2015/16 is likely to be achieved. ✓ Westminster has the lowest council tax bills in the UK, priced at £674 this year for a Band D home. ✓ Majority of Westminster's staff survey measures have improved on 2014. Overall, 68% of staff perceive the council positively. 	<ul style="list-style-type: none"> ✗ Westminster's current official population is 233,292. This represents a 6,450 or 2.8% increase on the 2013 estimate. This is the biggest % rise in population since 2005. Westminster had the third highest population growth of all London Boroughs between 2013 and 2014 well surpassing the London Average.
	Adult Services	
	<ul style="list-style-type: none"> ✓ Results from the 2014/15 Adult Social Care Survey show the proportion of social care customers very/extremely satisfied is very similar to last year and to Inner London levels. Around 8 out of 10 customers are likely to recommend Adult Social Care (ASC) services. ✓ A new single co-ordinated Community Independence Service has been operating since Apr'15 across the three boroughs, which will ensure more people can be cared for at home rather than spending time in hospital. ✓ Care Act phase one was successfully implemented across all three boroughs with standard operating procedures handed over to operations teams and all the new standards of service delivered by the statutory deadline of 1st April 2015. 	<ul style="list-style-type: none"> ✗ Westminster's aged 65+ population has grown by 4.3%. The service is facing challenging demographic and financial pressures from an improved life expectancy rate which means demand for services for older people is likely to increase by 20% over the next 10 years. ✗ Results from the 2014/15 Adult Social Care Survey show the Council is lower than Inner London for certain survey KPIs: <ul style="list-style-type: none"> - The proportion of customers describing their quality of life as good or higher has slipped by around 9% since 2013/14 and is lower than the London average. - 86% of respondents said Westminster care and support services helped them have a better quality of life which is lower than Inner London (90%).

	✓ Notable areas of achievement	✗ Key Service pressures and challenges
Children's Services	<ul style="list-style-type: none"> ✓ Provisional Key Stage 2 result for 2015 was 84% at the expected level. Above the national average. ✓ Provisional GCSE pass rates showed that 67% of pupils achieved 5 grade A*-C GCSEs in 2015 (68% last year), this is above the national average (53%). ✓ 640 families on the Troubled Families Programme have been supported on issues around offending, ASB and poor school attendance. 	<ul style="list-style-type: none"> ✗ Nine (64%) of the fourteen children requiring foster placements have been placed with tri-borough foster carers. Recruitment of foster carers remains a challenge and service pressure from increasing demand for placements for older children; sibling groups of 3 and 5 year old children; plus a consistent stream of unaccompanied asylum-seeking children.
Growth, Planning & Housing	<ul style="list-style-type: none"> ✓ Westminster's ALMO CityWest Homes has appointed United Living to deliver a £15m scheme to provide affordable homes for the over-55s. ✓ Planning permission has been secured for the University Technical College which will accommodate 550 pupils. And work on developing 47 new residential homes will commence on the Ebury Bridge site later this year. ✓ Good progress is being made on the council's commitment to invest £12m to tackle cold and damp conditions and identify tenants most at risk. ✓ Good progress on the Council's commitment to work with SohoCreate to invest a further £2m in supporting new and growing businesses. 	<ul style="list-style-type: none"> ✗ 340 families in short term nightly booked accommodation and uneconomic placements at quarter two. The target to reduce numbers to less than 250 is unlikely to be achieved by yearend. This is due to the high demand, scarcity of supply and market values in Westminster. ✗ Implications of the Housing Bill on temporary accommodation costs, social rent income and the number of social housing stock available.
City Management	<ul style="list-style-type: none"> ✓ Street cleanliness in Westminster has continued to improve in the City, including reduced levels litter, detritus, graffiti and fly posting. ✓ High overall level of parking compliance (98.8%). ✓ The 'No Dumping' campaign involving targeted educational and enforcement is so far proving successful. There is already a perception that the hot spot sites are seeing decreased levels of illegal dumping. ✓ Visitor numbers to sports and leisure centres are slightly ahead of target (2,035,555 recorded visits as at Sept against a full year target of 3,744,170). 	<ul style="list-style-type: none"> ✗ The number of visits to libraries is down by 5.9 per cent against target in the year to date. This is due to a combination of factors including national trends and local factors including reduction in school use of libraries. Future performance around this will also include on-line use of Library services,

	✓ Notable areas of achievement	✗ Key Service pressures and challenges
Corporate Services	<ul style="list-style-type: none"> ✓ HR successful go-live of the Learning Management System in April 2015 and the introduction of new E-learning and courses assisting employees in developing their skill sets via training courses on offer. ✓ Good progress by HR on the council's commitment to support young people into employment by recruiting apprentices, graduates and interns. ✓ Customer satisfaction on the IT service desk surveys are performing very strongly, suggesting a good core service. 	<ul style="list-style-type: none"> ✗ Since the go-live date 1st April 2015 of the managed services programme there has been a number of issues encountered relating to payroll, recruitment and the organisational structure. ✗ Temporary Agency Contractor (TAC) numbers and costs continue to be a concern although improvements have been seen in quarter two. HR is working with units to reduce TAC usage and reliance. ✗ Focus is needed on corporate freedom of information performance which is at 81% against the 90% target. This has been impacted by a variety of factors including staff changes in specific service departments (e.g. Children's Social Care).
Policy, Performance & Communications	<ul style="list-style-type: none"> ✓ Launched Open Forum to replace the Area Forums, providing both face-to-face and online means to engage with the council ✓ Delivered the biggest West End LIVE to date with a record number of attendees and performances ✓ Launched the Greener City Action Plan, providing a 10 year plan for establishing us as a leading authority in the sustainability agenda. ✓ BT Openreach committed to making fibre optic broadband available to an additional 38,874 homes and businesses in Westminster ✓ Launch of the Working Capital programme will work with 400 people claiming employment support allowance to provide tailored, individual support to enable them to re-enter the Labour market ✓ Launched the West End Partnership setting out a vision for the West End over the next 15 years 	<ul style="list-style-type: none"> ✗ The Autumn Statement and Spending Review on 25 November are expected to announce major reductions in council funding of a further 25% - 40% creating a significant budget gap to fill. Within this context, the Government has also introduced a number of national policy changes and new legislation that will further change the landscape in which the Council is operating. ✗ Within London, the London Assembly and Mayoral elections are likely to bring a number of key issues for Westminster and central London – from air quality to the affordability of housing, the garden bridge and the pedestrianisation of Oxford Street – to the forefront of public debate.

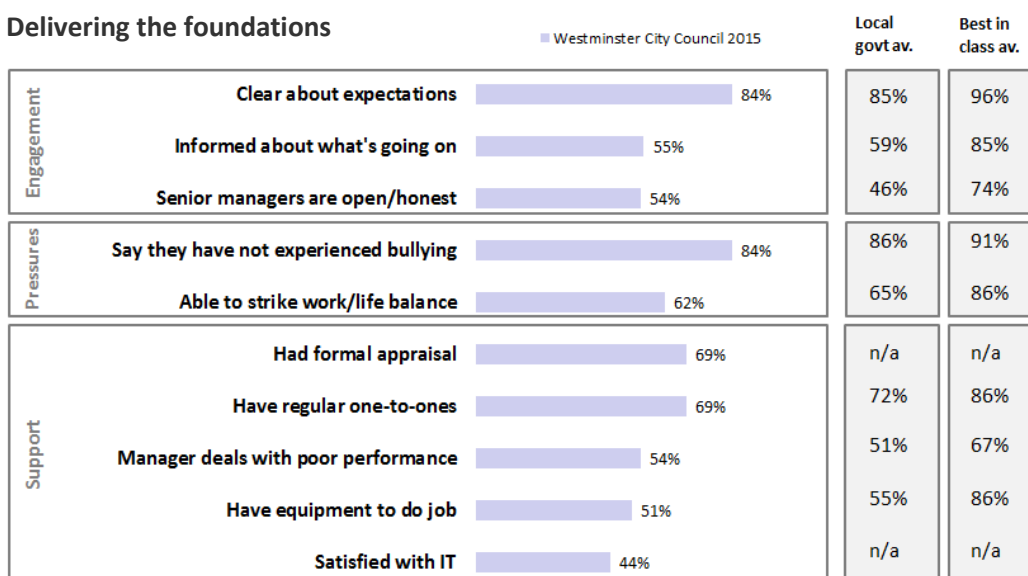
2. 2015 CITY SURVEY – KEY FINDINGS

- The City Survey took place September 2015, run by the Evaluation & Performance Team. Results will be available at the next Audit and Performance Committee in February.

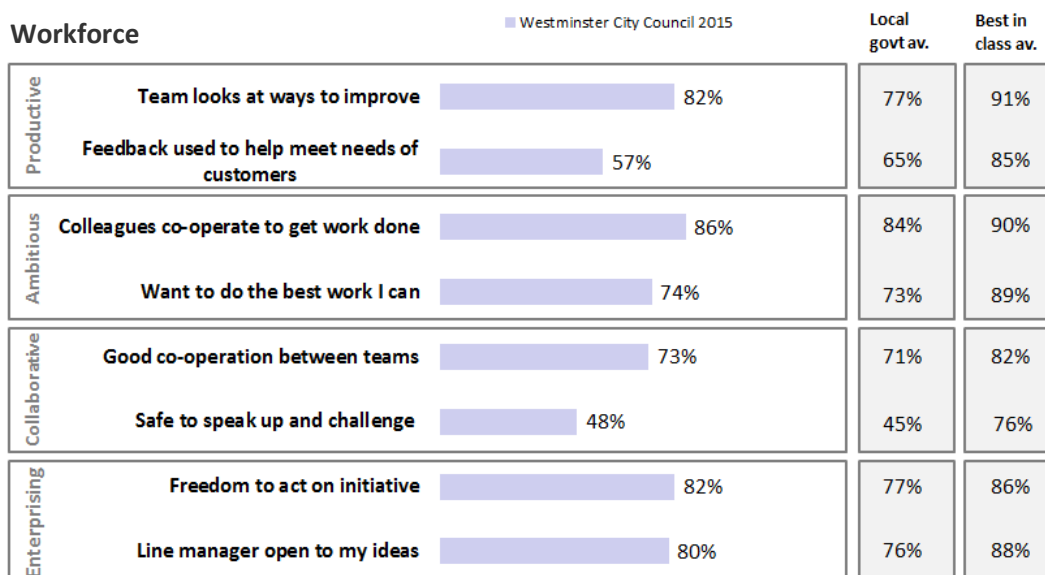
3. 'YOUR VOICE' STAFF SURVEY 2015 – KEY FINDINGS FOR WESTMINSTER CITY COUNCIL

- The third 'Your Voice' Tri-borough staff survey was carried out in September 2015.
- 72% of Westminster staff took part in Your Voice 2015, which is an increase of 7% from 2014.
- Where available, 2014 benchmarks from ORC International, the independent research company on questions included in this Survey. The two benchmarks chosen are for local government and "best in class" which shows the performance among the top public and private sector organisations.

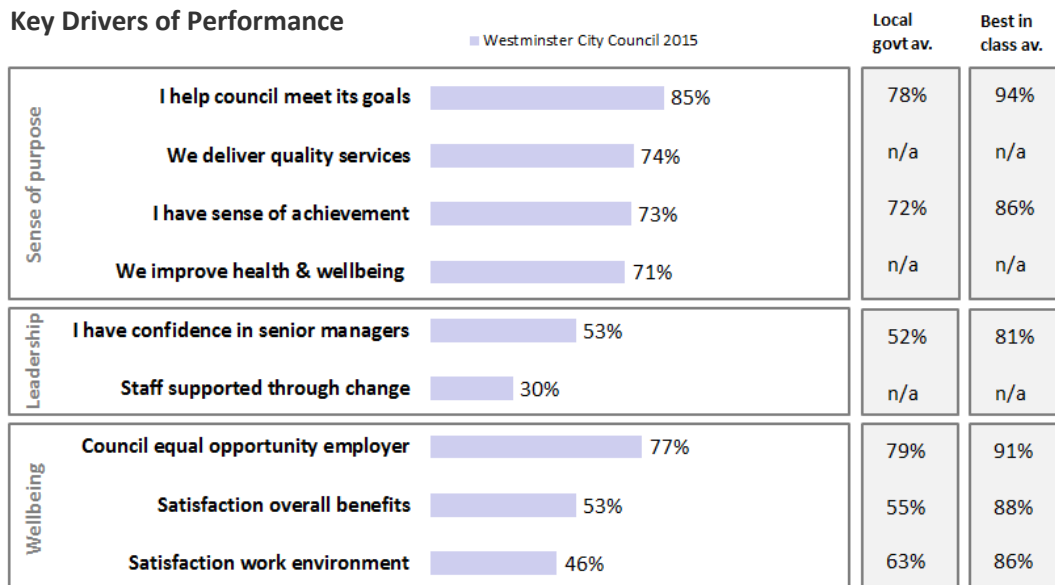
Delivering the foundations



Workforce



- Key Drivers of Performance



- Driving performance** - Below are six indicators that assess overall perceptions of working for the council.

Indicator	WCC 2014	WCC 2015	Movement
I am committed to helping the council meet its goals	85%	85%	→
Working here makes me want to do the best work I can	72%	74%	↑
I am proud to work for the council	69%	70%	↑
I would like to still be working here in 12 months' time	66%	67%	↑
I would recommend the council as a good place to work	61%	61%	→
I feel a strong sense of belonging to the council	50%	51%	↑
Average	67%	68%	↑

- Overall staff perceptions as being positive (by EMT Directorate)**

The overall staff perception measure in the table below is a composite indicator made up of 6 survey indicators. It is a combination of attitudes, thoughts and behaviours that relate to satisfaction, commitment, pride and a willingness to be an advocate of a council.

Directorate	WCC 2014	WCC 2015	Movement	2015 Response rate (2014)
Children's Services	76%	73%	↓ -3%	53% (48%)
City Man & Communities*	71%	70%	↓ -1%	66% (65%)
City Treasurers	45%	68%	↑ +23%	94% (23%)
Adult Social Care*	68%	68%	→ 0%	61% (58%)
Growth, Planning and Housing*	65%	67%	↑ +2%	65% (95%)
Corporate Services*	64%	64%	→ 0%	74% (68%)
Public Health	53%	63%	↑ +10%	100% (69%)
Policy, Perf and Comms*	62%	60%	↓ -2%	100% (100%)
Council wide	67%	68%	→ 0%	72% (65%)

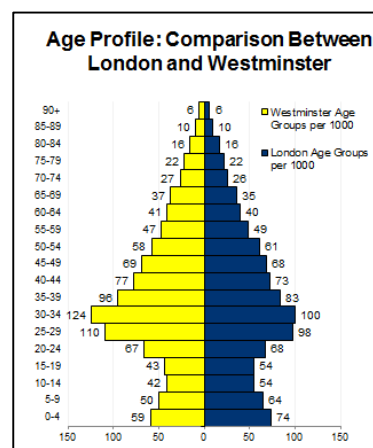
*Note departments have gone through a substantial restructure since 2014, therefore the change in performance for these departments are not statistically significant when compared to 2014

4. 2014 MID-YEAR ESTIMATES (MYE) - POPULATION CHANGE IN WESTMINSTER FROM 2013-14

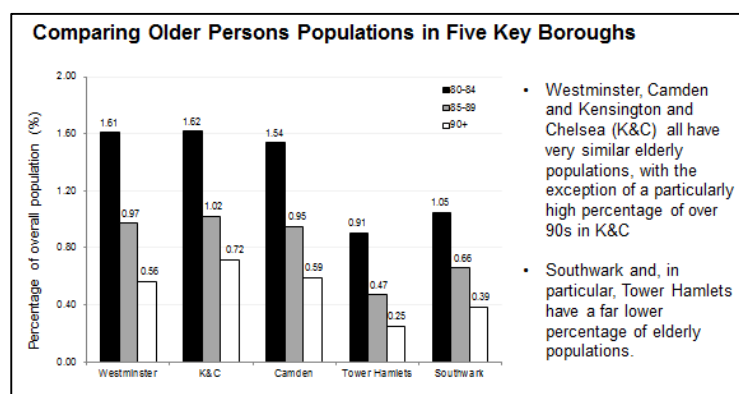
- Westminster's current official population is the MYE 2014 figure of 233,292. This represents a 6,450 or 2.8% increase on the 2013 estimate. This is the biggest % rise in population since 2005. This rise is predominantly due to net migration from other parts of the UK. In addition the number of people moving into Westminster from abroad rose for the third year running.
- This growth has exceeded the Greater London Authority Strategic Housing Land Availability Assessment projection. London's population estimate for 2014 is 8.5m up by 122,000 from 2013. The change is predominantly due to natural change. The greatest % growth was experienced by City of London, followed by Tower Hamlets, Westminster and Islington.
- Westminster had the third highest population growth of all London Boroughs between 2013 and 2014 well surpassing the London Average.
- The population growth is across most age groups; the largest exception to this is between the age ranges of 26 to 31. The reduction in the female population is particularly pronounced.
- Westminster has a higher proportion of working age adults aged 25 to 44 in comparison with the London average despite of a decrease in 25 to 29 year olds between 2013 and 2014. Westminster has a low proportion of 0-19 year olds in comparison to the London average.

Actual MYE Population V GLA SHLAA Projected Figures – Age Groups

Age	GLA SHLAA Projection 2014	MYE Mid-Year Estimate 2014	% Change
0	2,606	2,538	-2.5%
24-29 Q Group	30,719	29,519	-3.9%
26-31	32,419	32,965	+1.7%
65+	27,046	27,506	+1.7%
75+	12,451	12,582	+1.1%
85+	3,408	3,584	+5%
90+	1,136	1,314	+15.7%



- Westminster's population of people aged 65+ has grown by 4.3%.



Ageing Population?

Age Category	Change 13/14	% Change
65+	+1,131	+4%
75+	+551	+4.5%
85+	+203	+6%
65-74	+580	+4%
75-84	+348	+4%
85-89	+123	+5.5%
90+	+80	+6.5%

- The volumes of all migration (in and out of Westminster) remain high but have seen a decrease in the last year. Net migration has increased by over 300% (1,200 in 2013 compared to 4,800 in 2014). More people moved out of Westminster from the rest of the UK than arrived, but the gain from international migration is the highest it has been since 2005/06.

5. SERVICE PERFORMANCE BY DIRECTORATE

5.1 Adult Services

Key findings from the 2015 Adults Social Care Survey

- The Adult Users Survey takes place every year and contributes to 7 indicators in the Adult Social Care Outcomes Framework. This includes 'social care quality of life', which is a composite indicator made up of 8 survey indicators. A sample of 464 people responded, a response rate of 30% (higher than 13/14). The survey took place in Jan 2015, the key findings are:
 - The proportion very/extremely satisfied is very similar to last year and to Inner London levels. Around 8 out of 10 customers are likely to recommend Adult Social Care (ASC) services, comparable to other local boroughs.
 - 75% of respondents felt they had choice and control, ranking joint 2nd in inner London and 72% reported finding it easy to find information and advice, ranking 5th in inner London.
 - The quality of life composite indicator has dropped since last year. However 10 of the 12 inner London boroughs were within the same statistical range, suggesting there is no statistical significance in the variation between their scores and Westminster. Areas for further focus will be supporting people to do things they value and enjoy and having enough social contact, particularly in the 18-64 age group.
 - Aside from the composite indicator above, respondents were also asked to rate their own perception of their quality of life. 55% of respondents rate their quality of life as good or above, 32% as average, while 12% report that it is bad. In Learning Disabilities (LD) no respondents reported having a bad quality of life.
 - When asked about the impact that services have on quality of life nearly 9 out of 10 respondents (86%) said that care and support services helped them have a better quality of life. This is slightly lower than Inner London (90%) and similar to Westminster 13/14 (85%)
 - Results show Westminster's care and support services still need to do more to impact on customer's quality of life. Services will focus with providers on doing more to support customers to be clean and presentable and have a clean and comfortable home. There appear to have been improvements (compared to 2013/14) in services making people feel safe and secure and have more social contact. This is at odds with reported reductions in social contact in the quality of life score and the percentage feeling safe, suggesting quality of life is being negatively impacted by factors outside Adult Social Care. This includes people feeling safe in their communities and neighbourhoods, fear of ill health and worrying about a lack of wider support networks outside of Adult Social Care. The lower than average quality of life score locally may be a result of the high levels of self-reported poor health – among the highest nationally, and a high proportion of single person households.
 - Feedback from free text comments highlight that customers want staff/carers to turn up on time, and to be familiar to the customer. Customers do not like different carers every day. This feedback has been used to shape the requirements of the new home care service which is currently being implemented. Customers also said they wanted more clarity on who to contact in Adult Social Care and more contact with their social worker. These elements are also being reviewed and will be a key deliverable of the One Adult Social Care project.

Notable areas of achievement and delivery

- Customer journey operations alignment to create a common, three-borough care pathway and improve customer experience through the service re-designs of Hospital Discharge, Community Independence Service, Home Care Management and Complex Care Management is moving towards completion. The programme is working to move from the design to implementation stage in all areas by December 2015.
- As part of the Better Care Fund plan, a single co-ordinated Community Independence Service (CIS) across the three boroughs is being developed. This will ensure more people can be cared for at home, help to avoid emergency hospital admissions, support timely and effective discharge from hospital and reduce the need for on-going social care. The service has been in operation since April 2015, and the organisation redesign for the service is now largely complete, with consultation over the next few months following a joint review of Clinical Commissioning Group funding for 2016-17.
- Care Act phase one was successfully implemented across all three boroughs with standard operating procedures handed over to operations teams and all the new standards of service delivered by the statutory deadline of 1st April 2015 . Phase two has been postponed by Central Government until 2020.

Service pressures and challenges

- Reducing the number of non-elective hospital admissions is a key joint target across health and social care. The service set a very challenging target to reduce admissions by 4.6% via the Better Care Fund programme and recognise that this is very ambitious given the demographic growth, historical trends and changing NHS and Social Care landscape. Current performance is stable against the previous year but at quarter two the target is at risk. We continue to roll out and imbed a new model for our Community Independent Service, with more active case finding, rapid response within two hours and closer working with GPs. Along with an enablement focused homecare model, we would expect these initiatives to have a positive impact on this measure across the remainder of 2015/16.
- Supporting carers is a key priority. The service is unlikely to achieve the 95% target in this area. At the end of September, only 20% of known carers had received an assessment or review by the council. Management action is being taken to rapidly improve performance in this area.
 - The length of the carers assessment form has been reviewed and shortened, improving the efficiency of the process and should allow more assessments/reviews to be completed.
 - All operational staff have been set an individual target for completion of assessments/reviews which will be monitored during supervision.
 - The service is working with community partners and the Carers Network to ensure they are offering all carers an assessment/review of their needs.
 - A monthly performance board has been introduced. This board will monitor progress on assessments and prioritise/target resources as required to improve performance.
 - A carers quality group has been re-instated at an operational level and will meet monthly with a focus on sharing best practice, developing new policies, procedures and assessment tools, understanding the range of carers needs, and analysing performance.
 - All homecare customers will be reviewed as part of the transfer to the new homecare service model and at this point any known carer will also be offered an assessment/review of their needs.

There is a clear department expectation that the above measures will have a positive and significant impact on performance in this area by the end of Quarter 4.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators flagged for attention:					
Adult Social Care					
Reduce non elective (unplanned) hospital admissions - cumulative	18,070	17,254 (4.6% reduction by Dec 15)	10,815 (63% of target)	Off Track Target at risk of being exceeded	Deteriorating on last year
<p>Reason for underperformance and mitigation: There are a range of joint NHS and Social Care initiatives and projects as part of the Better Care Fund which is targeting a reduction in Non-Elective Hospital Admissions. While current performance is on par with the previous year, the target reduction of 4.6% of admissions is at risk. There are a number of factors across health, social care and the wider community that can impact on hospital admissions (e.g. mounting demographic pressure) and direct attribution is not possible. However the reablement and rapid response service are actively working with GPs to identify individuals who are at risk of admission and take active and swift intervention to avoid the hospital admission. The reconfiguration of the Community Independence Service in the latter part of the year should support improvements in this area.</p>					
<p>Timescale for improvement: The reconfiguration of the Community Independence Service later in the year should support improvements in this area.</p>					
Percentage of carers receiving needs assessment or review and a specific carers service, or advice and information	69% (1,008 of 1,468)	95%	20% (251 of 1,104)	Off Track Target at risk of not being met	Similar to last year
<p>Reason for underperformance and mitigation: The service have set a very challenging target for assessing and reviewing carers so while performance is stable in relation to the previous year it is not currently on track to meet this stretch target. The length of the carers assessment has been reviewed and all staff have been set an individual target for completion of assessments. The service is actively working with community partners and the Carers Network whom also carry out assessments to ensure they are offering carers an assessment/review of their needs.</p>					
<p>Timescale for improvement: The service is working with community partners and the Carers Network to ensure they are offering carers an assessment/review of their needs. This position is expected to improve in November.</p>					
Public Health					
Number of adults and children attending obesity prevention programmes	522	440	125	Off Track Target at risk of not being met	Deteriorating on last year
<p>Reason for underperformance and mitigation: The child obesity prevention and health family weight service have been re-commissioned with a new provider in place from 1st August 2015.</p> <p>The Service is leading on wide stakeholder co-design process to complete and implement clear referral pathways and practitioner toolkit to increase appropriate referrals from all relevant practitioners across the borough. https://www.westminster.gov.uk/family-healthy-weight-care-pathways-and-toolkit</p> <p>Promoting the new services via presentations at multi-stakeholder meetings including schools, social care, early years, CCG events and local paediatricians. The services are also being actively promoted by the new provider themselves via children centres and other settings from which they begun to operate in September 2015.</p>					
<p>Timescale for improvement: This position is expected to improve from November.</p>					

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:

Adult Social Care

Delayed transfers of care, acute days attributed to social care (cumulative)	861 days	432 days	159 days (37% of target)	On Track to fall within target	Improving on last year
<p>Definition: A delayed transfer of care from acute care occurs when a patient is ready to depart from such care and is still occupying a bed. Delayed transfers of care can occur for a range of reasons such as; awaiting completion of assessment, awaiting residential home/nursing care placement or availability etc.</p> <p>Commentary: Figures relate to April - July data released by NHS England at time of production. The service continues to perform well in supporting adults out of hospital. A slight increase in July figures are being challenged with hospital trusts. In particular there are data quality issues raised from Chelsea and Westminster which are currently being challenged and a weekly sign off process is being implemented to ensure submission errors from NHS do not continue.</p>					
Total number of new permanent admissions to residential care of people aged 65 years and over	75	74	17 (23% of target)	On Track to fall within target	Improving on last year
Total number of new permanent admissions to nursing care of people aged 65 years and over	55	52	18 (35% of target)	On Track to fall within target	Improving on last year
Total no of weeks spent in residential care homes for all people (65+) admitted to care homes paid for by Westminster	15,893 weeks	15,943 weeks	6,640 weeks (42% of target)	On Track to fall within target	Improving on last year
<p>Commentary: Target is higher than baseline (2014/15 position) to account for demographic growth in this area.</p>					
Total no of weeks spent in nursing care homes for all people (65+) admitted to care homes paid for by Westminster	12,803 weeks	12,588 weeks	4,863 weeks (37% of target)	On Track to fall within target	Improving on last year
Adults receiving a personal budget to meet their support needs	83%	90%	87% (1,631 of 1,885)	On Track to achieve target	Improving on last year
Proportion of adults with a personal budget receiving a direct payment	23%	27%	22% (338/1,553)	On Track to achieve target	Similar to last year
<p>Commentary: While performance is stable we are encouraged that there will be an increase in the uptake of Direct payments as we roll out the new Home Care offer (in December) and imbed revised personalisation policies.</p>					
Public Health					
Number of NHS health checks taken up by eligible population	6,147	6,580	3,978 (60% of target)	On Track to achieve target	Improving on last year
Total numbers of cigarette smokers who are recorded by the Stop Smoking Service as being off cigarettes after 4 weeks	1,503	1,437	787 (55% of target)	On Track to achieve target	Improving on last year

5.2 Children's Services

Notable areas of achievement and delivery

- Good performance at the end of the summer term indicates that only 44 young people were not in employment, education or training; this is on track to achieve the target of less than 70 for the year. This indicator is most accurately measured from January each year as the cohort changes in September and the outcome of the autumn activity survey is published by the Department of Education in January. The 'September Offer' information for the Year 11 and 12 which was finalised and submitted to DfE on 31st October 2015, indicated that 98% of 16 and 17 year olds have received suitable offers this represents an improvement from 96.4% in October 2014.
- Phase 1 of the Troubled Families programme has concluded, with 640 (the target number) Westminster families supported on issues around offending, anti-social behaviour and poor school attendance. The service is now working on Phase 2 of the programme which focuses on taking a whole family approach, looking at a family as a whole rather than responding to each problem, or person, separately. This includes looking at the dynamics between family members. For example, understanding how a child's school attendance or offending behaviour may be influenced by a parent's mental health or substance misuse. By the end of Q4 we will have begun to identify the families who qualify for the programme against its expanded criteria. At subsequent claim windows throughout 2016/17 we will be in a position to evidence how many of these families have achieved significant and sustained improvement against their qualifying criteria.
- The Early Help teams in Westminster commissioned Multi-Systemic Therapy to intensively work with families where a young person is on the edge of care. In addition, 'on track' is a part of the Focus on Practice innovation programme and provides support to families, where children are deemed to be on the edge of care. This project is developing predictive modelling IT system so that we can better identify children who are more at risk of coming into care.

Service pressures and challenges for the year ahead

- The Key Stage 2 Level 4+ provisional result for 2015 was 84%. The Department of Education have published a figure of 82% but local analyses, incorporating amendments which the Department of Education have not yet taken into account, indicate that the final result (which will be published by the Department of Education in December 2015) will be two percentage points higher. However, results are down on the 2014 figure of 86% and target for the year of 86%. The Education service has taken prompt action to target support and challenge in schools seeing the most significant drop in results and to provide professional development in identified areas of weakness.
- The 2015 provisional results for GCSE pass rates showed that 67% (target 70%) of Westminster pupils achieved 5 grade A*-C GCSEs, including English and mathematics, compared with 68% the previous year; this is well above the provisional national average (53%). Provisional data also shows that Westminster's results are the highest in Inner London, and 8th nationally of 160 authorities. The service will continue funding the Education Excellence Programme which includes an allocation of funding to schools (£5,000) and workshops. And will provide targeted support to those schools that buy into the Council's School Improvement Service Level Agreement.

- Since April 2015, of the fourteen referrals which have been completed, nine (64%) have been placed with Tri-borough foster carers. Over the last three years the service has experienced an ongoing and increasing demand for placements for older children; combined with a number of requests to place sibling groups of 3 and 5 year old children; plus a consistent stream of unaccompanied asylum-seeking children (UASC). As a result the service has not been able to meet the demand to place all children with in-house carers.

Fewer Westminster children are being placed with in-house carers than in Kensington and Chelsea and Hammersmith and Fulham. The fostering and placements service is Tri-Borough, and this discrepancy has been picked up and action is being taken to remedy this, some of which are:

- In-house foster carers living in Westminster have been contacted and the process is being developed to enable them to be reimbursed for their Council Tax payments. We will be reimbursing all carers in arrears every six months, with the first reimbursement taking place in September / October this year.
- New approaches to the recruitment of foster carers are being scoped to be piloted from the second half of the year. The Commissioning Service is entering a partnership arrangement with a third sector organisation called Cornerstone to undertake the recruitment and marketing for foster carers, aiming to increase our foster carer numbers. Cornerstone are now actively working with the Fostering Service to develop different approaches to recruitment.

Fifty four percent of Westminster children in foster carer placements are placed in one of the three boroughs of Westminster, Kensington & Chelsea or Hammersmith & Fulham or one borough outside of the three boroughs' boundaries. This is broadly consistent with the performance as it stood at 31st March 2015. The Tri-borough Fostering service continues to work towards placing all children within one hour travel to their schools. There will sometimes be circumstances where a young person may need to move further away. The placements service will continue to monitor performance against this target to establish the scope for improvement.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>
Performance indicators flagged for attention:					
Percentage of children requiring foster care being placed with Tri-borough foster carers	71%	80%	64% (9 of 14)	Off Track Target at risk of not being met	Deteriorating on last year
Reason for underperformance and mitigation: Fewer Westminster children are being placed with in-house carers than in Kensington and Chelsea and Hammersmith and Fulham. The fostering and placements service is Tri-Borough, and this discrepancy has been picked up and action is being taken to remedy this. The Commissioning Service is also entering a partnership arrangement with a third sector organisation called Cornerstone to undertake the recruitment and marketing for foster carers, aiming to increase our foster carer numbers. Cornerstone are now actively working with the Fostering Service to develop different approaches to recruitment.					
Timescale for improvement: September 2016					
Percentage of Westminster's pupils who achieve at least 5 A*-C grades at GCSE including English and Mathematics	68% (1,007 of 1,478)	70%	67% (987 of 1,472)	Off Track Target not met	Similar to last year
Service Commentary: The percentage of Westminster's pupils who achieved at least 5 A*-C grades at GCSE including English and mathematics. The 2015 provisional results for GCSE pass rates showed that 67% of Westminster pupils achieved 5 grade A*-C GCSEs, including English and Mathematics, compared with 68% the previous year, and 53% nationally. Provisional data also shows that Westminster's results are the highest in Inner London, and 8th nationally of 160 authorities. The service will continue funding the Education Excellence Programme which includes an allocation of funding to schools (£5,000) and workshops. And will provide targeted support to those schools that buy into the Council's School Improvement Service Level Agreement.					
Percentage of primary pupils achieving Level 4+ in Reading, Writing and Mathematics at KS2	86%	86%	84%	Off Track Target not met	Deteriorating on last year
Service Commentary: Provisional 2015 results indicate 84% of primary pupils achieving Level 4+. The Department of Education published provisional Westminster Key Stage 2 Primary school results for children achieving the expected Level 4+ in reading, writing and mathematics is 82%, with local data indicating this will go up to 84%. This is above the national average (80%) but is down on the 2014 figure of 86%.					
Reduce the number of child protection cases	113	Less than 99	114	Off Track Target will not be met	Similar to last year
Service Commentary: Numbers are expected to fluctuate around 110. Some variation is to be expected in the child protection numbers and the trend will be closely monitored.					

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:					
Percentage of re-referrals to children's social care	9%	10%	12% (81/683)	On Track to achieve target	Similar to last year
Since April 2015, 12% of re-referrals to social care have been within 12 months of the previous referral. This has remained consistent with previous reporting. This indicator will vary through the year as aggregate numbers are reported for the statutory reporting year 2015-16.					
Percentage of care leavers who are in suitable accommodation	88%	92%	85% (158/185)	On Track to achieve target	Similar to last year
Percentage of children in care aged under 16 in the same placement for at least 2.5 years	70%	81%	83% (52/63)	On Track to fall within target	Improving on last year
Percentage of child protection cases ending during the year with a duration of two or more years	0%	5% - 10%	0%	On Track to fall within target	Similar to last year
Number of Looked After Children in Care in Westminster	179	179	167 (94% of target)	On Track to fall within target	Similar to last year
Percentage of young people coming into care aged 14-17 years	66%	54%	48% (10/21)	On Track to fall within target	Improving on last year
Percentage of children in care with three or more placement moves	9%	Less than 10%	1%	On Track to fall within target	Improving on last year
Percentage of children subject to a child protection plan for the 2 nd or subsequent time.	4.6%	5% - 10%	3.0% (1 of 36)	On Track to fall within target	Improving on last year
Service Commentary: A child protection plan identifies multi-disciplinary concerns about a child, which results to the implementation of an agreed plan.					
Number of 16 to 18 year olds (years 12 and 13) not in education and training (NEET)	74	70	44	On Track to fall within target	Improving on last year
Service Commentary: This indicator is most accurately reported in January each year following the outcome of the autumn activity survey which confirms the take up of places offered.					
Percentage of places in education, employment and training for young people after they complete their GCSEs	99%	100%	99%	On Track	Similar to last year
Service Commentary: The offer of places to year 11 and 12 was finalised and submitted to Department of Education on 31 st October 2015, this indicated 98% of 16 and 17 year olds have received suitable offers, this represents an improvement from 96.4% in Oct 2014.					

5.3 Growth, Planning and Housing

Notable areas of achievement and delivery

- Westminster City Council's Arm's Length Management Organisation (ALMO) CityWest Homes has appointed United Living to deliver a £15 million scheme to provide affordable homes for the over-55s. The 'Lisson Arches' development, located on Lisson Grove NW8, will provide 45 social rent flats for the over 55s and also 14 private sale apartments. The scheme will also deliver a 12,500 square foot enterprise centre for new start-up businesses.
- In September 2015, the Leader agreed to the entering into of the Development Agreement, for a new type of education facility, the Westminster University Technology College, which includes a residential development of 47 new homes on the Ebury Bridge site. Planning permission has been secured for the development, which will accommodate 550 pupils, and work on developing the new residential homes will commence later this year, with the UTC scheduled to open in autumn 2017 and the homes a few months later.
- Good progress is being made on the council's commitment to invest £12 million to tackle cold and damp conditions and identify tenants most at risk of poor health and work with them to improve their homes. The service has completed an initial analysis of the current condensation referrals. The blocks/estates with high instances of condensation are being crosschecked with major works and will be included in the capital schemes where appropriate. This analysis will continue and be used to agree the blocks that will benefit most from the £12m condensation budget.
- The City Council continues to make good progress on Regeneration and Public Realm improvement works in the City. Recent activities include:
 - The Planning application for the mixed use scheme at Dudley House is ready to be submitted.
 - Concluded Compulsory Purchase Order proceedings for Tollgate Gardens Estate, which enables the site assembly for demolition.
 - Appointed Affinity Sutton as Development partner for the Tollgate Gardens renewal scheme.
 - Appointed United House as build contractor to deliver Lisson Arches and commenced works with FM Conways to divert the utilities and clear the site in advance of the build.
 - At Luton Street appointed the consortium of Bouygues Development and Londonewcastle as the Preferred Development partner
 - Purchased Ashbridge Street and procured Pocket as a development manager to secure planning on an enhanced affordable housing scheme.
 - Appointed Belway Homes as preferred developer partner to deliver the Parsons North site.
 - Several strategic outline cases approved, now progressing to outline business cases to test overall project viability.
- Launched the employment programme and widened the scope to include Westminster Adult Education Service and City West Homes thereby strengthening the Quarter 2 performance at 406 jobs starts (58% of 700 target)

Service pressures and challenges

- The number of families in short term nightly booked accommodation and uneconomic placements has improved since quarter one (from 375 to 340). However the target to reduce numbers to less than 250 is unlikely to be achieved by yearend. This is due to the high demand for temporary accommodation and high market values in Westminster which reduce availability of properties affordable for households in receipt of benefits. In addition the high demand for properties from all boroughs across London reduces ability to procure increased numbers of lower cost suitable properties as an alternative to nightly-booked properties. Mitigation activities include continuing with direct purchase schemes, increasing procurement of longer term leased properties, increasing homeless preventions through use of private sector properties and pan London caps on new nightly booked charges.
- The total number of residents supported into paid employment opportunities from all projects and partner activities monitored by the Work & Skills Board is 406. Residents have been supported to secure a range of paid employment opportunities including apprenticeships, self-employment, full and part-time employment. Employment services face considerable funding pressures given uncertainties surrounding future income which has supported delivery in the past two years via New Homes Bonus and Public Health Investment Fund. In the next year, 12 employment services contributing to the corporate target have contracts which end. Council reserves or ring-fenced budgets for employment and skills will only partially cover the demand from services and external funding bids are being progressed.
- Implications of the Housing Bill and other recent Government changes:
 - A range of welfare reforms which have been estimated to increase temporary accommodation costs by £10.84m per year.
 - An annual 1% cut in social rents for 4 years which will take £32m out of the Housing Revenue Account.
 - The extension of Right to Buy (RTB) to housing association tenants, funded by the sale of high value council homes, which could lead to a reduction in social rented stock in Westminster and a focus on replacing homes rather than developing new additional supply.
 - A potential shift in focus on development sites from providing rented affordable housing to Starter Homes which could further result in a loss of social rented supply and could result in local authorities having less ability to prescribe the mix of affordable housing.

Key Service performance Indicators

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators flagged for attention:

Housing Services

Reduce the number of families in short term nightly booked accommodation and uneconomic placements to 250.	379	Less than 250	340	Off Track Target at risk of being exceeded	Improving on last year
---	-----	---------------	------------	--	------------------------

Reason for underperformance and mitigation: Behind target due to a number of factors including high rental prices and high demand across London. Mitigation activities include continuing with direct purchase scheme, increasing procurement of longer term leased properties, increasing homeless preventions through use of private sector properties and pan London caps on new nightly booked charges.

Timescale for improvement: Monthly budget monitoring highlights that the average cost of the highest cost units has reduced since April and the mitigation activities above will continue to reduce this. The run rate spend forecast to be on track in March 2016 to deliver a balanced 2016/17 budget

Total number of households successfully helped to resolve their overcrowding (Target of 1,000 over 5 years from 2014/15).	71	1,000 over 5 years	130	Off Track Target will not be met	Improving on last year
--	----	--------------------	-----	--	------------------------

Service commentary: 130 households assisted since 5 year target commenced on 1 Apr 2014. The potential implications of the Housing and Planning Bill are so significant, that we can no longer commit to achieving these levels. The full effects will not be known until the regulations have been published and then fully analysed.

Planning Services

Percentage of 'Other' planning applications determined within 8 weeks i.e. Listed buildings, household developments.	68% (3,131 of 4,605)	80%	73% (1,528 of 2,093)	Off Track Target at risk of not being met	Improving on last year
---	-------------------------	-----	-------------------------	---	------------------------

Reason for underperformance and mitigation: 'Other' planning applications (e.g. listed buildings, household developments) processed and determined within the required time scales are still currently underperforming with 73%(as at September) against the target of 80% set for the year. This is a nationally set target which has rarely been met because of the complexities of schemes in Westminster and the desire to negotiate acceptable schemes rather than fast track refusals to meet CLG targets. It was also acknowledged figures would suffer whilst Development Planning moves to digital working.

Timescale for improvement: Digital working will be fully implemented by 1st April 2016.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:

Growth

Total number of residents supported into paid employment opportunities from all programmes monitored by the Work & Skills Board.	708	700 – 1,000	406 (58% of 700 target)	On Track to achieve target	Similar to last year
---	-----	-------------	-----------------------------------	--------------------------------------	----------------------

Service commentary: The performance to date reflects a shift in activities and programmes supported by the Council from those that are closer to work which help higher volumes of residents (e.g. Westminster Works) to supporting more complex, long term unemployed cohorts which help fewer people into paid employment but are more cost effective for the Council (e.g. through services including FACES and LEST).

Following recent mapping work and a more effective management of employment services through the new Growth Planning & Housing team, we have a truer picture of the breadth of activities and partnerships which the Council is involved with. We anticipate a fuller range of provider input to our target being reported in Quarter 3 and an uplift in the numbers reported. For example, Westminster Adult Education Service, through its 3 dedicated centres at Lisson Grove, Pimlico and Amberley and delivery in 70 community venues, delivers basic skills training and employability sessions for disadvantaged residents with complex needs as well as apprenticeship and traineeship outcomes for young people. City West Homes also contribute to the target and through their estate based employment support provision helping to connect residents with opportunities within City West Homes and their supply chain. We anticipate a fuller range of provider input to our target being reported in Quarter 3 and an uplift in the numbers reported through new advisors recently recruited for services including Recruit London, Working Capital and FACES and following recruitment difficulties encountered in Quarter 1 and Quarter 2.

Work stream/priority	Project or partner contribution	Achieved job starts 2015/16
Complex dependency	FACES - WCC	22
	Westminster Employment	7
	CNWL	11
Shaping mainstream	Recruit London	50
	T200 "High Potential"	7
Tackling barriers	HELP Employment	30
	HELP Enterprise	14
	Supported employment broker	5
	WAES	216*
Leverage	Apprenticeships	18
	City West Homes	26
TOTAL		406

*Number of Westminster residents who were unemployed and claiming benefits at the start of the 14/15 academic year (1 Aug 2014– 31 July 2015) and reported they had started work following their course. Data captured at the end of academic year in August/September 2015. No further outcomes will be reported by WAES for the 15/16 corporate target and their 16/17 contribution will be captured in August 2016, in alignment with the service's reporting system.

Housing Services

Rough sleeper numbers (those whom Westminster has a duty to assist) to be reduced and maintained below 90.	83 (Nov 2014)	≤90	85 (Sept count)	On Track within target level	Similar to last year
---	------------------	-----	---------------------------	--	----------------------

Service commentary: Numbers have increased since Quarter 1. It appears that 20-25% of these rough sleepers are returning to the streets after having been resettled due to losing their privately rented accommodation in outer London boroughs and coming back to the services they know. Some of the other challenges around this group are that many individuals are not Westminster residents and are refusing their reconnection offers to their home area.

70% of the entrenched cohort of rough sleepers is housed in appropriate accommodation	56%	70%	54% (75 of 140)	On Track to achieve target	Stable on last year
--	-----	-----	--------------------	--------------------------------------	---------------------

Service commentary: The performance figure is a reduction in the last quarter's value (63%). The service took on an additional 24 clients when the cohort was refreshed at the start of Quarter 2 (18 months into contract) and therefore, the figure would be expected to increase temporarily, with new rough sleepers being targeted. We expect this figure to improve in Quarter 3 as the new clients settle in with their workers.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:

Total number of positive moves from young persons' supported housing and hostel services.	111	80	32* (40% of target)	On Track to achieve target	Improving on last year
<i>*Note: June 2015 figure report. Indicator reported a quarter in arrears</i>					
Support the most vulnerable homeless families into longer term temporary accommodation within 12 weeks of becoming homeless	No h/holds beyond 12 weeks	Less than 12 weeks	0	On Track to achieve target	Similar to last year
Council tenant satisfaction with services provided by landlord*	88% (2014/15)	88% - 91%	85% (2015/16)	On Track to achieve target	Similar to last year
Council tenant dissatisfaction with services provided by landlord*	6% (2014/15)	6% - 4%	10% (2015/16)	On Track to achieve target	Similar to last year
<i>*Service commentary: Data is taken from the monthly Housing repairs survey therefore the impact of the repair has an influence on satisfaction score. Note satisfaction/dissatisfaction doesn't add up to 100% as neutral/don't know scores are not included.</i>					
Council Tenants Satisfaction with major works	82% (2014/15)	82% - 86%	83% (2015/16)	On Track to achieve target	Improving on last year
<i>*Service commentary: Data is taken from a survey sent to tenants after their major works scheme has completed.</i>					
Development Planning					
Total number of planning applications received and determined by the City Council to date for the year.	12,680 received 12,500 determined	N/A	6,228 received 4,921 determined	N/A	Similar to last year
% of 'Major' planning applications determined within 13 weeks i.e. Larger scale development.	57% (23 of 37)	60%	72% (13 of 18)	On Track to achieve target	Improving on last year
% of 'Minor' planning applications determined within 8 weeks i.e. Small scale development.	68% (2,147 of 3,157)	65%	71% (1,070 of 1,507)	On Track to achieve target	Improving on last year
Percentage of planning appeals determined in favour of Westminster City Council.	71% (167 of 236)	66%	73% (108 of 148)	On Track to achieve target	Improving on last year
Number of Reports of Unauthorised Development investigated and cleared. T	2,258	N/A	1,158	N/A	Improving on last year
Percentage of urgent dangerous structure notifications attended within 2 hours. E.g. scaffolding	100% (39 of 39)	100%	100% (17 of 17)	On Track to achieve target	Same as last year
Property and Estates					
Increase the total income generated from the Council's investment portfolio by 3% of opening base income of £22.3m	£23.80m	£22.97m	13.98m (61% of the target)	On Track to achieve target	Improving on last year
Percentage of void properties in the councils investment portfolio	1.8%	Less than 4.0%	3.0% (13 units 380)	On Track to fall within target	Deteriorating on last year
Service Commentary: The council experienced some lease expiries where tenants have not renewed. This provides an opportunity to refurbish and re-let in accordance with asset management strategies and to grow income. Churn of an investment portfolio is necessary to optimise longer term performance. The void rate has grown but remains within risk management parameters.					

5.4 City Management and Communities

Notable areas of achievement and delivery

- The 'No Dumping' campaign involving targeted and coordinated educational and enforcement work undertaken by Residential Services/City Coordination and Waste Services, and supported by Veolia is so far proving successful. There is already a perception that the hot spot sites are seeing decreased levels of illegal dumping. Feedback from key members of the community and residents' associations suggest it is improving. The campaign continues and business compliance will be reinforced through business as usual.
- In Parking, work continues on enhancing the experience for customers applying for permits and managing customer contact demand. This includes improvements to the online portal for easier payment, enhancements to the 'web chat' service and customer surveys and quarterly mystery shopping exercises are planned with support from colleagues in Policy, Performance and Communications. The recent introduction of iPads within libraries to provide customers with access has caused some issues and workarounds are in place while a longer term solution is being tested.
- A high overall level of parking compliance (98.81%) is reported within Westminster (based on the survey taken in April 2015). The introduction of the marshalling approach to enforcement and easier ways to park via mobile applications has contributed to this higher level of compliance that continues to change customer behaviour.
- The sports volunteering and 'Champions of the Future' are both performing well and have exceeded full year targets with 83 new sports volunteers registered and 122 'Champions of the Future' registered on the flagship gifted and talented programme.
- Three bids have been received for the major Sports and Leisure Facilities contract re-let. Two bidders have been selected to progress to participate in competitive dialogue discussions during October. Final bids will be submitted at the end of November with the preferred contract being notified in February 2016.
- The overall performance of the sports and leisure facilities remains very strong, visitor numbers are slightly ahead of target (2,035,555 recorded visits for the first 6 months of 2015/16 against a year-end target of 3,744,170) and over 20,000 visitor nights have been achieved at the Sayers Croft Centre YTD (62% of the full year target).
- In Libraries the Community Covenant-funded South West Connects project to engage service personnel and families with local communities, leisure activities and council services, came to an end in September 2015 having exceeded its original target of engaging 500 people and achieving over 800 participants from military backgrounds.
- Three new apprentices have been employed in libraries through London Apprenticeship Partnership.

Service pressures and challenges for the year ahead

- The council's 22 year waste disposal contract with Veolia expires in September 2017 and cannot be legally extended beyond this date, so new contract arrangements are currently being procured. The Veolia contract provides incineration at less than 50% of the current market rate and at a third of the cost of the disposal contract rates for Kensington & Chelsea and Hammersmith & Fulham. It is considered highly likely that the net cost of waste disposal will increase by 50% (approximately £4.5m) from September 2017. Contractor Pre-qualification questionnaires have been received and are being evaluated for shortlisting. A more accurate assessment on the financial risks can be given in spring 2016 on the receipt of full tenders.
- The planned financial savings associated with the Parking Transformation Programme are on track to be realised in 2015/16, however there continues to be a risk on PCN and Paid for Parking revenue generated due to impacts of the Deregulation Bill that bans the use of CCTV to enforce parking restrictions for all contraventions except those involving moving traffic. It also introduced a ten minute grace period where a vehicle has been left beyond a period of permitted parking within a designated bay. This is being closely monitored and the deficit is currently being offset by further contract cost reductions and improvements to other revenue streams such as Suspensions and Trade Permits.
- The 2015 Parking Occupancy Survey was completed in July and the results of the survey have shown that (almost all areas) of the City are subject to medium to high levels of parking stress and demand in certain bat types. Officers and members are currently considering the implications of the survey results and the implementation of recommended policy changes such as the move to a demand management model that may have reputational risk to the service and require a complex implementation plan.
- Key challenges for Community Services include delivery of the Active Queens Park Project and the Sports and Leisure Facilities contract re-let. In respect of the Active Queens Park Project Officers are currently engaged in the delivery of all the conditions precedent as part of the Development Agreement and seeking Secretary of State Consent for the surrender of land currently occupied by Genesis Housing, in order to deliver a start on site in January 2016. The Sports and Leisure facilities procurement, a new 15 year management contract, delivering associated medium term savings is progressing on schedule. Competitive dialogue discussions have started and the award of contract is scheduled for February 2016.
- Future models of delivery for the Tri-borough library service are being developed to deliver a high quality service with reductions of 18% in spend. The key risks are: failure to agree a common model of delivery across the three boroughs, and failure to make decisions required in a timely way.
- The number of visits to libraries is down by 5.9 per cent against target in the year to date. This is due to a combination of factors including national trends and local factors including reduction in school use of libraries. Officers are implementing a range of measures to tackle reduced usage, including focusing on high volume events and improving IT provision. Use of libraries by young people for study space and attendance at health promotion events and activities is increasing and will be an area of focus.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators flagged for attention:					
Library Service					
Total number of visits (footfall) to Westminster libraries as a proportion of the target	2,096,102	2,120,123	1,002,718 (47% of target)	Off Track Target at risk of not being met	Deteriorating on last year
<p>Reason for underperformance and mitigation: Action plan to address this will be agreed in October effective immediately. Examples of best practice will be shared and implemented where appropriate. Officers are implementing a range of measures to tackle reduced usage, including focusing on high volume events and improving IT provision. Use of libraries by young people for study space and attendance at health promotion events and activities is increasing and will be an area of focus.</p>					
<p>Timescale for improvement: Increase in training levels anticipated by yearend when new marketing and administration systems are implemented. Performance is expected to improve by Quarter 4.</p>					
Performance indicators on track to achieve targets by yearend:					
Waste and Parks					
Improved street environmental cleanliness through the proportion of street surveyed for:					
- Detritus that falls below grade	2.10%	4%	1.98%	On Track to fall within target	Improving on last year
- Litter that falls below grade	3.60%	5%	1.75%		
- Graffiti that falls below grade	2.30%	3%	2.22%		
- Fly-posting that falls below grade	0.20%	2%	1.59%		
<p>Service commentary: There are three random surveys each year to assess the cleanliness of Westminster streets. The first between the start of April and the end of July. The second between the start of August and the end of November. The third between the start of December 2015 and the end of March 2016.</p>					
The yearly proportion of waste sent for recycling and recover, rather than to landfill	98%	97%	98%	On Track to achieve target	Similar to last year
- Recycling	16%	n/a	17%		
- Energy Recovery	82%	n/a	81%		
- Landfill	2%	n/a	2%		
<p>Service Commentary: At the end of Sept, 17% of waste was for recycling, 81% for energy recovery and 2% to Land fill.</p>					
To maintain the low monthly average of missed waste collection complaints per 100,000	4.63	5.00 per 100,000	3.76 per 100,000	On Track to fall within target	Improving on last year

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:

Public Protection and Licensing

Number of homes occupied by vulnerable people in the private sector made 'decent'	145 homes	120 homes	80 of 120 (66% of target)	On Track Target at risk of not being met	Similar to last year (90 cases this time last year)
Customer Satisfaction with Pest Control Services	100%	90%	97%	On Track to achieve target	Similar to last year
Service Commentary: Figures on satisfaction levels will come as an outcome of City Survey with results available in Jan' 16.					
Days of disruption saved on the road network as a result of collaborative working	408 days	400 days (100 days per Quarter)	265 days (66% of target)	On Track to achieve target	Improving on last year
Secure 20 new food businesses to commit to the Healthier Catering Commitment a	New Indicator	20 new businesses	21 new businesses	On Track Target exceeded	N/A

Service commentary: As a result of targeted advice, nutritional support and sampling, the Health Catering Commitment (HCC) Project aims to tackle and reduce child obesity in the most deprived areas in Westminster. This is carried out by encouraging fast food takeaways, cafes and small food businesses to promote healthier options for customers. The aim is to secure 20 new food businesses to commit to the HCC and receive the award from Westminster, showing they have made nutritional changes to their operation which have an impact on children who purchase food from their business.

Highways

Average performance against response times for all lighting priorities	93%	98%	97.3%	On Track to achieve target	Improving on last year
Average performance against response times for all highways priorities	91%	98%	97.6%	On Track to achieve target	Improving on last year
Percentage of planned maintenance and public realm improvement schemes on agreed programme delivered	New Indicator	95%	95%	On Track to achieve target	N/A

Parking Services

Maintain levels of overall Customer Satisfaction with the Parking Service	84%	84%	87.50%	On Track to achieve target	Similar to last year
Improved parking compliance levels	98.75%	98%	98.75%*	On Track to achieve target	Similar to last year

**Parking compliance survey only carried out twice a year.*

Maintain levels of overall Customer Satisfaction with the Parking Service	84%	84%	87.50%	On Track to achieve target	Similar to last year
---	-----	-----	---------------	--------------------------------------	----------------------

Sports, Leisure and Wellbeing

Number of visits to the Council's sports and leisure facilities	3,776,188	3,700,000	1,821,341 (49% of target)	On Track to achieve target	Similar to last year
Participation in sports development programmes	72,422	62,400	26,690 (43% of target)	On Track to achieve target	Similar to last year

5.5 Corporate Services

Notable areas of achievement and delivery

Human Resources

- HR is working with the business to increase staff engagement. Following the Staff Survey 2014 HR have worked with departments to develop action plans and made an active contribution to Westminster's leadership programme. The 2015 Staff Survey has now taken place with 72% of the workforce responding (increase from 65% last year). Initial results appear promising (see section 2) but we will continue to target the areas of concern for staff.
- Good progress is being made on the council's commitment to support young people by recruiting apprentices, interns and graduates.
 - Since March 2015, 18 apprentices have started within Westminster City Council. The council has set itself a target of securing 100 apprenticeships in 2015/16 both internally and with our supply chain and with our network of partners such as local schools and developers. Westminster was shortlisted for 2 awards at the recent Apprenticeship Awards. Westminster currently has 16 interns in the Council, 15 of which have been engaged since March 2015.
 - As part of the national graduate scheme for local government, Westminster chose 3 candidates, all of whom accepted and started placements as part of a 2 year training programme which includes postgraduate qualifications and a range of placements across the council.
 - HR is supporting individuals with complex personal needs (mental health issues, learning disabilities etc.) into work opportunities via the Supported Employment Programme. The council's aspiration is to assist 30 residents with supported employment needs into work opportunities. As at October 2015 the project is on schedule to meet the required target.

Information services

- Information Services have achieved £1m in savings this financial year, more radical options for further £3m savings by 2018/19 are being developed and under consideration.
- Customer satisfaction on the IT service desk surveys are performing very strongly, suggesting good core service.

Strategic & Commercial Procurement

- Procurement have been taking the lead on the consolidation of a number of services relating to Print and Document Management with Ricoh under one single supplier framework agreement. The framework is also available to 19 other local authorities and Westminster is working with Ricoh to promote services which will create a revenue stream for the Council.
- Procurements savings target is £3m for 2015/2016. The service delivered £2.93m of these from the Print and Document Management contract which went live in July and will deliver a further £1m from the Cardiovascular Disease Prevention contract which went live in October 2015. The service is also due to implement the Childhood Obesity Prevention contract during this Quarter which will achieve an in year saving of £315,000.

- Procurement has been taking the lead with the mobilisation of the 'Sheltered Housing Strategy for Older People (SHSOP)' programme, in collaboration with the Clinical Commissioning Groups (CCGs). Phase one of the programme mobilised 5 out of 6 care homes on 24th August, and these homes are now under the care of a single external provider, Sanctuary Care. This contract will deliver new management and the refurbishment of some key nursing homes throughout Westminster, undertaken in Phase two, for delivery scheduled in 2019. The Butterworth Centre will be the final home to mobilise but has been delayed due to existing finance arrangements between the Clinical Commissioning Groups and the Hospital of St John's and Elizabeth's which owns the site. Mobilisation is currently planned for end March 2016.

Legal Services

- The service has successfully established a single case management system across three trading accounts for Westminster, Kensington and Chelsea and Hammersmith and Fulham. This will enable Legal services to deliver improved value for money and efficient services to clients.

Service pressures and challenges for the year ahead

Human Resources

- The Human Resources service is providing extensive support with the embedding of the new Managed Service Programme. Since the go-live date 1st April 2015 there has been a number of issues encountered relating to payroll, recruitment and the organisational structure. However progress continues to be made:
 - Over the last quarter we have seen improvements in payroll accuracy from 93.9% in June to 97.0% in September.
 - At the end of August HR set up an interim recruitment support service and took over the processing of all new external appointments from BT.
 - The Organisational structure review has now been completed and changes have been implemented by BT and are being validated and verified by managers.
- Temporary Agency Contractor (TAC) numbers and costs continue to be a concern although improvements have been seen in quarter two. There has been a decrease in TAC numbers from 282 reported in June 2015 to 240 in September and we are on track to reduce the number to below the 200 target for the year. Costs have reduced in line with reduction in TACs from £1.04m for June 2015 to £0.95m for September 2015. HR is working with units to reduce TAC usage and reliance; issues with managed services have meant that some TACs have had to be retained for longer than previously envisaged. HR has agreed departmental targets for TAC numbers and it is hoped that these will assist departments in reducing TAC usage further. HR has been encouraging the use of alternative recruitment solutions such as fixed term contracts, apprentices and internships, particularly targeting long tenure TACs.
- Issues with the implementation such as Occupational Health and Pension system interfaces not working correctly has impacted on services. There have been issues with our external pension provider, Surrey County Council accessing the details required from the Agresso system, which has impacted on their ability to provide advice in a timely manner. Additionally leavers and new starters have not been notified to Surrey in a timely manner resulting in the delay of release of Pension payment and impacting on the Triennial valuation of the pension fund. There were some initial issues with the Agresso Occupational Health referral form which could potentially impact on manager's ability to proactively manage staff sickness.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators flagged for attention:

Human Resources

Total number of agency contractors	313	200	240 (-20% off target)	Off Track Target at risk of not being met	Improving on last year
Total cost of agency contractors (£m)	£17.92m	£12.0m	£16.01m	Off Track Target at risk of not being met	Improving on last year

Reason for underperformance and mitigation: Temporary Agency Contractor (TAC) numbers and costs continue to be a concern although improvements have been seen in quarter two of 2015/16. There has been a decrease in TAC numbers from 282 reported in June 2015 to 240 in September which is a decrease of over 40 TACs, and we are on track to reduce TAC number to below 200. Costs have reduced in line with reduction in TACs from £1.04 million for June 2015 to £0.95 million for September 2015. HR is working with units to reduce TAC usage and reliance; issues with managed services have meant that some TACs have had to be retained for longer than previously envisaged. HR has agreed departmental targets for TAC numbers and it is hoped that these will assist departments in reducing TAC usage further. HR has been encouraging the use of alternative recruitment solutions such as fixed term contracts, apprentices and internships, particularly targeting long tenure TACs.

Information Services

Freedom of information compliance	89%	90%	81%	Off Track Target at risk of not being met	Deteriorating on last year
-----------------------------------	-----	-----	-----	---	----------------------------

Reason for underperformance: Focus is needed on corporate FOI performance which is at 81% in Sep 15 against 90% target. This has been impacted by a variety of factors including staff changes in specific service departments (e.g. Children's Social Care).

Performance indicators on track to achieve targets by yearend:

Procurement

In-year savings made for procurement with a contract start date in the measurement period.	£11.220m	£1.00m	£1.05m	On Track to achieve target	Improving on last year
Total savings made for procurement with a contract start date in the measurement period over the life of the contract.	£53.90m	£2.00m	£3.95m	On Track to achieve target	Improving on last year

Performance indicators where data for quarter 2 is unavailable.

Human Resources

Staff turnover excluding redundancies as a proportion of the workforce	11.85%	12.5%	No update available	N/A	N/A
Sickness absence - rolling year average number of days per employee	5.76 days	6 days	No update available	N/A	N/A

Service Commentary: No reporting currently available from new Agresso product to monitor staff sickness and turnover indicators, additionally there are inaccuracies in the organisation structure which are currently being resolved.

5.6 City Treasurers Office

Notable areas of achievement and delivery

- Percentage of Council Tax collected is on course to meet the 2015/16 target of 96.3%. Collection as at quarter two is 62%, this compares to 62.6% reported in the same period last year.
- Percentage of business rates collected is on course meet 2015/16 target of 98.4% Collection as at quarter two is 61%, an improvement on the 60% figure reported in the same period last year.
- At the end of September, service areas are projecting underspend of £1.082m, caused by a net underspend of in City Management & Communities and City Treasurers.
- All of the £36m savings targeted for 2015/16 is likely to be achieved. The reduction in savings expected is due to the impact of the £1m saving from Freedom Passes that is recognised as an adverse variance on spending, mitigations have been identified.
- Westminster has the lowest council tax bills, priced at £674 this year for a Band D home.

Eight of England's ten cheapest areas for council tax are in the capital including Kensington & Chelsea, Hammersmith & Fulham, Southwark, Lambeth and Tower Hamlets.

The Government has set aside funds to help councils in England freeze council tax for the past few years. But not every council has taken up the offer of funding. Just 241 out of 421 authorities froze council tax for 2015/16, ten fewer than in 2014/15. This means that the average Band D bill in England rose by 1.1% this year to £1,484.

From Weymouth to Westminster		England's highest and lowest council taxes	
Most expensive		Least expensive	
Weymouth & Portland	£1,756	Isles of Scilly/Newham	£1,241
East Dorset	£1,720	Lambeth	£1,239
Newark & Sherwood	£1,718	Southwark	£1,207
Purbeck	£1,713	Tower Hamlets	£1,181
Rutland	£1,710	Windsor & Maidenhead	£1,150
Nottingham	£1,709	Kensington & Chelsea	£1,078
Lewes	£1,702	Hammersmith & Fulham	£1,023
Wealden	£1,698	City of London	£943
Hartlepool	£1,696	Wandsworth	£683
West Dorset	£1,680	Westminster	£674

ALL FIGURES BASED ON A 'BAND D' PROPERTY IN 2015-2016 SOURCE: DEPARTMENT FOR COMMUNITIES & LOCAL GOVERNMENT

Service pressures and challenges for the year ahead

- Closing the accounts has a significant amount of dependencies on third parties in order to deliver information on time and to the required standard. The most significant of those is the reliance on BT and the current issues with the managed services programme, meaning there are significant risks to produce accounts that exceed performance in the whole of the Local Government sector and 75% of the FTSE100. However, plans are well advanced to mitigate these risks and deliver on schedule.

- Delivery of the Managed Service Programme (MSP) has been achieved although as of yet it is not providing the highest standard of operation and usage. Standard processes are in place but exceptional items still cause problems. Reconciliations reports are still not comprehensive and complete as at September 2015. MSP is still not able to produce robust monthly reporting and monitoring is carried out using business understanding instead. This might not reflect the actual position of the council in terms of spend variance and savings.
- The Better Care Fund (Adult Services) has been deployed to financially support implementation of the Care Act, Community Independent service, new Home Care service etc. Focus on 2015/16 benefits means that implementation timescales for Better Care Fund schemes are constrained and delays may impact on realisation of 2015/16 targets. In year Implementation Grant amounts from Department of Health may be revised in light of changes to stage 2 Care Act Implementation. Effort is prioritised towards integrated operational services, which is where the majority of benefits are identified in 2015/16. There is a clear structure for regular tracking and review of benefits, especially in relation to the Community Independent service.
- Risk that all schools might not achieve the Schools Financial Value Standard and assurance in managing their finances and to give assurance that they have secure financial management in place. This is due to embedding of managed services program. Focus to date has been on the managed services programmes go-live issues and ensuring schools can use Agresso. Plans are in place for training roll-out once implementation issues resolved.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:					
Percentage of Council Tax collected	96.2%	96.0%	62.0%	On Track to achieve target	Similar to last year
Percentage of business rates collected	98.4%	98.4%	60.5%	On Track to achieve target	Similar to last year
Variance between budget and actual spend	Underspend of less than £1m	Underspend of less than £1m	Underspend of £1.082m	On Track to achieve target	Similar to last year
Total Savings plans achieved or on track to be achieved for 2015/16	£25.2m	£36m	£29.5m	On Track to achieve target	Similar to last year

5.7 Policy, Performance and Communications

Notable areas of achievement and delivery

- Successfully completed the first phase of the Baker Street Two Way public consultation on the proposed project to reintroduce two way traffic operation on Baker St and Gloucester Place.
- Launched Open Forum to replace the Area Forums, providing both face-to-face and online means to engage with the council
- Delivered the biggest West End LIVE to date with a record number of attendees and performances
- Launched the Greener City Action Plan, providing a 10 year plan for establishing us as a leading authority in the sustainability agenda.
- Successfully completed a pilot on behalf of the Department for Communities and Local Government to test a new approach to providing information about local road closures, providing evidence to inform the design of future national policy on statutory notices.
- Successfully completed a pilot on behalf of the Department for Work and Pensions, providing evidence to inform the roll-out of Universal Credit and the design of locally integrated employment services.
- The campaign to bring superfast fibre broadband resulted in BT Openreach committing to making fibre optic broadband available to an additional 38,874 homes and businesses in Westminster
- The launch of the Working Capital programme which will work with 400 people who currently claim Employment and Support Allowance to provide tailored, individual support
- Launched the West End Partnership setting out a vision for the West End over the next 15 years
- Awarded grant to support the development of new Incubator, Accelerator and Co-working Spaces in Westminster resulting in 4,000sqm new or improved commercial / business space

Service pressures and challenges for the year ahead

- The Autumn Statement and Spending Review on 25 November are expected to announce major reductions in council funding of a further 25-40% creating a significant budget gap to fill. Within this context, the Government has also introduced a number of national policy changes and new legislation that will further change the landscape in which the Council is operating.

This includes:

- a) The announcement by the Chancellor to phase out Revenue Support Grant and replace it over time with localised business rates
 - b) The introduction of Right to Buy and the measures proposed in the Housing and Planning Bill
 - c) Changes to the benefit cap and Discretionary Housing Benefit
 - d) The introduction of Universal Credit
 - e) The introduction of Cities and Local Government Devolution Bill and the Government extending its offer to places to put forward 'deal' proposals that would boost growth and support public service reform, to which London Government has submitted a formal proposition.
- Within London, the London Assembly and Mayoral elections are likely to bring a number of key issues for Westminster and central London – from air quality to the affordability of housing, the garden bridge and the pedestrianisation of Oxford Street – to the forefront of public debate.

Key Service performance Indicators

The table below provides an assessment of the key performance indicators for the service. Detail has been provided for all performance indicators at risk of failing to meet targets by yearend. Additional analysis can be undertaken on request.

Performance Indicator	2014/15 Performance	2015/16 Target	Quarter 2 position	Target status	Direction of Travel
	<i>Last year's position</i>	<i>Service targets</i>	<i>Apr – Sept 2015</i>	<i>Off/On Track</i>	<i>Perf vs. last year</i>

Performance indicators on track to achieve targets by yearend:

Change Programme Management Unit

Percentage of change programmes where successful delivery of project is on track, probable or feasible.	100% On Track	100% On Track	81% On Track	On Track to achieve target	Similar to last year
---	---------------	---------------	--------------	-----------------------------------	----------------------

Service commentary: Improvement in metric reflects increase in number of tracked programmes. One programme currently rated red or amber-red: Digital (formerly Customer Digital). This rating will be reviewed over coming weeks, however confidence in the programme has increased.

Customer Service

Total customer calls answered in 20 seconds by the Council	New Indicator	80%	85.9%	On Track to achieve target	N/A
Total customer calls answered in 60 seconds by the Council	New Indicator	95%	95.6%	On Track to achieve target	N/A
Number of stage 2 complaints received	182 received of which 5 upheld	Improve on last year	74 received of which 9 upheld	On Track to achieve target	Improving on last year
Percentage of stage 2 complaints response completed within 10 working days	75% (136 of 182)	More than 70%	88% (65 of 74)	On Track to achieve target	Improving on last year

City Survey results

**The City Survey took place Sept 2015, run by the Evaluation & Performance Team. Results will be available January 2016.*

Overall satisfaction with the Council	87% (2014/15 City Survey)	N/A	Available Jan 2016	N/A	N/A
Residents satisfied with the area they live in	80% (2014/15 City Survey)	N/A	Available Jan 2016	N/A	N/A
Residents agree the council offers good value for money	76% (2014/15 City Survey)	N/A	Available Jan 2016	N/A	N/A
Resident feel the Council does enough for people like them	62% (2014/15 City Survey)	N/A	Available Jan 2016	N/A	N/A
Residents feel Informed about services and benefits from the Council	77% (2014/15 City Survey)	N/A	Available Jan 2016	N/A	N/A

Service commentary: Results from the 2015/16 City Survey will be available in the new year.

This page is intentionally left blank



City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	2 December 2015
Classification:	For General Release
Title:	Internal Audit Progress Report – September to October 2015
Wards Affected:	All
Financial Summary:	The Council's budget
Report of:	Steven Mair, City Treasurer (Section 151 Officer)
Report author:	Moira Mackie, Senior Manager; email: moira.mackie@rbkc.gov.uk 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 although one limited and one no assurance audits have been issued.
- 1.2 Follow up reviews completed in the period confirmed that the implementation of medium and high priority recommendations has been consistently effective.
- 1.3 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** - Internal Audit Service – Performance Indicators & Assurance Levels

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

With effect from 1 April 2015, the Council's internal audit service has been provided by the Tri-borough Internal Audit Team which 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. Reports on the outcomes of audit work are presented each month to the Council's Section 151 Officer and to Members of the Audit & Performance Committee. 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 No internal audit work has yet been undertaken on the Council's key financial systems due to the implementation of the Managed Services Programme. However, the results of the audit reviews undertaken in the reporting period concluded that generally systems operating throughout the Council are satisfactory.
- 4.3 One limited and one no assurance report has been issued:
- Fostering & Adoption;
 - Multi-user logins.

The details of these audits are contained in paragraphs 5.1.1 to 5.1.2 below.

5. Audit Outcomes (September to October 2015)

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

Audit	Assurance	RAG
Risk Management	Satisfactory	Green
Housing Service Charges	Substantial	Green
Asset Management & Valuations	Satisfactory	Green
Adult Education Service	Satisfactory	Green
Mental Health Care Management	Satisfactory	Green
Parking IT Application Review	Satisfactory	Green

Further information on these audits is contained in Appendix 2.

The findings from the limited and no assurance audits are summarised in paragraphs 5.1.1 to 5.1.2 below:

5.1.1 Tri-borough Fostering & Adoption (Amber)

The Tri-borough Fostering and Adoption Service was formed in 2012 with the aim of delivering a fully integrated and co-located service that provides a range of temporary and permanent placements with carers and adoptive families for children under the care of the local authority. The service is organised as three combined teams under the management of a single Head of Service with approximately seventy staff who report to the Director of Family Services. The Tri-borough Director of Children's Service has overall responsibility for the service.

The audit was undertaken to review the system controls and processes in particular the:

- service structure;
- governance arrangements;
- case management processes;
- payments to carers;
- budgetary control;
- management information; and
- case management systems.

The audit also examined progress made in aligning system processes since delivery of the service on a shared basis commenced in 2012.

The audit identified that:

- Service objectives detailing how the service is delivered are set out in the Tri-borough Children's Plan 2014/15 and the Statement of Intent document;

- Governance arrangements are appropriate with regular reports to all key stakeholders and clear lines of responsibility for the service;
- The Fostering and Adoption Panel terms of reference document has been updated to reflect the change in service delivery and role of the panel across the shared service;
- Case assessments are subject to appropriate review and scrutiny by a senior social worker and Head of Service where appropriate and completed within agreed timescales;
- All relevant case management documentation and correspondence are held across a number of case management systems and applications; and
- Appropriate management information and activity reports are produced for management and stake holders to monitor service performance and achievement of key targets.

However a number of areas were noted where key controls were inappropriate or lacking and could be improved. Two high priority and four medium priority recommendations were made to address the weaknesses identified as follows:

- Consideration should be given to identifying a fully integrated case management system to replace the current arrangement where multiple systems and applications are used by the service;
- All social workers within the service and carers registered with the service should have up to date Disclosure and Barring Service clearances in place;
- Case management records and documents should be held in a logical and orderly manner with the corresponding case reference number;
- Carer payments should be subject to regular review to ensure they are eligible for the fee and allowance paid;
- Budget reports should be sent to all budget holders on a regular basis to enable them to monitor and manage their allocated budgets.

The recommendations have been accepted and actions identified to address the weaknesses and these will be followed up later in the year.

5.1.2 **Tri-borough Multi-user Logins (Red)**

The Tri-borough Chief Information Officer requested an audit of the management of application and network access by users across the tri-borough councils. When the Tri-borough infrastructure was introduced in 2012, a number of dual logins were created to enable users to work across two or more boroughs until a permanent solution was in place. This work is now complete and most users are expected to work using the login and equipment provided by their employing borough. A small number of exceptions to this currently remain where a technical solution is not available at the present time. There is a risk that some of these accounts are not being managed appropriately and severe control weaknesses persist as a result. Furthermore accounts may not be terminated appropriately following the officer leaving or their position changing.

Further to this, allowing an officer multiple login accounts creates a number of subsidiary risks; including duplication of licensing, additional support requirements, security, and lack of effective management control. A number of financial and control impacts are created as a result. Although ICT services across the three boroughs aim to assist with the control of the associated risks it is the responsibility of each service director to manage the controls and residual risk in place. Five high priority and one medium priority recommendations have been made to address the weaknesses identified in the current system:

- A Responsible Party needs to be established to engage with the major stakeholders in ICT, Human Resources and Facilities Management to examine the risk to the three authorities in more detail and agree on appropriate action moving forward;
- The Responsible Party should ensure Directors, Senior Management and Management are made aware of the impacts of misusing the SML process;
- Where it can be demonstrated the SML process has been misused historically, appropriate corrective action should be taken. Senior Management should ensure operational management understand the risks and impacts of such actions;
- The Responsible Party should ensure all relevant stakeholders are raising awareness of the impacts and consequences at all levels and action should be taken to ensure comprehension of the correct process;
- All network accounts that have not been actively used after three months should be subject to compulsory termination across all three boroughs; and
- The Responsible Party should drive the engagement with the Shared Application Programme and ensure that the benefits and necessity of this Programme as the approved business process for shared service ICT working is embedded across all three organisations.

All recommendations were accepted by management for implementation by November 2015.

5.2 Implementation of Audit Recommendations

In the period under review, three follow up audits were undertaken which found that the implementation of recommendations was good with 100% of high and medium priority recommendations implemented or being implemented at the time of the review:

Audit	No of Recs Made	No of Recs Implemented	No of Recs In Progress
Grants – Monitoring of Outcomes	2	1	1 (1 Medium Priority)
Youth Offending Team	1	1	0
Resident Parking Scheme	4	4	0
Totals	7	6	1

5.3 Performance of the Internal Audit Service

The key performance indicators for the internal audit service are contained in Appendix 4. As shown by the performance indicators, the quality of audits delivered was of a high standard with recommendations accepted and implemented in a timely manner and positive satisfaction surveys received from auditees.

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

Moyra McGarvey on 020 7361 2389 Email: Moyra.Mcgarvey@rbkc.gov.uk

or

Moira Mackie on 020 7854 5922 Email: moira.mackie@rbkc.gov.uk

BACKGROUND PAPERS

Internal Audit Reports;
Monthly monitoring reports.

Audits Completed – Year to Date 2015/16

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	Tri-b Personalisation (Cfwd from 2014/15)	Green	SATISFACTORY	0	2	0	Sep-15
Adult Social Care	Tri-b – Residential Placements (Cfwd from 2014/15)	Amber	LIMITED	3	5	1	Sep-15
Adult Social Care	Tri-b Mental Health Care Management (Cfwd from 2014/15)	Green	SATISFACTORY	0	5	0	Dec-15
Children's Services	Tri-b Commissioning & Procurement Governance (Cfwd from 2014/15)	Green	SATISFACTORY	0	3	3	Sep-15
Children's Services	Tri- b Passenger Transport – Post Procurement Review (Cfwd from 2014/15)	Amber	LIMITED	4	7	5	Sep-15
Children's Services	Tri-b School Meals Contract (Cfwd from 2014/15)	Green	SUBSTANTIAL	0	0	3	Sep-15
Children's Services	Tri-b Early Help (Cfwd from 2014/15)	Green	SATISFACTORY	0	3	3	Sep-15
Children's Services	Tri-b Fostering & Adoption	Amber	LIMITED	2	4	0	Dec-15
Corporate Services	Tri-b – MSP Data Migration	Amber	LIMITED	3	0	0	Sep-15
Corporate Services	Tri-b – MSP Interfaces & Acceptance Testing	Amber	LIMITED	1	6	0	Sep-15
Corporate Services	DBS Checks	Amber	LIMITED	5	3	1	Sep-15
Corporate Services	Tri-b Procurement Pre-Qualification Process - Voice & Data Network	Green	SUBSTANTIAL	0	0	1	Sep-15
Corporate Services	Tri-b Multi-user Logins (Cfwd from 2014/15)	Red	NONE	5	1	0	Dec-15
Corporate Services	Risk Management	Green	SATISFACTORY	0	6	1	Dec-15

Audits Completed – Year to Date 2015/16

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
Growth, Planning & Housing	Management of TMOs	Amber	LIMITED	1	7	4	Sep-15
Growth, Planning & Housing	Service Charges	Green	SUBSTANTIAL	0	1	1	Dec-15
Growth, Planning & Housing	Asset Management and Valuations	Green	SATISFACTORY	1	3	3	Dec-15
Growth, Planning & Housing	Adult Education Service	Green	SATISFACTORY	1	6	5	Dec-15
City Management & Communities	Parking – IT Application Audit	Green	SATISFACTORY	1	4	1	Dec-15

Additional Information on Audits

1. Risk Management (Main Report – Paragraph 5.1)

Effective risk management is essential to improve strategic, operational and financial management by helping to maximise opportunities, minimise threats and maximise resources for services. Risk management also helps to maintain high standards of corporate governance and leadership. Any risk management process should have clearly defined steps to support better decision making through understanding of risks, whether a positive opportunity or a threat and the likely impact. It is designed to be a continual process which is regularly reviewed and monitored and used actively during decision making.

The Council aim to align risk management with business planning, financial management and performance management processes to ensure that it is a live process and they use a combination of strategic and operational risk registers to help ensure risk management is addressed in an integrated way. A significant amount of work has been undertaken recently to improve the recording and reporting of risk across the Council and this needs to be given consistent and ongoing focus to enable risk management to become properly embedded within the organisation. A Strategic Risk Report is produced reporting current and emerging risks from the registers which is reviewed by the Audit & Performance Committee (last reported in September 2015).

Six medium and one low priority recommendations were made to address weaknesses identified all of which are due to be implemented by the end of November 2015.

2. Housing Service Charges (Main Report – Paragraph 5.1)

A service charge is a payment made by a tenant, leaseholder or freeholder towards the cost of providing and maintaining services and benefits beyond the immediate occupation of their home – for instance, the provision of a community alarm system on a sheltered scheme. Service charges can be fixed or variable depending on the terms of the tenancy agreement. For leasehold properties (including shared ownership and right to buy) the range of items covered by the service charge is greater and will be set out in the relevant agreement. Service charges are based on two factors; block costs and estate costs. Both sets of costs are apportioned based on number bed spaces applicable divided total bed spaces.

One medium and one low priority recommendation were made which will be implemented by CityWest Homes.

3. Asset Management & Valuations (Main Report – Paragraph 5.1)

The Council's Corporate Property service is responsible for the provision of an integrated Property Asset Management Service to meet the future needs of the Council. The operational property portfolio consists of approximately 400 properties, and the investment property portfolio includes over 400 assets and generates revenue for the Council of approximately £24,000,000 per annum. A system called Techforge is being implemented to manage the Council's property portfolio. An exercise is being undertaken to collate and refine the information held by the Corporate Finance team, the managing agent of the investment portfolio and Corporate Property in order to produce a definitive record of the Council's properties to provide an accurate scope for the year end valuation and for upload to Techforge.

The Council has to comply with the requirements laid out within International Financial Reporting Standards, CIPFA Code of Practice on Local Authority Accounting, and specifically IAS 40 – Investment Properties and IAS 16 – Property, Plant and Equipment in relation to the valuations of property assets. An annual valuation of the entire investment portfolio is undertaken by Lambert, Smith, Hampton. The operational portfolio needs to be valued every 5 years and 20% of the portfolio is valued each year.

The work to cleanse the property data prior to uploading to Techforge has identified a number of issues with the data held by the managing agent of the investment portfolio which have been raised with them. One high priority recommendation has been made for Corporate Property to continue to monitor the progress made by the managing agent to address these issues. In addition, two medium priority recommendations have been made in respect of:

- Continuing the work to collate, cleanse and refine the data held on properties and to take appropriate action to address errors, inconsistencies and incomplete data; and

- Training additional staff within Corporate Finance to use and maintain their system (RAM) with a designated officer having overall responsibility for the system.

All recommendations have been accepted and are due to be implemented by March 2016.

4. Adult Education Service (Main Report – Paragraph 5.1)

An internal audit review was requested on the financial controls and processes within the Westminster Adult Education Service (WAES). WAES is an adult college, offering full-time and part-time study in the daytime, evenings and at weekends. The service is part of the Growth, Planning & Housing service area within the Council and is funded by the Skills Funding Agency (SFA) to deliver vocational qualifications including English and Maths, Apprenticeships and Grant funded for working with communities and hard to reach learners. WAES also offer full cost courses, which are not subsidised by the SFA or WCC.

The services main sources of income include grants (£10m) and course fees (£1m). WAES have its own Board of governors that includes elected members of the City Council and members from the community and local organisations. WAES operate out of four sites: Pimlico Centre, Amberley Centre, Venture House and Lisson Grove.

One high, six medium and five low priority recommendations were made to improve income and expenditure controls, all of which have been accepted and will be implemented by December 2015.

5. Mental Health Care Management (Main Report – Paragraph 5.1)

The Council has duty of care towards its residents including undertaking community care assessments for people who may be in need of community care services, because of mental health problems. Under Section 117 of the Mental Health Act 1983, service users who have been in hospital are entitled to free aftercare if they have been:

- Detained in hospital for treatment (under Section 3);
- Transferred from prison to hospital (under Section 47 or 48); and
- Ordered to go to hospital by a court (Section 37 or 45A).

Aftercare is the help that is provided to service users after they have left hospital and will be arranged by the user's local NHS Clinical Commissioning Group (CCG) and local authority. Section 75 of the Care Act 2014 makes 3 fundamental changes to Section 117:

- After care services are defined as services which (i) meet a need arising from or related to the person's mental disorder, and (ii) reduce the risk of a deterioration of the user's mental condition (and, accordingly reducing the risk of the user requiring admission to a hospital again for treatment for the disorder);
- Currently Section 117 allocates responsibility to the local authority or CCG where the discharged patient is resident, under the provisions of the Care Act 2014 responsibility is given to the local authority in which the user was ordinarily resident immediately prior to being detained, with ordinary residence being determined in accordance with Ordinary Residence Guidance (the service is awaiting advice from the Head of Social Care and Litigation on this matter); and
- A new Section 117A of the Mental Health Act is concerned with preference for particular accommodation and the Secretary of State is empowered to make regulations which will require local authorities to comply with a user's preferences for particular accommodation, as long as the preferred accommodation meets the identified aftercare needs, with the user paying a top-up fee if the preferred accommodation is more than local authority's usual cost.

The duty to provide aftercare services under Section 117 ends when the CCG and local authority are both in agreement that the user is no longer in need of such services, they can only be satisfied that the user is no longer in need of aftercare services if they have monitored the user's progress in the community since discharge.

Five medium priority recommendations were made to improve controls which are due to be implemented by December 2015.

6. Parking IT Application Audit (Main Report – Paragraph 5.1)

The Council awarded two separate four-year contracts covering the provision of parking staff and parking technology which came into effect from November 2014. Under the People and Resources contract, the contractor provides approximately 100 traffic marshals who issue penalty charge notices, maintain traffic flow within Westminster streets and assist drivers in locating vacant parking spaces. Under the Business Processing and Technology contract, the contractor provides back office processing and administration services relating to penalty charge notices, parking payment systems and the Council's parking system (known as Si-Dem). As part of the contract, a number of sub contractors provide specific services including payment by phone, parking permits administration and management systems to ensure efficient deployment of parking services resource within the borough. The audit examined the IT system and controls in place for the Si-Dem parking application which is a cloud based system with access via a secure web based portal.

One high, four medium and one low priority recommendations were made to address weaknesses in the following areas:

- Access privileges for a small number of accounts were not commensurate with the users' roles and were not reviewed on a regular basis which could compromise the access security of the application;
- Password controls needed strengthening user account activity should be reviewed periodically;
- The disaster recovery and business continuity arrangements need to be tested in the live environment; and
- The third party cloud services solution provider should confirm that they are handling and processing the Council's data in compliance with the Data Protection Act.

All recommendations have been accepted and are due to be implemented by January 2016.

7. Children's Services – Fostering & Adoption (Main Report – Paragraph 5.1.1)

The tri-borough service has become more integrated and aligned since it formed in 2012 with a greater level of integration in terms of how cases are allocated and case work undertaken by social workers across the shared service. However the service utilises a number of case management systems which are all used by social workers and business support officers including the following:

- Frameworki: Children's case management system used by Westminster and Hammersmith & Fulham. All case notes are maintained on this system and payments to carers are also generated through Frameworki via an interface with the shared service financial system (Agresso);
- Integrated Children's System: Children's case management system used by Kensington & Chelsea. This is an in-house developed system and holds basic information regarding a placement;
- FPU Database: This holds all carer data and information for the three Councils. Information regarding Disclosure & Barring Service (DBS) checks and personal data relating to the registered carer are held on this database. It is also used to generate a payment file for all Kensington & Chelsea carers via an interface with the shared service financial system (Agresso);
- Sharepoint: This is used as a document management and storage site for all case records including case assessments, supporting documentation, key case correspondence and service procedures and guidance notes. Fostering and Adoption Panel meeting agenda and minutes are also held on this site.

The absence of a single case management system that is used across the shared service was raised in the previous audit review in 2012/13. Since then the only change has been in the implementation of Agresso which means all payments to carers are through a single system. The current arrangements mean that case records are held on multiple systems and in disparate locations thus making it more time consuming to administer. Using Sharepoint to maintain case records is not efficient as they are not referenced and linked to the records held on Frameworki or the Integrated Children's System.

All social workers working with children are required to have enhanced Disclosure and Barring Service (DBS) checks undertaken to comply with the Protection of Freedoms Act 2012. In addition, all foster carers are required to have an enhanced DBS check prior to any child being placed with them and family members and relatives that may have contact with the foster child may also require DBS checks.

Carers receive a range of fees and allowances depending on the type of foster placement they have. The current fees and allowances are set out within the Foster Care Allowance document which has recently been

revised and updated. All fees and allowances are now aligned across the shared service so that all carers receive the same type of payments regardless of the host authority for the child being placed. Previously there were variations in the amounts received depending on the host borough of the child being placed.

8. Tri-borough – Multi-user Logins (Main Report – Paragraph 5.1.2)

The use of multiple logins was originally a result of the amalgamation of certain services across the three boroughs. It was envisaged they would act as a temporary facilitator for officers working across more than one host location, eventually being removed once a more permanent solution had been created. Over the past three years significant progress has been made under the Shared Application programme to achieve such harmonisation and allow a single point of access from any network account associated with a shared services employee. A small number of applications have been recognised as exempt from this programme due to the complexity and cost of the potential solution. Some departments also maintain a legitimate business case associated with their use of multiple logins.

Despite the development of the Shared Application programme and relating solutions, a number of managers have still been requesting additional ICT accounts for their officers to enable working within multiple boroughs. In the majority of cases the Starters, Movers and Leavers (SML) process is utilised inappropriately to facilitate these requests. ICT has raised concerns in this area and all service desks provide appropriate challenge, but this does not necessarily prevent abuse of the SML process. ICT has been proactively engaging with services to ensure appropriate business solutions are in place to prevent the need for multiple log-ins. Several managers have positively engaged with the correct business process and sought to remove all instances of multiple logins where possible which demonstrates that an effective process is in place if utilised correctly.

Performance Indicators – 2015/16

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

Performance Indicators	Target	Actual	Comments
Delivery			
Percentage of audit jobs completed by 31 October 2015 (full year 85%)	45%	45%	
Percentage of draft reports issued within 10 working days of fieldwork being completed	90%	85%	Slightly under target but anticipated to improve in quarter 3.
Percentage of audits finalised within 10 days of a satisfactory response	95%	100%	
Quality			
External audit conclude they can place reliance on Internal Audit work (annual)	Yes	Yes	
Percentage of jobs with positive feedback from client satisfaction surveys	90%	100%	13 received all scoring 4 or above (where 1 = very poor and 5 = excellent)
Percentage of high and medium priority recommendations accepted by management	95%	100%	
Percentage of high and medium priority recommendations implemented by management	95%	97%	

Assurance Levels

Assurance given, taking into account the system weakness identified, that the system can meet its service objectives:

Assurance Level	Details
Substantial assurance	There is a sound system of control designed to achieve the objectives. Compliance with the control process is considered to be substantial and no significant errors or weaknesses were found.
Satisfactory assurance	While there is a basically sound system, there are weaknesses and/or omissions which put some of the system objectives at risk, and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited assurance	Weaknesses and / or omissions in the system of controls are such as to put the system objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
No assurance	Control is generally weak, leaving the system open to significant error or abuse, and/or significant non-compliance with basic controls leaves the system open to error or abuse.

This page is intentionally left blank



City of Westminster

Committee Report

Decision Maker:	Audit and Performance Committee
Date:	2nd December 2015
Classification:	General Release
Title:	Report on the headline results of the Your Voice Survey 2015
Wards Affected:	Not applicable
Financial Summary:	There are no direct financial implications from this report
Report Author and Contact Details:	Carolyn Beech Tel: 020 7641 3221 Email: cbeech@westminster.gov.uk

1. Executive Summary

This report provides a briefing on the headline results from the Your Voice Survey 2015.

2. Recommendations

- 2.1 Committee to consider the headline results in Appendix 1.
- 2.2 Human Resources to present a further paper with more detailed results and proposed actions at a later date.

3. Background

- 3.1 The Your Voice 2015 staff survey was live between September 4th and 25th 2015. The Westminster City Council response rate was 72%, a significant increase of 7% from last year. This compares to an overall tri-borough response rate of 65%.
- 3.2 This paper gives an overview of the main areas of improvement, areas of concern, progress on last year's key areas for action and identifies potential areas for action this year. Team results will be circulated in November 2015 with action plans to be completed by mid-December 2015.

- 3.3 Overall the staff survey results have remained consistent over the last year, with 44 out of 57 questions within 3% of the 2014 results. Six questions improved by more than 3% and seven questions declined by more than 3%. The key areas of improvement were around IT and other resources, perception that pay is fair, learning and career opportunities and belief that action would be taken as a result of the survey. The areas which had declined were around appraisals (11% lower) and understanding of both personal, team and Council objectives. In addition staff would like to understand better what is going on within the Council and particularly matters affecting them.
- 3.4 Staff are most positive about being trusted to do a good job (90%), being treated with fairness and respect by their line manager (86%) and that the team co-operate to get the work done (86%). Staff are most negative about change – that changes that impact on them are well managed (33%), that their view are taken into account (38.5%) and that people are supported through change (30%).
- 3.5 Thirteen out of 42 comparable scores were 3% or more above the Local Government Benchmark (2014), including:
- 3.5.1 I am treated with fairness and respect by the people I work with (10% higher)
 - 3.5.2 In my opinion, health and wellbeing is taken seriously (8% higher)
 - 3.5.3 Senior managers are sufficiently visible where I work (8% higher)
 - 3.5.4 Satisfied with the opportunities for me to develop my career (6% higher)
 - 3.5.5 My team regularly looks for ways to improve the service we provide (5% higher)
 - 3.5.6 My line manager is open to ideas and suggestions for change (5% higher)
- 3.6 Six out of 42 comparable scores were 3% or more below the Local Government Benchmark including:
- 3.6.1 Overall I am satisfied with the physical environment in which I work (17% below)
 - 3.6.2 Feedback from staff and/or the public is used to help us to ensure our services meet the needs of our customers (8% below)
 - 3.6.3 I would still like to be working here in 12 months' time (5% below)
- 3.7 There were improvements in all the areas which had been identified as areas for focus in 2014. This is a reflection on the work undertaken by teams on their action plans. The percentage improvement in these areas are illustrated in the table below.
- 3.8 In relation to bullying and harassment, although this has improved overall, there was a decline in staff affected reporting it, so this remains a key priority. Similarly although the physical environment has improved as a result of the declutter programme, the score still remains below the local government benchmark and remains a key focus area. These are detailed in the following table along with additional suggested focus areas for 2015.

Focus area from 2014	2015 score
IT, Resources and Physical Environment	IT: 8% increase Resources: 6.7% increase Physical environment: 3% increase, but still 17% lower than LG Benchmark
Pay	6% improvement
Bullying and Harassment	3% improvement overall However decline in reporting by those affected of 4%.
Learning and Development	L&D: 3.1% increase Career opportunities: 5.7% increase

Suggested Focus area 2015	2015 score
Managing staff through change	Informed about matters affecting me 3.8% decrease, changes which impact on me 2.1% decrease
Appraisal and objectives	11% decrease
Bullying and Harassment	4% decline in those affected reporting this
Communication	Feedback from staff/public (8% below LG benchmark); sufficiently informed about what is going on 3.4% decrease
Physical environment	17% below LG benchmark

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact:
Carolyn Beech email: cbeech@westminster.gov.uk**



Your Voice 2015 - Results for all questions

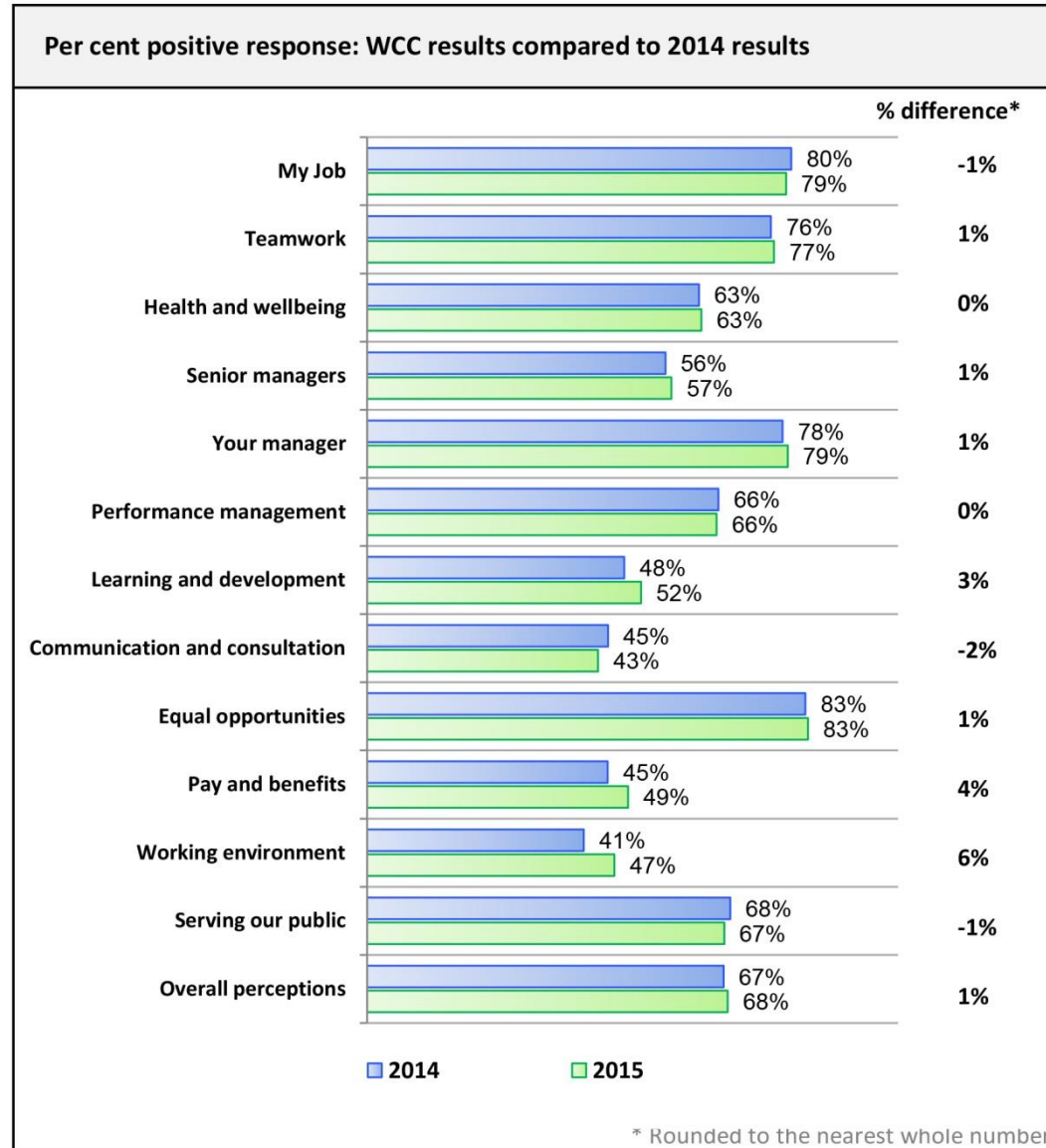
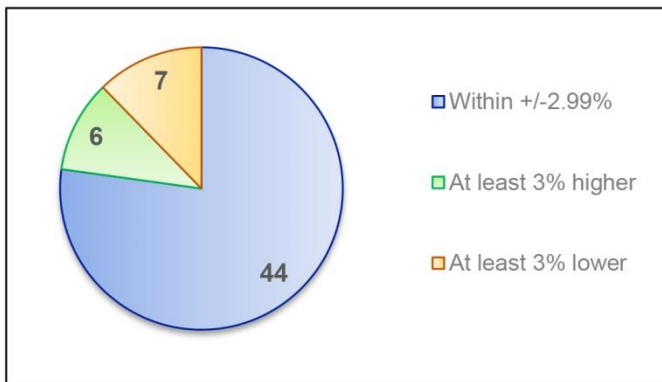
Page 120

Summary report for...
WCC

This summary shows responses from the 2015 Your Voice staff survey that makes comparison to WCC's 2014 results and the combined responses for employees of the three council's.

Response rate = 72% (previously: 65%)
Engagement Index = 68% (previously: 67%)

2014 results compared to 2015



Understanding Your Results

Summary of Performance

The first page of this report gives a summary of performance. This shows how your results perform against the 'WCC' 2014 results and 'overall' 2015 results. It also gives a summary of how many questions are above, in line or below the average for the 2014 results as well as your response rate and engagement index.

Response rate

The response rate is based on the number of staff identified in August 2015 and therefore should be treated as indicative. Only responses where staff have identified that they work for a specific team have been included, those responses without this information can only be included in the overall results.

Engagement Index

Engagement refers to the two way relationship between an individual and their employer. It is a combination of attitudes, thoughts and behaviours that relate to satisfaction, commitment, pride and a willingness to be an advocate of a council. Engaged employees have a sense of personal attachment to their work, they want to give their best to help it succeed, which in turn has a positive effect on business performance. The engagement index shows the level of engagement in your team (out of a possible score of 100%) using the results from the 'Overall perception about working for the Council' section of the survey.

Rounding

Results are presented as whole numbers for ease of reading, with rounding performed at the last stage of calculation for maximum accuracy. Therefore in some instances, results may not total 100%.

% Positive

Where results are shown as positive percentages (% positive), these are calculated by adding together positive responses ('strongly agree' + 'tend to agree') and dividing by the number of respondents which answered the question.

Benchmark comparisons

For each level of reporting (service, council etc,) two benchmarks have been used and your performance against these demonstrated using the % positive result. For this report the two comparators are your 2014 results and this year's results for 'overall'.

At least 3% above comparator	↑
Between -2.99% below and 2.99% above	↔
At least -3% below comparator	↓

Key Driver Analysis

Key Driver Analysis has been conducted on the overall results and also at an individual council level. The **K** symbol indicates a key driver for staff at the overall three Councils combined response level so you can see your team's performance in relation to this. The questions marked with a **K** therefore have the biggest relative impact on staff engagement.

Further information

For any further information on your results please contact **Catriona Geraghty**, Consultation and Research Officer on **020 7361 3394** or **yourvoice@rbkc.gov.uk**

MOST POSITIVE

The three **most positive** (i.e. highest % agree)

		Compared to...		
		% agree	WCC 2014	Overall 2015
1st	My line manager trusts me to do a good job	89.6	-0.6	0.5
2nd	I am treated with fairness and respect by my line manager	86.4	0.8	1.3
3rd	The people I work with in my team co-operate to get the work done	86.4	2.6	1.9

LEAST POSITIVE

The three **least positive** (i.e. lowest % agree)

		Compared to...		
		% agree	WCC 2014	Overall 2015
1st	I believe that people are sufficiently supported through change in the Council(s)	30.1	-1.0	-0.8
2nd	Changes that impact on me are well managed	33.2	-2.1	-1.0
3rd	I have the opportunity to contribute my views before changes are made which affect my job	38.5	-1.1	-1.0

Comparison to...

WCC 2014 Overall 2015

My Job		Agree	Neutral	Disagree
1	I am clear about what I am expected to achieve in my job	84	8	8
2	My job makes good use of my skills and abilities	74	13	14
3	As long as I get the job done, I have the freedom to act on my own initiative in my role	82	10	8
4	I understand how my work helps the Council(s) achieve its goals and objectives	82	11	7
5	My work gives me a sense of achievement	73	15	12

-3.6	↓	-0.9	↔
0.8	↔	0.0	↔
1.1	↔	3.6	↑
-3.1	↓	-1.1	↔
0.0	↔	1.9	↔

K

Teamwork		Agree	Neutral	Disagree
6	I am kept informed about my team's performance in achieving its objectives	66	18	17
7	The people I work with in my team co-operate to get the work done	86	8	6
8	My team regularly looks for ways to improve the service we provide	82	12	6
9	There is good co-operation between teams I work with	73	15	12

WCC 2014	Overall 2015		
-3.7	↓	-1.9	↔
2.6	↔	1.9	↔
2.9	↔	3.0	↑
0.5	↔	1.8	↔

Health and well being		Agree	Neutral	Disagree	WCC 2014	Overall 2015
10	In my opinion, health and wellbeing is taken seriously in my workplace	58	20	22	2.8 ↔	0.4 ↔
11	I am comfortable with the pressure placed upon me in my job	57	18	24	-0.2 ↔	0.8 ↔
12	I am able to strike the right balance between my work and home life	62	16	22	-1.0 ↔	0.3 ↔
13	I believe that my line manager genuinely cares for my well being	75	15	10	0.2 ↔	1.8 ↔

Senior managers		Agree	Neutral	Disagree	WCC 2014	Overall 2015
14	Senior managers are sufficiently visible where I work	70	12	18	1.5 ↔	2.3 ↔
15	Senior managers communicate clearly to me what the Council(s) is trying to achieve	59	22	19	-1.8 ↔	2.1 ↔
16	I believe that senior managers are open and honest in their communications with staff	54	27	19	2.3 ↔	3.8 ↑
17	Senior managers are aware of the issues I face in my job	50	24	26	2.3 ↔	1.9 ↔
18	I have confidence in the leadership provided by senior managers	53	27	20	1.2 ↔	0.9 ↔

K

* Senior manager - Head of Service or above

Your manager		Agree	Neutral	Disagree	WCC 2014	Overall 2015		
19	My line manager trusts me to do a good job	90			-0.6	↔	0.5	↔
20	My line manager is open to my ideas and suggestions for change	80			0.0	↔	0.4	↔
21	I am confident that on important matters my feelings/thoughts are communicated upwards by my line manager	69			2.8	↔	1.7	↔
22	My line manager keeps me informed about issues that affect me directly	78			1.7	↔	-0.1	↔
Performance management		Agree	Neutral	Disagree	WCC 2014	Overall 2015		
23	I have regular one to ones with my line manager	69			-2.7	↔	-5.3	↓
24	My line manager gives me regular and constructive feedback on my performance	64			-0.9	↔	-3.5	↓
25	My line manager recognises and acknowledges when I have done my job well	75			0.3	↔	-0.9	↔
26	My line manager effectively manages any instances of poor performance within our team	54			1.6	↔	-2.4	↔
27	During my last performance review my line manager helped me to focus on improving my performance	68			0.0	↔	-1.2	↔
		Yes	Not been here long enough	No	WCC 2014	Overall 2015		
28	I have had a formal appraisal/performance review in the last twelve months	69			-11.8	↓	-6.4	↓

Learning and development

	Agree	Neutral	Disagree	WCC 2014	Overall 2015
29 I have received the learning and development I need to do my job well	62	23	16	0.7 ↔	-0.8 ↔
30 I regularly review my learning and development needs with my line manager	52	26	22	3.1 ↑	-0.4 ↔
31 I am satisfied with the opportunities available for me to develop my career within the Council(s)	41	27	32	5.7 ↑	0.1 ↔

Communication and consultation

	Agree	Neutral	Disagree	WCC 2014	Overall 2015
32 I feel sufficiently informed about what is going on within the Council(s)	55	26	19	-3.4 ↓	-0.3 ↔
33 I feel well informed about matters affecting me	56	24	20	-3.8 ↓	-0.6 ↔
34 I have the opportunity to contribute my views before changes are made which affect my job	39	30	31	-1.1 ↔	-1.5 ↔
35 I think it's safe to speak up and challenge the way things are done	48	25	27	0.0 ↔	-1.2 ↔
36 Changes that impact on me are well managed	33	33	34	-2.1 ↔	-1.0 ↔
37 I believe that people are sufficiently supported through change in the Council(s)	30	34	36	-1.0 ↔	-0.8 ↔

K

Equal opportunities

	Agree	Neutral	Disagree	WCC 2014	Overall 2015
38 I believe that the Council is an equal opportunities employer				-0.4 ↔	-0.4 ↔ K
39 I am treated with fairness and respect by the people I work with				1.1 ↔	1.2 ↔
40 I am treated with fairness and respect by my line manager				0.8 ↔	1.3 ↔
*Definitions in footer					
	Yes	No		WCC 2014	Overall 2015
41 In the last year, whilst working for the Council(s), I have personally experienced bullying and/or harassment				-2.5 ↔	-0.6 ↔

42	If YES was this by...	a member of the public...	36.4%
		a manager...	37.7%
		another colleague...	40.3%
		other person...	10.6%

	Yes	No	WCC 2014	Overall 2015
43 If you have been harassed or bullied during the last year, did you report it?			-4.2 ↓	-1.8 ↔

Pay and benefits

	Agree	Neutral	Disagree	WCC 2014	Overall 2015
44 Considering my duties and responsibilities, I think my pay is fair				6.0 ↑	1.7 ↔
45 I am satisfied with the overall benefits package (e.g. Annual/flexi leave, pension, season ticket loan, etc.)				1.7 ↔	-2.6 ↔ K

* Bullying - Persistent behaviour against an individual which is intimidating, offensive or malicious and which undermines the confidence, competence and self esteem of the individual.

* Harassment - unwanted contact has the purpose or effect of violating someone's dignity or creates an intimidating, hostile, degrading, humiliating or offensive environment for the person.

Working environment

	Agree	Neutral	Disagree	WCC 2014	Overall 2015	
46 I am satisfied with the IT resources and support provided to help me do my job	44	17	40	8.0	0.8	↑ ↔ K
47 I have the equipment and resources I need to do my job effectively	51	19	30	6.7	-0.4	↑ ↔
48 Overall, I am satisfied with the physical environment in which I work	46	20	34	2.6	-3.9	↔ ↓

Serving our public

	Agree	Neutral	Disagree	WCC 2014	Overall 2015	
49 Feedback from staff and/or the public is used to help us ensure our services meet the needs of our customers	57	29	14	-2.9	-2.2	↔ ↔
50 In my service we deliver best value, quality services	74	19	7	-1.5	0.0	↔ ↔ K
51 Improving the health and wellbeing of residents, visitors and/or people who work here is a priority for my service	71	22	8	1.0	2.8	↔ ↔ K

Overall perceptions		Agree	Neutral	Disagree	WCC 2014	Overall 2015
52	I am proud to work for the Council	70	22	8	1.0 ↔	0.4 ↔
53	I would recommend the Council as a good place to work	61	24	15	-0.3 ↔	-1.9 ↔
54	I feel a strong sense of belonging to the Council	51	31	18	1.0 ↔	-1.4 ↔
55	I am committed to helping the Council meet its goals and objectives	85	13	2	-0.4 ↔	-0.9 ↔
56	Working here makes me want to do the best work I can	74	19	7	2.2 ↔	0.7 ↔
57	I would like to still be working here in 12 months time	67	20	13	1.0 ↔	0.9 ↔
Acting on the survey results		Agree	Neutral	Disagree	WCC 2014	Overall 2015
58	I believe action will be taken as a result of this survey	46	30	24	4.2 ↑	1.6 ↔

This page is intentionally left blank



City of Westminster

Audit & Performance Committee Report

Meeting:	Audit & Performance Committee
Date:	2 December 2015
Classification:	General Release
Title:	Work Programme
Wards Affected:	N/A
Financial Summary:	There are no direct financial implications arising from this report
Report of:	Head of Committee & Governance Services
Report Author:	Reuben Segal, Senior Committee and Governance Officer. Tel: 020 7641 3160 or email: rsegal@westminster.gov.uk

1. Executive Summary

- 1.1 The Committee is invited to review its work programme, attached at appendix 1.
- 1.2 The Committee is also invited to review the actions which arose from the last meeting and the work undertaken in response, as detailed in appendix 3.

2. Recommendations

1. That the Committee agrees its Work Programme attached as at **appendix 1** to the report.
2. That the work undertaken in response to the actions which arose from the last meeting, as detailed in at **appendix 3** to the report, be noted.

3. Choosing items for the Work Programme

- 3.1 The Committee's Work Programme for 2015/16 is attached at appendix 1 to the report.
- 3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee (attached as appendix 2) which may assist the Committee in identifying issues to be included in the Work Programme.

4. Monitoring Actions

- 4.1 The actions arising from each meeting are recorded in the Action Tracker attached as appendix 3. Members are invited to review the work undertaken in response to those actions.

5. Resources

- 5.1 There is no specific budget allocation for the Audit and Performance Committee.

6. Approval and modification

- 6.1 The work programme will be reviewed at each meeting of the Committee and items can be removed or added.

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

Reuben Segal, Senior Committee and Governance Officer

Tel: 020 7641 3160 or email: rsegal@westminster.gov.uk

APPENDICES:

Appendix 1 – Work Programme 2015/16

Appendix 2 – Terms of Reference

Appendix 3 – Committee Action Tracker

BACKGROUND PAPERS:

None

Work Programme 2015/16

Audit and Performance Committee

18 MAY 2015

Agenda Item	Reasons & objective for item	Lead Officer
Final Annual Accounts 2014/15	To present the final 2014/15 annual accounts.	Steve Mair (Finance)
KPMG Annual Governance Report	To review and comment on the findings of the letter and on actions being taken in response to recommendations. In line with CIPFA guidance on audit committees and ISA 260 which requires the letter to be communicated to 'those charged with governance' along with the auditor's opinion on the financial statements.	Andrew Sayers (KPMG)
Annual Internal Audit and Counter Fraud Monitoring Report	To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Chris Harris (Baker Tilly)
Local Audit and Accountability Act 2014	To receive a report on the implications of the act.	Steve Mair (Finance)

15 July 2015

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2015-16	The Committee is invited at its first meeting of the 2015/16 municipal year to agree a work programme.	Reuben Segal
Annual Contracts Review 2014/15	To review of the City Council's contracts, including details of contracts awarded, waivers and performance.	Anthony Oliver (Procurement)
2014/15 End of year Performance Business Plan Monitoring and Period 2 (May) Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Steve Mair (Finance) Mo Rahman (Performance)

17 September 2015

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2015-16	The Committee is invited to review its work programme for the 2015/16 municipal year and monitor the progress of the Working Groups.	Reuben Segal
Staffing Issues	To consider service pressures and challenges within Human Resources including the number and cost of temporary agency contractors across the Council and staff turnover.	Carolyn Beech (HR)
Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Steven Mair (Finance) Mo Rahman (Performance)
Internal Audit and Counter Fraud Monitoring Reports	To oversee and monitor the success of the Audit and Anti-Fraud Services in planning and delivering outcomes and establishing an effective and robust internal control framework.	Moyra McGarvey (Internal Audit) Andy Hyatt (Anti-Fraud)
Risk Management	To monitor the current status of key service area risks, together with the identification of risks arising as part of the programmes currently being undertaken.	Hugh Jordan (Strategic Performance Team)

Change to the Council's Auditor	To note a change of auditor due to the discovery of a conflict of interest.	Steve Mair (Finance)
Update on the Managed Services Programme	The update will include information on performance of the contractor, errors and issues identified and potential risks to the Council from the implementation of MSP.	Steve Mair/Moira Mackie

3 November 2015

Agenda Item	Reasons & objective for item	Lead Officer
Update on Managed Services Programme	To consider an operational update on MSP since the last meeting and to submit questions to the contractor on this and associated matters.	Nick Dawe (Tri-Borough Corporate Services)

2 December 2015

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2014/15 municipal year and monitor the progress of the Working Groups.	Reuben Segal
KPMG Annual Audit Letter 2014/15	To provide KPMG's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Andrew Sayers (KPMG)

Corporate Complaints 2014/15	To report on the volume and details of complaints received by the Council and CityWest Homes in 2014/15.	Sue Howell (Complaints)
Update on Corporate Contract Management	To provide an update on Contract Management Framework, Procurement & Commercial training including compliance with contract record keeping within capitalEsourcing	Anthony Oliver (Procurement)
Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Steven Mair (Finance) Mo Rahman (Performance)
Internal Audit Monitoring Report	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Moyra McGarvey (Internal Audit)
Headline results from 'Your Voice' Survey 2015	To consider the headline results of 'Your Voice' an annual staff engagement survey designed to give staff a voice, highlighting what does and doesn't work well.	Carolyn Beech (HR)
Update on Use of Temporary Agency Contractors	To monitor and consider the number of temporary agency contractors in post over 2 years by Department	Carolyn Beech (HR)

Lessons Learned - Managed Services Programme		Nick Dawe Corporate Services
---	--	---------------------------------

3 February 2016

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2015-16	The Committee is invited to review its work programme for the 2015/16 municipal year and monitor the progress of the Working Groups.	Reuben Segal
KPMG Certification of Claims and Returns Annual Report (Audit 2014/15)	To report the findings from the certification of 2014/15 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.	Andrew Sayers (KPMG)
KPMG Annual Audit Plan 2016/17	To set out the audit work that KPMG proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2016/17.	Grant Thornton
Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Steven Mair (Finance) Mo Rahman (Performance)
Maintaining High Ethical Standards at the City Council	To maintain an overview of the arrangements in place for maintaining high ethical standards throughout the Authority	Charlie Parker (Chief Executive)

Internal Audit Monitoring Report	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Moyra McGarvey Internal Audit
Risk Management	To monitor the current status of key service area risks, together with the identification of risks arising as part of the programmes currently being undertaken.	Hugh Jordan (Strategic Performance Team)
Internal Audit Plan 2016/17	To review and comment on the draft audit plan for 2016/17	Moyra McGarvey (Internal Audit)
Results from 'Your Voice' Survey 2015	To consider the results of 'Your Voice' an annual staff engagement survey designed to give staff a voice, highlighting what does and doesn't work well.	Carolyn Beech (HR)

12 May 2016

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2012/13 municipal year and monitor the progress of the Working Groups.	Reuben Segal
Annual Statement of Accounts	To review the final Annual Statement of Accounts 2015-16.	Steve Mair (Finance)
Annual Internal Audit	To oversee and monitor the success of the	Moyra McGarvey

Monitoring Report	Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	(Internal Audit)
Annual Counter Fraud Monitoring Report	To oversee and monitor the success of the Counter Fraud Service	Andy Hyatt (Anti-Fraud)
Update on Staffing Matters in relation to Agency Staff and Turnover	To consider an update report on staff turnover and temporary agency contractors since September 2015	Carolyn Beech (HR)
Housing Revenue Account	To assess the implications to the Council's HRA of the Government's requirement of local authorities to sell off their top third most expensive housing as it becomes vacant.	Steve Mair (Finance) Executive Director for Growth, Planning & Housing

AUDIT AND PERFORMANCE COMMITTEE TERMS OF REFERENCE

CONSTITUTION

4 Members of the Council, 3 Majority Party Members and 1 Minority Party Member, but shall not include a Cabinet Member.

TERMS OF REFERENCE

Audit Activity

1. To consider the head of internal audit's annual report including the auditor's opinion on the Council's control environment and a summary of internal audit and anti-fraud activity and key findings.
2. To consider reports, at regular intervals, which summarise:
 - the performance of the Council's internal audit and anti fraud service provider/s
 - audits and investigations undertaken and key findings
 - progress with implementation of agreed recommendations
3. To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
4. To consider specific reports as agreed with the external auditor.
5. To comment on the scope and depth of external audit work and to ensure it gives value for money.
6. To liaise with the Independent Auditor Panel (once established) over the appointment of the Council's external auditor.
7. To comment on the proposed work plans of internal and external audit.

Regulatory Framework

8. To maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.
9. To review any issue referred to it by the Chief Executive or a Director, or any Council body.
10. To monitor the effective development and operation of risk management and corporate governance in the Council.

11. To monitor Council policies on 'Raising Concerns at Work', the Council's complaints process and the Antifraud and Corruption Strategy; specifically the effectiveness of arrangements in place to ensure the Council is compliant with the Bribery Act 2010.
12. To oversee the production of the authority's Statement on Internal Control and to recommend its adoption.
13. To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
14. To consider the Council's compliance with its own and other published standards and controls.
15. To maintain an overview of the arrangements in place for maintaining High Ethical Standards throughout the Authority and in this context to receive a report annually from the Head of Legal and Democratic Services and the Chief Finance Officer.

Accounts

16. To review the annual statement of accounts and approve these for publication. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
17. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Performance Monitoring

18. To review and scrutinise the financial implications of external inspection reports relating to the City Council.
19. To receive the quarterly performance monitoring report and refer any issues which in the Committee's view require more detailed scrutiny to the relevant Policy and Scrutiny Committee.
20. To review and scrutinise personnel issues where they impact on the financial or operational performance of the Council including but not limited to agency costs, long-term sickness, ill health early retirements and vacancies; and
21. To review and scrutinise Stage 2 complaints made against the City Council and monitor progress.

22. To consider and advise upon, prior to tender, the most appropriate contractual arrangements where a proposed contract has been referred to the Committee by the Chief Executive.
23. To maintain an overview of overall contract performance on behalf of the Council.
24. To review and scrutinise contracts let by the Council for value for money and adherence to the Council's Procurement Code.
25. To review and scrutinise the Council's value for money to Council tax payers.
26. To scrutinise any item of expenditure that the Committee deems necessary in order to ensure probity and value for money.

Staffing

27. To advise the Cabinet Member for with responsibility for Finance on issues relating to the remuneration of all staff as necessary.
28. In the course of carrying out its duties in respect of 27 above, to have regard to the suitability and application of any grading or performance related pay schemes operated, or proposed, by the Council.

This page is intentionally left blank

COMMITTEE ACTION TRACKER

ACTIONS: 17 September 2015

ACTION	OUTCOME	LEAD OFFICER
REPORT ON STAFFING MATTERS IN RELATION TO AGENCY STAFF AND TURNOVER		
1. Provide the Committee with an update on staff turnover and the use of TAC in six months time to establish whether the mitigation actions have delivered results. A breakdown of the reason for resignations should include numbers by department and where possible details of ages	This has been added to the committee's agenda for the 12 May meeting	Carolyn Beech, Director of HR Reuben Segal, Committee & Governance Services
2. Provide figures by department on the number of TACs that have worked for the Council for more than two years on a quarterly basis	Briefing notes were sent to committee members on 16 th November.	Carolyn Beech, Director of HR
3. Provide the Committee with the headline results from the current Your Voice Survey and a more comprehensive report at its meetings in December and February	These items have been included in the committee's work programme	Carolyn Beech, Director of HR Reuben Segal, Committee & Governance Services
FINANCE (PERIOD 4) AND PERFORMANCE BUSINESS PLAN (QUARTER 1) MONITORING REPORT		
1. Requested analysis around the rise in the number of Unaccompanied Asylum Seeking Children (UASC) in Westminster (hotspots, age groups, estimates, demographics) and the impact on children coming into care. What can Children's Services do to plan for meeting rising demands of UASC children?	This information was circulated to the Committee in a briefing note on 21 October 2015.	Mohibur Rahman, Strategic Performance Team
2. Requested analysis on the numbers of freedom passes against population cohort of those that are eligible in Westminster.	This information was circulated to the Committee in a briefing note on 21 October 2015.	
3. In respect of the extension of Right to Buy, officers are asked to validate statement that "Kensington and Chelsea Council may lose 97% of its social housing stock". What are the impacts to Westminster's HRA housing stock (quantify, provide estimates and numbers, how many lost etc.)	This information was circulated to the Committee in a briefing note on 21 October 2015.	
Page 145		

ACTION	OUTCOME	LEAD OFFICER
4. How are asylum seekers likely be treated by the Local Authority in terms of access to social housing – how would local connection requirements be handled?	This information was circulated to the Committee in a briefing note on 21 October 2015.	
5. What would the impacts of rising asylum seeker numbers be on short term accommodation arrangements?	This information was circulated to the Committee in a briefing note on 21 October 2015.	
6. Provide more information on Operation Neon and enforcement operations being delivered including whether this includes Pedicabs in Westminster.	This information was circulated to the Committee in a briefing note on 21 October 2015.	
7. Provide more detail on the HTMA contracts – what do the findings of the report (that our indexation method doesn't reflect current prices within M25) mean for the service?	This information was circulated to the Committee in a briefing note on 21 October 2015.	
8. Provide results of benchmarking analysis of CMC indicators (against London, statistically similar, neighbouring councils) particularly Waste & Parks, Parking, Transport, Highways, Community services indicators.	This information was circulated to the Committee in a briefing note on 21 October 2015.	
9. Provide an explanation of performance in terms of response time against lighting and highways – has the restructure has had an impact?	This information was circulated to the Committee in a briefing note on 21 October 2015.	
10. Requested clarification over use of the new iPad in libraries for scanning, with photos automatically uploaded to the online parking portal form	This information was circulated to the Committee in a briefing note on 21 October 2015.	
11. Queried how the Council will ensure that the recent incident at the Dean Street sexual health clinic (where personal contact details were accidentally released) won't deter people from accessing the service.	This information was circulated to the Committee in a briefing note on 21 October 2015.	
INTERNAL AUDIT PROGRESS REPORT		
That a report be submitted to the Committee within the next 12 months on work undertaken by the Internal Audit Service with CityWest Homes in respect of TMOs and whether recommendations made have been implemented and are producing results.	This will be added to the committee's work programme for 2016-17.	Moira Mackie, Senior Audit Manager Reuben Segal, Committee & Governance Services

ACTION	OUTCOME	LEAD OFFICER
COUNTER FRAUD 2015-16 - PROGRESS REPORT		
Investigate and provide a response to Councillor Warner on the concerns raised regarding commercial vehicles using residents parking permit in St Peter's, Eaton Square.	The matter is subject to investigation and once concluded the conclusions will be discussed directly with Councillor Warner.	Andy Hyatt, Tri-borough Head of Fraud)
STRATEGIC RISK REPORT		
Provide the Committee with access to the SharePoint site containing the risk registers Provide the Committee with details of past risks scoring the highest ratings	This information was circulated to the Committee in a briefing note on 21 October 2015.	Mo Rahman, Planning and Performance Manager
Clarify the risks associated with the waste disposal contract re-let	This information was circulated to the Committee in a briefing note on 21 October 2015.	Mo Rahman, Planning and Performance Manager
CHANGE TO THE COUNCIL'S AUDITOR		
That the above mentioned issue be shared with the Standards Committee to ensure that all Members are aware of this potential conflict of interest.	This is in progress following consultation with Councillor Warner as chairman of the Standards Committee.	Mick Steward, Head of Committee and Governance Services

COMMITTEE ACTION TRACKER

ACTIONS: 3 November 2015

ACTION	OUTCOME	LEAD OFFICER
Provide the committee with a note on the other local authorities that the Council shares financial information with	This information will be provided prior to the 2 December meeting.	Steve Mair, City Treasurer)
Provide the committee with details of the due diligence undertaken in relation to the procurement of the Managed Services Programme including the period over which this occurred and how this compares to other similar projects	This information was circulated on 24 th of November 2015	Nick Dawe, Interim Bi-borough Executive Director of Corporate Services).
Provide details of how current WCC payroll accuracy compares to accuracy prior to the introduction of the Managed Services Programme	This information was circulated on 24 th of November 2015	Nick Dawe, Interim Bi-borough Executive Director of Corporate Services).
Schedule an additional Committee meeting in the second week of December to enable members to monitor progress on resolving outstanding issues and delivering programme stabilisation	This has been scheduled for Thursday 10 th December	Reuben Segal, Committee & Governance Services).

Agenda Item 12

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank