



City of Westminster

Committee Agenda

Title: **Audit & Performance Committee**

Meeting Date: **Wednesday 10th July, 2019**

Time: **6.30 pm**

Venue: **Rooms 18.04 and 18.05, 18th Floor, Westminster City Hall,
64 Victoria Street, London SW1E 6QP**

Members: **Councillors:**

Ian Rowley (Chairman)
David Boothroyd
Robert Rigby
Jacqui Wilkinson

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



Admission to the public gallery is by ticket, issued from the ground floor reception from 6.00pm. 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 Andrew Palmer, Senior Committee Officer.

**Tel: 020 7641 2802 Email: apalmer@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 Director of Law in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

To note any changes to the membership.

2. DECLARATIONS OF INTEREST

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

3. MINUTES

To approve the minutes of the previous meetings on 2 May 2019 and 17 June 2019.

(Pages 5 - 20)

4. YEAR END PERFORMANCE REPORT

To review how the City Council is performing against the City for All priorities, including progress towards achieving the deliverables and targets within departmental business plans.

(Pages 21 - 90)

5. PERIOD 2 FINANCE REPORT

Report of the Executive Director, Finance & Resources.

(Pages 91 - 100)

6. ANNUAL REPORT ON INTERNAL AUDIT AND INTERNAL CONTROL 2018/19

To consider the work of Internal Audit in 2018/19.

(Pages 101 - 118)

7. COUNTER FRAUD 2018/19 - END OF YEAR REPORT

To receive a report on the work undertaken by the Counter Fraud Service during the period 1 April 2018 to 31 March 2019.

(Pages 119 - 142)

8. WORK PROGRAMME AND ACTION TRACKER

The Committee is invited to review its work programme.

(Pages 143 - 158)

9. ANY OTHER BUSINESS

To consider any other business which the Chairman considers urgent.

Stuart Love
Chief Executive
2 July 2019

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CITY OF WESTMINSTER

DRAFT MINUTES

Audit and Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit & Performance Committee** held at 6.30pm on Thursday 2nd May 2019, Room 18.1/18.2, 18th Floor, Westminster City Hall, 64 Victoria Street, London SW1E 6QP.

Members Present: Councillors Ian Rowley (Chairman), David Boothroyd, Robert Rigby and Jacqui Wilkinson.

Also Present: Gerald Almeroth (Executive Director of Finance & Resources), Paul Dossett (Grant Thornton), Laurelin Griffiths (Grant Thornton), Damian Highwood (Evaluation & Performance Manager), Dave Hodgkinson (Director of Corporate Finance & Property), Kevin Humpherson (Deloitte). Paul Jacklin (Grant Thornton), Moira Mackie (Senior Internal Audit Manager), Andrew Palmer (Senior Committee Officer), Mo Rahman (Planning & Performance Manager), Rikin Tailor (Head of Corporate Finance), Phil Triggs (Tri-Borough Director of Treasury & Pensions).

1 MEMBERSHIP

- 1.1 There were no changes to Membership.

2 DECLARATIONS OF INTEREST

- 2.1 Councillor Jacqui Wilkinson declared that she was Deputy Cabinet Member for Economic Development, Education & Skills.

3 MINUTES

- 3.1 **RESOLVED:** That the Minutes of the meeting held on 5 February 2019 be agreed by the Committee as a correct record of proceedings.

4. 2018-2019 ANNUAL STATEMENT OF ACCOUNTS AND OUTTURN

- 4.1 Dave Hodgkinson (Director of Corporate Finance & Property) and Gerald Almeroth (Executive Director of Finance Resources) submitted the draft Annual Statement of Accounts for the 2018/19 financial year. The report included a detailed commentary of the key sections of the financial statements.

- 4.2 The General Fund revenue position had seen a net outturn of £3.916m underspend against an approved budget of £187.641m, which would increase

general reserves to £62.783m and increase financial resilience to withstand any short-term funding shortfalls arising from the Fair Funding Review and Spending Review. The Housing Revenue Account (HRA) revenue outturn was a surplus of £4.678m, against a budgeted surplus of £6.993m. The General Fund capital outturn represented a gross expenditure underspend of £54.858m against budget and a net underspend of £44.571m. The total value of the Pension Fund as at 31st March 2019 was £1.403bn; with an allocation of 9% within property; 1% in infrastructure; 69% in equities; and 21% in fixed income. Variances and overall reduction in cash investments had been due to changes in business rates and spend on the capital programme; and the changes in assets had reflected City Hall being included in investments. Although the accounting valuation of the Fund was done every year, the actuarial valuation of the pension fund was carried out every three years and was due in June 2019. The external audit of the City Council's financial statements (Council and Pension Fund) was ongoing, and progress would be reported separately.

- 4.3 The Committee commented on the length of the Statement of Accounts, and the City Council's external auditor confirmed that the document needed to meet the requirements of Chartered Institute of Public Finance & Accountancy (CIPFA), and that the City Council was working with CIPFA to be able to produce a more understandable and less complex set of accounts. It was hoped that a more slimmed down version would eventually be possible.
- 4.4 The Committee discussed the HRA and underspend on housing, and noted the disconnect between the rise in demand for housing and the drop in the purchase of properties which could provide temporary accommodation. The Director of Corporate Finance & Property commented that not enough properties of the right standard, cost and level were being found that could be supported by a sound business case. Members asked whether the area that was being considered for housing needed to change, and the Director confirmed that this was being reviewed. The Committee noted that pressures in areas such as housing currently existed across all local authorities.
- 4.5 The Committee commented on the pattern of underspend in the Capital Programme and suggested that while some issues were out of the City Council's control, others may be more operational.
- 4.6 Members commented on the overspend in Children & Family Services, and noted the increase in the number of looked after children. The Director of Corporate Finance & Property acknowledged that this was a challenge and potential risk that needed to be managed through budget and a range of service strategies; and that this had become a key lobbying issue as Home Office funding was not covering costs.
- 4.7 The Committee discussed borrowing, and noted that the City Council had used internal resources to fund capital expenditure rather than having to borrow. Other issues discussed included the costs associated with the retro-fitting of the waste fleet; the reduction in the number of non-domestic rating appeals compared to last year; the overspend on legal services; and targets for treasury income.
- 4.8 The accounts would be presented for formal sign off by the Committee at the next meeting on 17 June 2019.

- 4.9 **RESOLVED:** That the draft Annual Statement of Accounts for the 2018/19 financial year be noted

ACTIONS:

1. That details be given of any penalty payment that may be incurred from the re-profiled retro-fitting of the waste fleet to meet the requirements of London's Ultra Low Emissions Zone. **(Action for Dave Hodgkinson - Director of Corporate Finance & Property)**
2. The more detail be provide on the £1.5m gained following a dispute with a contractor. **(Action for Dave Hodgkinson - Director of Corporate Finance & Property)**

5. PENSIONS INVESTMENT AND ADMINISTRATION UPDATE

- 5.1 Phil Triggs (Tri-Borough Director of Treasury & Pensions) presented the annual update on pensions investment and administration, together with the internal control processes that were in place. The report also provided an update on the performance of the Pension Fund's investments, strategic asset allocation, investment manager arrangements and funding position to 31 March 2019.
- 5.2 The Committee noted that the fund had marginally underperformed the benchmark net of fees by 0.1% over the year to December 2018; and that the estimated funding level as at 31 December 2018 had been 94.5%. The funding position remained currently stable, subject to market volatility. The total value of the Fund as at 31 March 2019 was £1,403m; with an asset allocation of 9% within property; 1% in infrastructure; 69% invested in equities; and 21% in fixed income. There had been changes in asset allocation during the year, with one fund manager being phased out and two additional fund managers being appointed.
- 5.3 Kevin Humpherson (Manager, Deloitte Pensions Consultancy) reported that although there had been significant levels of volatility in the UK market over the past year, performance had improved in January onwards this year. Global equity markets had been very similar to the UK; and property investments had returned 6% over the 12 month period, which had been strong but less than seen over recent years.
- 5.4 The Committee expressed concern over the operation and performance of the London Collective Investment Vehicle (CIV), which currently held 70% of the City Council's total portfolio making Westminster the CIV's biggest investor. Under the scheme, local authorities were moving away from investing their own funds and were instead investing via a small number of pools around the country that still deferred to individual local authorities for their asset allocation and investment strategy. The Committee noted that the City Council's funds were still managed by the fund managers that had been selected by the City Council's Pension Fund Committee, and that the portfolios had switched to the CIV. As the overarching investment body, the CIV had managed to negotiate

much lower fees, which had resulted in substantial savings and a positive benefit to Westminster's Pension Fund overall.

- 5.5 The Committee discussed the influence the City Council could have on the CIV in view of its currently being the largest investor. The Tri-Borough Director of Treasury & Pensions confirmed that the London CIV was owned by all 32 London Boroughs, and that Westminster was well represented in the governance process with Councillor Cox being one of 8 elected Members on the Shareholder Committee; and Gerald Almeroth (Executive Director of Finance & Resources) being one of four London Treasurers.
- 5.6 Members highlighted the risk of the City Council being in a system where it had to invest with one organisation which had no competitive pressure or competition that could compel it to operate efficiently. Although the CIV had initially been dysfunctional, the arrangements had been reviewed by local authorities and a new structure put in place over the last year. A new permanent Chief Executive had also been appointed. The CIV would continue to grow over time as funds were transferred from all London boroughs, and it was intended that the vast majority of local authority pension investments would be made through the CIV.
- 5.7 The Committee considered that the possibility of the CIV gaining the statutory right to select investment managers on behalf of local authorities represented a serious risk. The Tri-Borough Director confirmed that the position was under review, and that the City Council had submitted concerns as part of a consultation exercise on whether the pooling process should be mandatory. The result of the process would be known later in the year.
- 5.8 **RESOLVED:** That the annual update on pensions investment, administration and internal control processes be noted

6. DRAFT AUDIT FINDINGS REPORT 2018-19

- 6.1 Laurelin Griffiths, Paul Dossett and Paul Jacklin (Grant Thornton) presented a report from Westminster's external auditors, which set out the key findings from the work that had been completed in their audit of the City Council's financial statements (Council and Pension Fund) for the year ending 31 March 2019. The Auditors had received the draft accounts on 16 April and would update the Committee on its findings at its next meeting on 17 June, when the accounts would be finalised.
- 6.2 The audit progress report for the City Council had highlighted significant risks, together with the work that was being done to mitigate potential problems. The risks had included management over-ride of controls; valuation of land and buildings; valuation of the pension fund net liability; and the provision for Business Rate appeals. Grant Thornton confirmed that testing on the Pension Fund was almost complete, and was only awaiting details from fund managers and of voluntary contributions. The Auditors expected to issue unqualified audit opinions on both sets of financial statements.
- 6.3 The Committee discussed ledger balances and the transfer of data from Agresso to SAP. Although there had been a potential moderate increase in risk

from the accounts being calculated under the new system, concerns around year end had been mostly based on familiarity, and Grant Thornton had reviewed the balances from the old to the new ledger and were satisfied that all data had been transferred.

- 6.4 The Committee also discussed the risk associated with the valuation of land and buildings, and noted that problems relating to property were not specific to Westminster but affected all local authorities. Committee Members commented that there could be differences of 20-30% in balance sheet outcomes if different property valuers were used, and the Assistant City Treasurer confirmed that the City Council had continued to use the same valuer.
- 6.5 The Committee congratulated Westminster's finance department for being one of the first local authorities to submit their findings reports.
- 6.6 **RESOLVED:** That the draft audit findings and subsequent recommendations from Grant Thornton be noted

7. PERFORMANCE BUSINESS PLAN (QUARTER 3) MONITORING REPORT

- 7.1 Damian Highwood (Evaluation & Performance Manager) and Mo Rahman (Planning & Performance Manager) presented a report which set out how Westminster was performing against the City for All priorities and Business Plans at the end of the third quarter of the 2018/19 financial year (October – December 2018). The report set out performance achievements and opportunities; and provided explanations and commentary for outstanding and poor performance, together with details of any remedial action that was being taken. The report also featured analysis of the findings from the 2018 City Survey.
- 7.2 The Committee discussed the report and commented on the KPI's that had either missed the ideal target at Quarter 3 or had only met the minimum standard. The Committee also commented on the City for All top achievements for Excellent Local Services and commended the report for setting out the action that was being taken in mitigation. It was noted that the School Budget Deficit remained an ongoing risk.
- 7.3 Committee Members noted that although the percentage of people who thought they were in good health had risen over the past year from 84% to 87%, the percentage of households who used sports and leisure facilities had fallen significantly from 30% to 17%. The Evaluation & Performance Manager confirmed that the sports centre results had been derived from the City Survey, which had asked specifically about the use of Westminster's centres and not included private gyms. The Evaluation & Performance Manager reported that actual user number of Westminster's facilities had also been slightly higher, although the improvement had not been captured in the Survey. The Survey had been a long document with generic questions which could be misinterpreted and did not provide a complete picture of the profile of sports centres with casual users such as commuters being left out of the statistics. Usage had also been clearly linked with age group and not gender or ethnicity; and people above a certain age were not using Westminster's sports and leisure centres.

The City Survey had also indicated that the longer residents had lived in Westminster, the greater their level of satisfaction.

- 7.4 The Committee expressed concerned over the rise in knife crime and reduction in police resources, and noted that the Basic Command Unit merger would be considered at the next meeting. The performance of the City Council's Housing Service following the transition would be also be reviewed later in the year. Members highlighted the need to engage CityWest Homes residents, and noted that work on a communications strategy for Westminster housing residents was ongoing
- 7.5 The Committee discussed the performance of the Westminster Employment Service, which had supported over 700 residents into work by the, with over 250 of those having been long-term unemployed. Members considered that the effectiveness of the service and calculations for costs per job placement needed to be measured against long-term employment which extended over two years, rather than the period of 6 months given in the report.
- 7.6 Committee Members commented on the risks of delivering the capital investment programme for Oxford Street on time and to budget, and sought clarification of the return that would be received from the project. It was noted that the strategy included seeking funding from the public sector, and the Executive Director of Finance Resources confirmed that the project was not intended as an investment for financial return, but a material and economic improvement of Oxford Street.
- 7.7 The Committee was that 39 sites had been approved for the City for All 20 mph zone and noted that plans for a wider rollout in other areas were currently subject to consultation. Members also discussed the fragility of the market in Adult Social Care and Public Health, which were off-track and not sustainable; and noted the increase in Unaccompanied Asylum Seeking Children in Westminster.
- 7.8 Other issues discussed included the relocation of the Housing Solution Service to Bruckner Street; the City for All Green Agenda; the number of rough sleepers who were part of organised crime begging gangs being unknown; and risks associated with parking.

ACTIONS:

1. That the review of the Housing Service following the transition of CityWest Homes, which is to be submitted to the Committee later in the year, captures issues around Anti-Social Behaviour. **(Action for Ian Clark and Susan Barber – Performance Managers)**
2. That more detail be provided in the drop in City Survey results for the proportion of households who use sports and leisure facilities. **(Action for Twila Grower - CMC Business & Performance Manager)**
3. That the Westminster Employment Service provide details of the issues that prevent long-term tracking of residents that had been supported into work. **(Action for Ian Clarke – Performance Manager)**

4. That clarity be provided on the plans for the wider roll-out of the City for All 20 mph zone to 39 new sites. **(Action for Twila Grower - CMC Business & Performance Manager)**
5. That more detail be provided on the current challenges in the market for Adult Social Care and Public Health, including where the main risks are. **(Action for Gary Hamilton – Head of Programme Management, Adult Social Care)**
6. That a profile be provided of Unaccompanied Asylum Seeking Children in Westminster, including details of where they were from; whether there was any evidence that there was some form of trafficking involved; and what the City Council was doing to seek financial support. **(Action for John O’Sullivan – Head of Business Intelligence & Strategy, Children’s Operations)**
7. That detail be given of which Wards will be receiving the 3,000 trees that are to be planted by 2020. **(Action for Ian Clarke – Performance Manager)**
8. That a briefing be provided on whether the Parking deficit is structural or cyclical. **(Action for Twila Grower – CMC Business & Performance Manager)**
9. That further detail be given on the media platforms targeted by the Media Monitor dashboard to track both proactive and reactive stories. **(Action for Damian Highwood – Evaluation & Performance)**

8. INTEGRATED INVESTMENT FRAMEWORK 2018/19 OUTTURN

- 8.1 Phil Triggs (Tri-Borough Director of Treasury & Pensions) presented the 2018/19 outturn report for the City Council’s Investment Framework. As at 31 March 2019, Westminster held £729m of short term cash based investments, and owned a significant number of investment properties which had been revalued at £472.7m. The City Council also held a number of long-term loans and equity shareholdings, and was responsible for managing the Westminster Pension Fund which had net assets of £1.403bn. The Committee noted that the Council had sought to obtain the maximum amount of income consistent with an optimum level of risk, and that security of capital and liquidity requirements were higher priorities than investment yield.
- 8.2 The Committee discussed Westminster’s investment portfolio and commented on the high concentration of investment in car parking. Dave Hodgkinson (Director of Corporate Finance & Property) acknowledged that car parking was currently bringing in revenue at a good return, and confirmed that the City Council would keep the car parks under review and would look at alternative uses if income dropped. Committee Members commented on the potential for car parks to be redeveloped.

- 8.3 The Committee discussed the investment of the Pension Fund, and noted that although yield was just over 1%, this represented a negative real return when offset against current inflation at 1.8%. Members also commented on the existing deficit in the Pension Scheme, and on the contribution plan that had been put in place to close it.
- 8.4 **RESOLVED** that the outturn report for 2018/19 for the City Council's Investment Framework be noted.

9. TREASURY MANAGEMENT STRATEGY OUTTURN 2018/19

- 9.1 Phil Triggs (Tri-Borough Director of Treasury & Pensions) presented the City Council's Annual Treasury Management Outturn for 2018/19. The report reviewed how borrowing had been managed to ensure that the funding of the Council's future capital programme was at optimal cost. The report had also considered how surplus cash balances arising from the day-to-day operations of the Council had been invested, to obtain an optimal return while ensuring security of capital and liquidity. The Committee noted that treasury income generated in 2018-19 had been substantially above budget, and that the treasury portfolio valued at 31 March 2019 had been £729m.
- 9.2 The Committee discussed bank deposits, and the Tri-Borough Director of Treasury & Pensions confirmed that deposits had been concentrated in UK banks and very high quality foreign banks. No investments were currently made for longer than 12 months, and banks' ratings were carefully monitored.
- 9.4 Members also discussed the principles and priority of investments that were set out in official guidance; together with the ongoing monitoring of borrowing and the cost of redemption, and political risks such as future capital controls and nationalisation.
- 9.5 **RESOLVED** that the City Council's Annual Treasury Management Outturn for 2018/19 be noted.

10. REVIEW OF EFFECTIVENESS

- 10.1 Moira Mackie (Senior Internal Audit Manager), presented a report which detailed the outcome of reviews which had sought to determine the effectiveness of local services at Westminster, together with the management of public funds. The review had focussed on the effectiveness of the roles of the Chief Financial Officer and Head of Internal Audit; and on compliance with the Public Sector Internal Audits Standards. The review had also included the role of the Audit & Performance Committee, and had recommended that consideration be given to the Committee extending its membership to include co-opted independent specialists. The review suggested that the Committee provide an annual report on its work and performance to Council; and that the CIPFA Knowledge and Skills Framework for Audit Committees be used to identify topics for future briefings.
- 10.2 The Committee discussed the report and proposals, and requested that fraud risks be considered in more detail and include any potential risks of fraud that

may have been identified during the transition of CityWest Homes to an in-house service.

10.3 The Committee noted that the roles of the City Treasurer and Executive Director of Finance & Resources had now merged, and included procurement, corporate property and IT. Members also discussed the size of the Committee, and whether the current composition of four Members provided an appropriate range of skills.

10.4 **RESOLVED that**

1. The outcomes of Review of Effectiveness be noted;
2. Independent specialists should be invited to attend meetings for specific subjects on a similar basis to Policy & Scrutiny Committees; and
3. Consideration be given to submitting an annual report to Full Council on the work of the Audit & Performance Committee, which would include a review of Westminster's Pension Fund.

ACTIONS:

The recommendation that an annual report on the work of the Audit & Performance Committee be submitted to Full Council to be taken forward.

(Action for Andrew Palmer – Senior Committee & Governance Officer)

11. WORK PROGRAMME AND ACTION TRACKER

11.1 The Committee discussed its Work Programme for the forthcoming municipal year.

11.2 **RESOLVED:** That

1. The Work Programme including the items for the next meeting on 17th June 2019 be noted;
2. The responses to actions from the last meeting be noted; and
3. A review of Green Issues in Westminster be added to the future Work Programme.

The Meeting ended at 8.55 pm.

CHAIRMAN: _____

DATE _____

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CITY OF WESTMINSTER

MINUTES

Audit and Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit & Performance Committee** held at 6.30pm on Monday 17th June 2019, Rooms 18.04/18.05, 18th Floor, 64 Victoria Street, London, SW1E 6QPR

Members Present: Councillors Ian Rowley (Chairman), David Boothroyd, Robert Rigby and Jacqui Wilkinson.

Also Present: Gerald Almeroth (Executive Director of Finance & Resources), Dave Hodgkinson (Director of Corporate Finance & Property), Phil Triggs (Tri-Borough Director of Treasury & Pensions), Rikin Tailor (Head of Corporate Finance), Ama Ackom-Mensah (Deputy Head Of Corporate Finance), Paul Dossett (Grant Thornton), Laurelin Griffiths (Grant Thornton), Paul Jacklin (Grant Thornton) and Andrew Palmer (Senior Committee Officer).

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 ANNUAL ACCOUNTS AND OUTTURN 2018/19

3.1 Gerald Almeroth (Executive Director of Finance & Resources) and Dave Hodgkinson (Director of Corporate Finance & Property) presented the draft Statement of Accounts for the City Council and its Pension Fund, and provided a narrative as to the outturn position for the financial year ended 31 March 2019. Since the last meeting of the Committee on 2 May 2019, Grant Thornton had continued to work on their audit of the accounts as Westminster's external auditors.

3.2 The Committee noted that the General Fund revenue position had seen a net outturn of £3.916m underspend against an approved budget of £187.641m, which compared to a Period 10 (January 2019) forecast underspend of £4.141m. The revenue underspend would increase the Council's general reserves to £62.783m; and increase the Council's financial resilience and

ability to withstand any short-term funding shortfalls that may result from the Fair Funding Review and Spending Review. The HRA revenue outturn was a surplus of £4.678m, against a budgeted surplus of £6.993m. HRA General Revenue balances, after the funding of the capital programme, had reduced to £17.234m in line with expectations within the HRA business plan approved in March. The General Fund capital outturn represented a gross expenditure underspend of £54.858m against budget and a net underspend of £44.571m; which compared to a gross expenditure budget of £279.078m and income budget of £108.870m. The HRA capital outturn had a variance of £12.305m (in year underspend) against a revised budget of £113.329m. The total value of the Pension Fund had been £1.408bn as at 31 March 2019, and had an allocation of 9% within property; 1% in infrastructure; 69% in equities; and 21% in fixed income.

3.3 The Executive Director of Finance & Resources presented an additional paper which outlined three proposed changes to the financial statements submitted to the Committee, which had arisen due to emerging issues which had to be dealt with late in the audit process. It was proposed that the financial statements would be revised to incorporate:

- An update for the value of the City Council's HRA Dwellings as at 31 March 2019;
- A note on a contingent liability on the Council's Pension Fund which had arisen from the recent McCloud judgement in the Court of Appeal; and
- An adjustment to the accounts resulting from the bank reconciliation.

In light of the revisions, the paper recommended that a revised set of accounts was produced which included the changes; and authority for sign-off be delegated to the Chairman.

3.4 The Director of Corporate Finance & Property reported that the City Council had historically valued dwellings on 1 April at the beginning of the financial year, but needed to demonstrate that the valuation was not materially different at the end of the financial year on 31 March. In previous years there had never been a material movement and therefore no adjustment to the accounts had been needed. However, due to market conditions, Westminster's auditors had identified that there could have been a material movement in 2018/19. In addition, the auditors had informed officers that the Financial Reporting Council were placing greater importance on this assessment than in previous years. As a result, the Council had to carry out an additional valuation of its dwellings at 31 March 2019.

3.5 The revised revaluation had given a material movement that had resulted in a total adjustment of £129m, which changed the value of Council dwellings by approximately 8% from £1.597bn to £1.468bn. It was noted that this was a technical adjustment that had no material impact and did not affect the HRA or General Fund balance. The process involved in putting the adjustment through the financial statements and the subsequent audit had taken a period of time that was not in line with the deadlines for the Committee, and Members noted that a review process would be built in for the future valuation of HRA dwellings.

- 3.6 The City Council's external auditor had also alerted the City Council to the implications of the McCloud judgement, which had arisen from two Court of Appeal rulings made during 2018/19. The judgement had concerned age discrimination within the transitional arrangements of the judges and firefighters' pension schemes transitioning from final salary to career average revalued earnings (CARE) scheme, and had resulted in rulings that would increase their pension liabilities. The Tri-Borough Director of Treasury and Pensions informed the Committee that the Local Government Pension Scheme (LGPS) had a similar structure and rules to the judges' and firefighters' schemes, and that the City Council's gross pension liability of £1.681m set out in the accounts had not provided for the rulings as the LGPS regulations had not yet been amended.
- 3.7 The Committee noted that the case was currently with the Supreme Court, and that if the LGPS were to be amended to reflect the rulings, the gross liabilities for Westminster could increase by between an estimated 0.5% and 1.0%, which amounted to between £8m and £16m. Grant Thornton were seeking further clarification of the risks pertaining to a future judgement, and the City Council had included the financial effects of the rulings as a contingent liability in both the City Council accounts and the Pension Fund accounts.
- 3.8 Following the change of Westminster's finance system earlier in the financial year, a thorough review of the bank reconciliation had been carried out. Following the review, and since the last meeting of the Committee on 2 May, the City Council's bank account balance and general ledger balance had been £55k short of being fully reconciled, which represented 0.001% of the total value of income and expenditure transactions. The Committee noted that although the reconciliation had indicated that an adjustment of £22.2m was needed between cash and creditors, it would not have any impact on net assets in the balance sheet.
- 3.9 The Committee discussed the changes to the accounts that had been made since the last meeting, and noted that the balance sheet had included a difference of £136m due to HRA dwellings and other valuation adjustments which included Council House. The Head of Corporate Finance confirmed that the rise in long-term debts had been caused by £20m that the City Council had forwarded to the LGA as a loan having been reclassified as a long-term debt. The Committee noted that although Westminster always sought to recover debts, long-term debts could be cautiously written-off when appropriate.
- 3.10 Committee Members commented on funding issues with CCGs for adult and family services and public health and noted that discussions were ongoing. The CCG had provided details of the areas of funding that it potentially wanted to withdraw, and the City Council had been working to ensure that it would not be required to meet any shortfalls. Members also commented on the reduction in school reserves, and noted that the lower figure had been determined by a number of schools having used up their individual reserves.

- 3.11 The Committee discussed how certain budgets and performance targets were set, and highlighted the value of having ranges which fixed upper and lower bounds in budget targets, which could set context and help monitor performance where there was a high level of uncertainty.
- 3.12 Members commented on the reduction in cash and cash equivalents, and the Head of Corporate Finance confirmed that this had been caused by increased capital expenditure over the last year, and from resources being released as business rates to the GLA and central government. The City Council still had a healthy cash balance, and the Committee noted that future income would be received from capital schemes which were still being developed.
- 3.13 The Committee noted that the balance of the General Fund had risen from £59m to £63m over the last year, and discussed the City Council's reserves policy. The Executive Director commented that the right level of reserves for local authorities depended on their individual circumstances; and considered that it was appropriate that Westminster had a higher level of reserves than most due to its higher income and level of gross spend. He also considered Westminster's medium and long-term target of £70m to be correct and not excessively high, as the country was entering a period of economic uncertainty. The City Council's external auditor commented that although they had general concerns about the reserves of Councils across the country, this was not an issue at Westminster. It was noted that no substantial change in reserve policy was anticipated for the next 12 months.
- 3.14 The Committee also commented on potential risks to balance sheets that could arise from changes in political policy, and the auditors commented that the impact could only be assessed as and when the government policy was introduced. Other issues discussed included contingency risks on Capital Programmes and key spending areas, and the potential long-term effect current uncertainties could have on parking income. Members also suggested that monitoring reports used the RAG status on indication levels of risk.
- 3.15 The Committee commended Westminster's finance department for being one of the first local authorities to submit their findings reports.
- 3.16 **RESOLVED:** That
1. the updated draft Annual Statement of Accounts for the 2018/19 financial year be noted; and
 2. the Chairman of the Audit & Performance Committee be authorised to sign off the Council's Statement of Accounts for 2018/19 which will include the changes as detailed in the Accounts Adjustment Report and the auditor's final checks.

ACTIONS:

1. That details be given of the outcome of the review made in April to reset the income targets for the City Promotions service. **(Action for Dave Hodgkinson - Director of Corporate Finance & Property)**

2. The details be provided on the spend by Corporate Strategy & Transformation on external research (**Action for Dave Hodgkinson - Director of Corporate Finance & Property**)

4. AUDIT FINDINGS REPORT 2018/19

- 4.1 Paul Dossett, Laurelin Griffiths and Paul Jacklin (Grant Thornton) presented a report from Westminster's external auditors, which set out the key findings from the work that had been completed in their audit of the City Council's financial statements (Council and Pension Fund) for the year ending 31 March 2019.
- 4.2 The audit progress report for the City Council had highlighted significant risks, together with the work that was being done to mitigate potential problems. The risks had included management over-ride of controls; valuation of land and buildings; valuation of the pension fund net liability; and the provision for Business Rate appeals. Grant Thornton confirmed that testing on the accounts was almost complete. No comments had been received during the public inspection period, which was due to finish on 18 June. The auditors' final checks could include minor, immaterial amendments to the accounts, but the auditors expected to issue unqualified audit opinions on both sets of financial statements.
- 4.3 Grant Thornton commented on the implications of the McCloud judgement, which was a national issue that could increase pension liabilities and could possibly affect all local authority pension funds. The Committee noted that the auditors had received a report from the actuary on the possible estimated impact of the judgement, and that the auditor's response was in progress.
- 4.4 Committee Members discussed the Action Plan that had been included in the report, and noted that the income manager system that had been introduced to interface with the new ledger system was working well, with few difficulties being found in the reconciliation by the end of the financial year. The Director of Corporate Finance & Property confirmed that reconciliation would be carried out on an ongoing basis, with reports being run every day and a formal sign-off every month.
- 4.5 The Committee also discussed the valuations of land and property, and acknowledged the need to review the valuer's reports to ensure they were complete.
- 4.6 The Committee thanked Grant Thornton for their work in auditing the City Council's final accounts.
- 4.7 **RESOLVED:** That the draft audit findings and subsequent recommendations from Grant Thornton be noted.

The Meeting ended at 7.25 pm.

CHAIRMAN: _____

DATE _____

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Audit & Performance Committee Report

Meeting or Decision Maker:	Audit & Performance Committee
Date:	10 July 2019
Classification:	General Release
Title:	Year End Performance Report
Key Decision:	Review and challenge officers on the contents of the report
Report of:	Julia Corkey, Director of Policy, Performance and Communications

1. Executive Summary

- 1.1 The annual performance report summarises the Council's performance at the end of the 2018/19 financial year. It captures how we are performing against the City for All priorities and includes progress towards achieving the deliverables and targets within departmental business plans.

2. Recommendations

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

3. Reasons for Decision

- 3.1 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

- 4.1 This report sets out how the City Council is delivering on the City for All vision.

Year End Performance Report – 2018/19

1. This quarter's headlines

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

Performance achievements and opportunities

City of opportunity

Everyone should have the opportunity to build their lives, careers and families here.

- The MyWestminster City Lions programme, a development scheme for 13-16-year olds, is in now in its fifth month of delivery. Five targeted after school programmes have been completed, each comprising of multiple school-based workshops and visits to Somerset House and the Photographer's Gallery.
- At the end of 2018/19, 1,108 businesses were significantly engaged by the council on topics ranging from being issued with superfast broadband vouchers and activities relating to corporate social responsibility.
- Throughout the reporting year, 3,582 (ideal target, 2,000) young people were engaged in enterprise and sector-based experiences. The majority of these contacts take place during Westminster Enterprise Week, which hosted 1,078 young people engaged and 24 events. 94% of attendees glad they attended the week and 88% agreed they had a better understanding about enterprise.
- Following an inspection in February, Christ Church Bentinck Primary school was reported to provide "an outstanding quality of education". This is significant because it means that 54% of pupils in Westminster now have access to an outstanding education in the borough.
- At the end of Q4, all five schools involved in the schools' exclusions pilot to date had sent staff to two-day Trauma Informed ARC (Attachment, Regulation and Competency) framework training.
- Westminster STEAM Week 2019 ran from 11 to 15 March 2019. Every year, Westminster City Council, in partnership with Westminster businesses, curates a week of activities to engage young people in STEM careers.

Excellent local services

Westminster has a national reputation for providing excellent local, value for money services. We will continue to drive improvements, working with our partners to make sure the city is safe, clean and well run.

- Westminster wins 'borough of the year' at the London in Bloom awards event for the second year running. London in Bloom is designed to promote gardening, horticulture and biodiversity across the city and recognises the efforts individuals, businesses and community groups make to brighten up their local community through gardening and horticultural efforts. Also results from our recent annual City Survey showed resident satisfaction at with our parks at 97%.
- In 2018/19, 89% of Education, Health and Care assessments were completed within 20 weeks, which is beyond the aspirational target of 75%. The performance is also an improvement on last year's figure of 69%.

- On the 25th July 2019, the City Council launched a new approach to personal development framework for staff. The framework is employee-led fully supporting the Westminster Way, recognising that everyone is a leader and should take accountability for their development and performance. The framework encourages all staff and managers to have three types of conversations throughout the year to support staff development and manage performance.
- 70% of the workforce engaged with the City Council's annual Staff Survey for 2018. This is an increase of 4% from last year (66% in 2017) and shows staff are increasingly engaged in making the council a great place to work. The staff survey results comparison with Local Government (LG) benchmark shows the council is particularly performing well the following 5 areas:
 - I am proud to work for the council: +6% on benchmark
 - I would recommend the council as a great place to work: +7% on benchmark
 - I feel a strong sense of belonging to the council: +4% on benchmark
 - I am committed to helping the council meet its goals and objectives: +3% on benchmark
 - Working here makes me want to do the best work I can: +8% on benchmark
- In November 2017 it was agreed that Westminster City Council, together with RBKC, should join the Hampshire Partnership as a replacement for BT Managed Services. The Partnership is known as the Integrated Business Centre or "IBC". Implementation of the new solution was completed by 1 December 2018 and has been deemed a success. The solution provides a new Transactional HR and payroll system, recruitment system including recruitment site and onboarding portal, Learning Management system, HR policy area with revamped Westminster policies and pensions employer administration services.
- The Council have successfully closed their annual accounts for 2018/19 handing over the accounts to the auditors on 16th April. This most likely makes the council the fastest in the country to close its accounts.

Caring and Fairer City

Caring and supporting the most vulnerable within our community is, and will always remain, our most important priority.

- In 2018/19, the Council's Trailblazer team provided interventions for 220 families and 99% did not go on to make a homelessness application who otherwise would have. The team are improving people's lives by dealing with problems in full first time round and before more complex issues develop for them, whilst delivering savings on expensive temporary accommodation.
- The Council is currently running a campaign aimed at increasing people's understanding of how they can most effectively help people who are sleeping rough and improving perception of the council's efforts to reduce rough sleeping. The CHAT APP TAP campaign has been promoted to residents, businesses and visitors, reached over 26,000 people on social media, and prompting over 2,300 visits to the web page. TAP London donation machines have been put into around 20 locations across Westminster.
- Development of a Social Care Market Shaping Strategy that will guide the direction of travel for care and support providers in Westminster. The strategy will help further develop the market and will ensure that it aligns with the council and Adult Social Care vision.
- Westminster's Home Improvement Agency offers housing related services to help vulnerable residents live independently. At the end of the 2018/19 reporting year, 1,065 vulnerable residents were supported to continue living in their homes.

Healthier and greener city

Children growing up and going to school in Westminster deserve a healthy start in life and to breathe clean air. We will work closely with partners including the NHS to encourage individuals and families to enjoy active and healthy lives, while we focus our resources on the support needed for the most vulnerable in our city.

- In the 2018 City Survey, 92% of residents were satisfied with Council sports facilities and in 2018/19, over four million (4.07m) people participated in Council sports, leisure and wellbeing activities.
- At year end, 16,962 residents had been reached through community champions activity, a scheme where local residents come together to identify and achieve better public health outcomes. The performance over the year indicates that the scheme regularly beat its quarterly aspirational target of 3,500.
- There are currently 221 Electric Vehicle (EV) on-street charging points: 97 of these are in dedicated EV-only bays, 44 in dedicated car club bays, 5 taxi rapid chargers and a further 91 retrofitted into lamp columns. This means we have met our city for all pledge target to expand our network of 165 electric charging points by 25%.
- Westminster City Council's campaign to stop engine idling made national news and has gained support from central government with Cabinet Minister for Environment Michael Gove announcing that he backed the council's plans to introduce on the spot fines for persistent idling drivers. The Leader Nickie Aiken and actor Nigel Havers, a long-time supporter of the #DontBeldle campaign, were both interviewed by BBC London TV.

City that celebrates its communities

We are proud of Westminster's vibrant neighbourhoods and mixed communities. We want to make sure everybody has a stake in the city and can actively contribute to their community. Through our #MyWestminster programme, we celebrate the city's diversity and make sure local people are at the heart of every decision we make.

- The Community Contribution scheme has currently raised £860,000 (May 2019), these funds are collected and administered by the City of Westminster Charitable Trust. Voluntary groups involved in helping young people and rough sleepers across Westminster are set to get a £200,000 boost as the new community contribution fund opens its doors to applications for support.
- Westminster is the busiest planning authority in the country and the Planning team were able to determine 79% of 'major' planning applications within the statutory 13-week timescales. Also, for the first time members of the public are welcome to speak about specific applications at planning committee meetings.

Performance challenges

Top emerging and current risks

- The continued delay in the government publishing the Social Care Green Paper. This increases the reliance on short term funding mechanisms for Adult Social Care. There is lack of clarity around longer term funding of adult social care, with several existing funding streams (e.g. Better Care Fund) having short term programmes rather than providing clarity promised by the government.
- Schools funding is largely driven by pupil numbers and therefore schools with falling numbers have seen reductions in their funding. A total of 26 of Westminster's 52 mainstream schools will see a budget reduction in 2019-20 (compared to 2018-19) and all of these schools have a reduction in pupil numbers.
- A decline in income from Paid for Parking has been experienced this financial year that has produced a final year end deficit of £1.66m against budget. Income from issuing of licenses or permissions was £218k short of the target which is mainly due to a large reduction in activity in relation to temporary traffic orders.

Key Performance Indicators (below ideal/minimum targets)

The indicators presented below are critical to the council's performance and have either missed the ideal target at Year End or only met the minimum standard. Further detail can be found in appendix 1.

Key performance indicators (KPIs)

The indicators presented below are critical to the council's performance and have either missed the ideal target at Year End or only met the minimum standard. Further detail can be found in appendix 1.

Key performance indicator	2017/18 position	2018/19 ideal target	Position at YE	Target assessment
Adult Social Care				
Total number of new permanent admissions to residential/nursing care of people aged 65 years and over	98	95	98	Minimum standard met
The increase in new permanent admissions is reflected in the increasing needs of the Adult Social Care Service Users. The number of new admissions has remained static over the past year. In 2019/20 there will be an increased focus on new admissions, including monthly reporting.				
Public Health				
Percentage of children who receive a 2-2.5-year development review	81%	80%	70% (1,642/2,323)	Minimum standard met
Mitigation: 1.5 % improvement in performance compared to Q2. An action plan is in place and monthly meetings are held to track and monitor performance. The commissioner continues to work with the service to ensure improvement				
Children's Services				
Percentage of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	74% (2017 academic year)	76%	74% (2018 academic year)	Minimum standard met
Mitigation: The percentage is 74% in 2018 which is above the 2017 national average of 59%, which matches the minimum target level for service continuity.				
To promote independence of young people by offering Independent Travel Training	New indicator	3	2	Minimum standard met
Mitigation: We are in the process of securing funding to pilot the introduction of 2 new Travel Coordinators who will work alongside children, families and schools to provide increased training to eligible pupils.				
City Management and Communities				
% of urgent lighting defects made safe within agreed timescale	99%	98%	97% (405/419)	Minimum standard met
Mitigation: This is a minor failure associated with traffic congestion and no actions are required.				
Percentage of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	55%	80%	39%	Target missed
Mitigation: The service was operating at approximately 50% of capacity for a period of time prior to ENW reorganisation, followed by significant recruitment, which has now resulted in one vacancy since April 2019 and all other posts filled. 2019 YTD figures = 69%. New officers continue to be trained and upskilled. This target is also dependent upon the speed at which decisions are received from Committee services.				
% of streets in Westminster that pass the street score survey for litter	98%	98%	97%	Target missed
Mitigation: The average across the last three inspections is 2.1% (i.e. 97.9% performance – 0.1% below target). The inspection reports can vary across the year, with November tending to have the highest percentage. Independent surveys can take place on days when streets are not scheduled to be cleaned.				
2% increase in real and virtual visits to libraries	1.98m	2%	-3.4% (1,959,019 visitors)	Target missed
Mitigation: Thorough monitoring of library visit stats/performance and effective business plan implementation to support the achievement 2% increase. The Council is considering also recommendations from independent review to ensure our libraries remain fit for the future and meet the needs of our community.				

Key performance indicator	2017/18 position	2018/19 ideal target	Position at YE	Target assessment
Growth, Planning and Housing				
Number of households where statutory housing duty is discharged into the private rented sector	New KPI	100	82	Minimum standard met
Mitigation: There are 13 cases where a property has been accepted with a further 8 properties being matched to suitable households, a further 15 properties under offer pending viewing and decision and a further 3 properties available awaiting a household to be identified. Over 190 offers of accommodation have been made in total.				
People Services				
Ensure staff turnover is managed at appropriate benchmark levels (excluding redundancies)	14%	14%	15.6%	Target missed
Mitigation: Individual data by service area will be shared with ELT members for their review and action planning as appropriate				
Reduce the total population of TACS	263	203	290	Target missed
Mitigation: ELT are asked to renew efforts to reduce the number of TACS, in particular those costing more than £100k and those who have been engaged for more than 12 months.				
Finance and resources				
Percentage sundry debtors (more than 1 year old) of total gross sundry debtors	£2.675m (TBC)	5%	11.35% (£4,465,000/£39,325,000)	Minimum standard met
<p><u>Adult social care:</u> The de-merger from the tri-borough service has provided an opportunity for the Council's corporate finance debt recovery team to be more actively engaged in supporting the ASC Income and Billing team. Together with RBKC, the debt management leads have been instrumental in supporting a review of the end to end ASC care assessment and billing process, which has identified areas for joint improvement and closer liaison.</p> <p><u>Public Protection and Licensing:</u> The service is working through each account to ensure accuracy of the billing before further recovery action. Clients with the largest debt are encouraged to agree payment plans or risk losing their licence as the reinstatement of the Licensing Panel is expected to encourage licence holders to comply with settling debts or risk losing their license.</p>				
Percentage of business rates collected	98%	98.5%	98% (£2,289bn/£2,336bn)	Minimum standard met
Mitigation: Monthly monitoring of collection took place during 2019/20, additional procedures have been identified to maximise year end position.				
Number of major business impact Priority 1 incidents per quarter	22	12	23	Target missed
Mitigation: We have exceeded the limit for priority 1 incidents in Q4, due to increased prudence in recording all priority one incidents including those which occur out of hours and those which are resolved quickly. This has led to an increase in the volume of incidents recorded but does not correlate to a decline in performance. We are currently performing resilience testing in relation to our network provider VMB to reduce the number of priority one incidents in future.				
Policy, Performance and Communications				
Total customer calls answered in 30 seconds by the council (new contract agreement)	80.17%	> last year	79.27%	Minimum standard met
Mitigation: A customer dashboard has been created to unify all areas of customer services in an easily interpretable platform in order to allow problems or trends to be identified and acted upon. The dashboard will be used as a tool to monitor channel shift, identify problems early and identify the success of new initiatives by tracking volumes and satisfaction.				
Number of views on the Open Forum website	11,300	15,000	11,000	Minimum standard met
Mitigation: Plans are in place to review Open Forum and resident engagement levels to increase numbers.				

2. Council's Strategic Risks

The council fails to meet its safeguarding responsibilities for a child, young person or adult

STABLE

Owner:	Children Services/ Adults
CFA Objectives:	Caring and fairer city, Healthier and greener city
Impact:	There is the impact for the child or adult, the implications of the incident as well as the associated emotional impact for anyone else involved. There is also the potential reputational impact if the Council / partner agencies were at fault/seen to be at fault.
Status update:	The Director for Children's Service ensures that there are ongoing safety, reliability and quality assurance processes in place for children or young persons. In the event of an incident there would be a co-ordinated response and work with other agencies to ensure appropriate action is taken. The Adults Bi-Borough safeguarding peer review took place during March with an aim to improve outcomes for local people and to improve ways of working with high risk groups.
Controls:	The Practice Week and focused audits of work with children are currently in place. Activities are monitored by the Local Safeguarding Children's Board to ensure lessons are learnt from case reviews. Staff are expected to attend safeguarding training.
Insight:	One key focus area of the Adults Bi-Borough safeguarding peer review was rough sleeping. Westminster is experiencing an unprecedented rise in rough sleeping primarily for economic reasons with the number of EEA nationals sleeping rough increasing by 320% in the past 12 months. In response, in March 2019, Members approved a cross-directorate Action Plan of officer and Member-led interventions, that aim to improve our co-ordinated response to rough sleeping. This Action Plan will be delivered alongside the council's Rough Sleeping Strategy 2017-2021, in order to implement new approaches and tackle this issue.

A significant incident occurring in Westminster (e.g. weather event, fire, terror attack, etc.)

STABLE

Owner:	City Management and Communities
CFA Objective:	Caring and fairer city
Impact:	This may have multiple direct or non-direct impact on the wellbeing of residents and visitors, or residential and business properties across Westminster.
Status update:	An ongoing work programme is in place across the strands of the CONTEST strategy to ensure preparedness to respond to and recover from a terrorist attack. A 6 weekly CONTEST meeting is chaired by the Chief Executive. The Council is involved in Business/Police/ Partner local action plans and Development of Protect assessments with police and Planning.
Controls:	The following plans are also in place: Agile Working, Westminster Plan for Major Emergencies, WCC Corporate Business Continuity Plan, Monitoring of Weather Reports (Met Office), WCC Staff 10 Point Plan for Business Continuity, Departmental Business Continuity Plans.

The impact of Brexit on Council services and communities across Westminster

STABLE

Owner:	All departments
CFA Objectives:	City that offers excellent local services, Caring and fairer city, City of opportunity, City that celebrates its communities.
Impact:	The impact of Brexit has an influence on many parts to the Council's service delivery and objectives both medium and long term. Impact examples are: Statutory and Regulatory Services; Availability of essential supplies; Support of the most vulnerable in the community; Partnership Working with statutory and strategic partners.
Status update:	The EU Elections were carried out successfully by WCC Electoral Services with no disruptions or issues reported. All government departments and Local Authorities are awaiting the outcome from the change of the UK Prime Minister to provide a steer on the new direction the UK will take for the withdrawal deal.
Controls:	The WCC EU Exit Strategic Board are closely monitoring the developments from the UK Prime Minister leadership change and awaiting further guidance from MHCLG and London Resilience Forum to promptly pass this on to WCC EU Exit Directorate representatives.
Insight:	The Citizens Advice and Migrants Resource Centre continue working to help EU nationals living in Westminster to find out about the implications of Brexit on their status. 190 positive outcomes for residents recorded during March - 39 of them showed increased knowledge and confidence regarding their rights and responsibilities. 45 of them also responded improved capacity to manage future problems.

Loss of major IT systems due to either systems failure or cyber attacks

STABLE

Owner:	Information Services
CFA Objective:	City that offers excellent local services
Impact:	Inability to deliver core Council systems could result in significant operational, financial and reputational damage. Potential permanent loss of data, harming customers & services, and resulting in fines & significant recovery costs. Council reputation and staff morale may also be impacted.
Status update:	The move to cloud services including Office365 has delivered an ongoing improvement in IT availability throughout the year as measured by the volume of Priority 1 incidents (IT outages where more than 100 staff are affected, as recorded in our service management tool).
Controls:	Completed and launch new Bi-Borough telephony and networks procurement to replace contracts from 2020. Recanted staff back into Westminster City Hall, with new network, Audio visual kit and End user devices (Windows 10). Public Service Network compliance until June 2019. Consolidated IT infrastructure with City West Homes agreed. Planning underway with CWH to be part of the networks and telephony procurement scope.

Accidental or malicious loss of Council data

STABLE

Owner:	Information Services
CFA Objective:	City that offers excellent local services
Impact:	Failure in information governance, including GDPR, leading to significant data breach and financial penalty which could affect service delivery, result in harm to one or many Council customers, significant reputational damage, and fines from the regulator (ICO).
Status update:	Agreed funding new Cybersecurity project in 2019-2020 to analyse current security architecture supporting Threat Analysis, Web-Filtering, Patch Management, Virus protection and Data-Loss Prevention. Project manager started in 2019.
Controls:	Launch of staff security awareness and training programme including mandatory Information Security Training. Corporate Information Management, Information Security framework policies in place.

Financial pressures to fund services for resident, businesses and visitors

STABLE

Owner:	All departments
CFA Objective:	City that offers excellent local services
Impact:	The inability to fund Council services would cause a failure to deliver statutory services or to meet the needs and expectations of our residents, businesses and visitors.
Status update:	Children Services: The Westminster Schools' Forum, which includes Academy representatives, decided on the school budget allocation formula for 2019/20 with the aim of keeping per pupil reductions to a minimum. Implementation of a new Placement Strategy in 2019/20 as part of a wider transformation review of Looked After Children Placements. Adults: Engaging with the government to ensure longer term funding of adult social care.
Controls:	Children Services: Schools with deficits are required to submit a deficit recovery plan to officers by 31st May 2019. Forecasting future placements demand and sufficiency planning are in place over the medium term to 2022/23. Adults: Savings plans and improvement activity is in place to increase the efficiency of services, ensuring most effective utilisation of the budget available.

Failure of a major contract resulting in the council being unable to provide services or Meet its health and safety obligations

STABLE

Owner:	All departments
CFA Objective:	City that offers excellent local services
Impact:	The failure of a major contract can cause disruption in vital Council services to support our citizens and communities. This can have also a reputational damage for the organisation or lead to legal implications or substantial fines.
Status update:	As part of a wider review of Procurement within the Council, there is an ongoing engagement with stakeholders on the proposed approach to manage contracts.
Controls:	A Contract Management Framework has been developed which supports a standardized approach and provides clarity of roles

3. Featured analysis - Rough Sleeping

The problem:

Westminster is experiencing an unprecedented rise in rough sleeping primarily for economic reasons with the number of EEA nationals sleeping rough increasing by 320% in the past 12 months. Despite offering some of the best support services in the country, some refuse to engage with the council and its support. They increasingly live in tents, refuse hostel places or housing. Some take drugs, act in anti-social ways but most importantly they put their very lives in grave danger. The life expectancy of someone living on the streets is just 47 years.

The facts (quarter 4 insights):

CHAIN (Combined Homelessness and Information Network) Update:

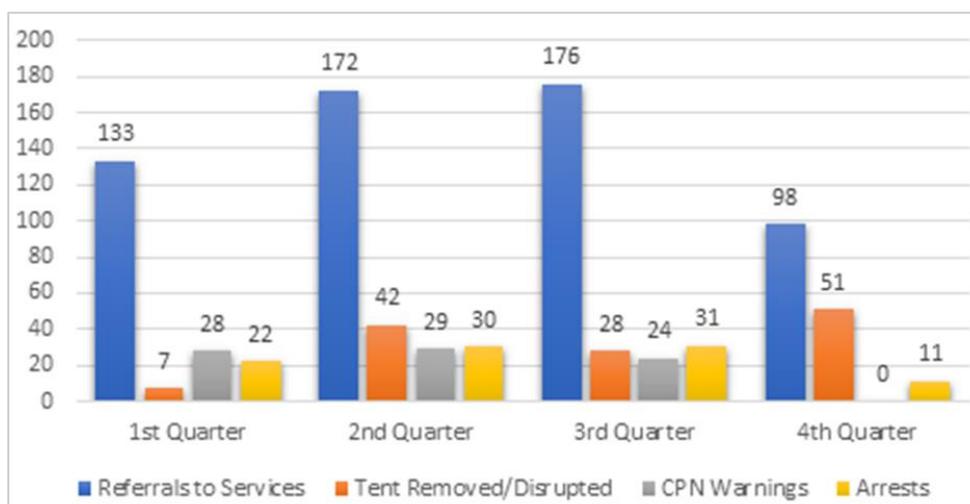
- Since Quarter 3, there has been an 8% increase in the number of rough sleepers seen by commissioned outreach services - up from 905 to 986.
- There has been a 33% decrease in the number of longer term and entrenched rough sleepers
- The number of rough sleeping referrals received via StreetLink (the national referral mechanism) also saw a 30% increase from 722 in quarter three to 1,038 in quarter four. This may reflect the increase in numbers seen as well as a result of the ongoing promotion of the Chat/App/Tap campaign. Higher numbers of referrals however put additional burdens on outreach workers, and commissioners are working to ensure an effective response to referrals is maintained.

Street Count Update:

- 300 people seen (2% decrease)
- 115 refused to give their name but 8 were later identified
- 134 EEA Nationals (5% increase) 109 UK & Irish Nationals (8% decrease)
- 18 sites could have been deemed a hot spot
- 28 tents were seen on the count. 18 occupied and 10 were empty or no response

Integrated Street Engagement Unit (ISEU) Annual Review of Interventions:

- Since its inception in April 2018, the ISEU have engaged with and helped some of the most vulnerable people in the borough to access long-term support, whilst doing more to protect harm to the wider community from some of the behaviours associated with rough sleeping. With over 726 street contacts made by the team, some of the successes of note delivered in their first year include (Apr 18 – Mar 19):



Our response:

In March 2019, Members approved a cross-directorate Action Plan of officer and Member-led interventions, that aim to improve our co-ordinated response to rough sleeping, test new policy ideas and improve public perception. This Action Plan will be delivered alongside the council's Rough Sleeping Strategy 2017-2021 and will act as an ongoing internal working document that drives us to consider and implement new approaches to tackling this issue.

We will also implement a Rough Sleeping Governance Group made up of senior council decision makers, that will co-ordinate and guide the council wider strategic approach to the delivery of the Rough Sleeping Strategy and Action Plan. Working groups made up of officers and key stakeholders will then deliver on specific workstreams reporting regularly to Rough Sleeping Governance Group.

Regular updates on the progress of the Rough Sleeping Strategy 2017-2021 and Action Plan will be scheduled periodically with Members for their joint input, oversight, and steer.

The Council is currently running a campaign aimed at increasing people's understanding of how they can most effectively help people who are sleeping rough and improving perception of the council's efforts to reduce rough sleeping. The CHAT APP TAP campaign has been promoted to residents, businesses and visitors, reached over 26,000 people on social media, and prompting over 2,300 visits to the web page. TAP London donation machines have been put into around 20 locations across Westminster.

Delivering a reduction of rough sleeping and ASB in Charing Cross Underpass and the Piazza. The Council continues to engage with residents on the Victoria Piazza. Most feedback from the 3 April residents meeting was positive, and people appreciated the chance to discuss issues in an open forum. Almost everyone who gave feedback said they would like to attend further meetings, and a follow up meeting is being organised for early to mid-June. The June meeting will act as a transition, with future engagement taking place at Ward level.

A detail Briefing Note and the Rough Sleeping Action Plan are available on request.

4. How the council is perceived

This section is a new addition to the report and will bring together key findings from the Council’s major consultation exercises and perception surveys undertaken throughout the year. It aims to provide insight into how the council, its services and decisions it makes are perceived by staff, resident and businesses.

Insights for this section (not limited to) will be gathered from:

- **Annual City Survey** - The survey helps assess how satisfied residents are with services the council provides, their perceptions of the City Council and the area in which they live.
- **Annual Our Voice Staff Survey** – The survey is designed for staff to be heard. It identifies issues which have the biggest impact on staff and helps the councils to focus time and attention on the issues that matter most.
- **Annual Business Survey** - The survey aims to understand the kinds of challenges local business are facing around recruitment and employment and how the council and our partners can help.
- **Results of major consultations activities**
- **Quarterly Housing Management Survey** – The survey measures residents and leaseholders satisfaction and perceptions of the Council’s Housing Service (formerly City West Homes).

For this quarter results from the Business Survey 2019 are presented below.

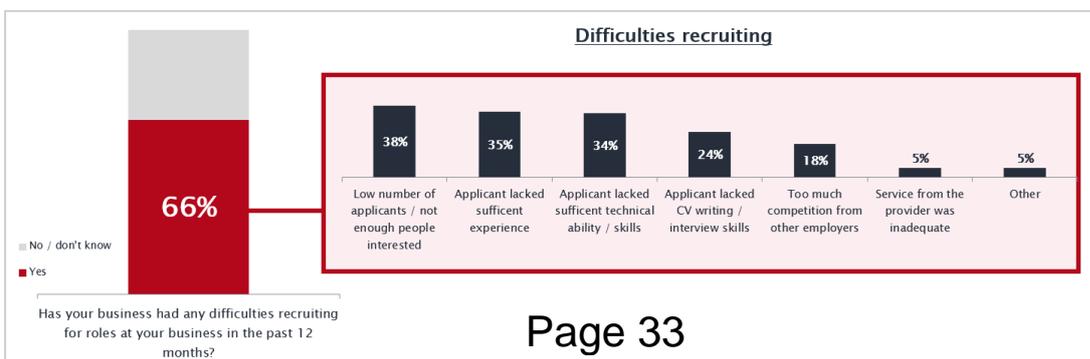
Business Survey 2019

Between 2nd November 2018 and 31st January 2019, 227 business decision makers in Westminster were asked a series of questions on a number of themes in an online survey. The themes ranged from recruitment, skills and training, apprenticeships, staff retention and workforce diversity.

Recruitment, skills and training



As chart 1 above shows, Westminster’s job market is still largely focused on skilled roles, although some soft skills are still seen to be lacking. Two thirds of those recruiting had difficulty, largely due to a low number of applicants, or a lack of experience /skills (see chart 2 below). Small businesses (1-49 employees) that recruited in the last 12 months were more likely than large businesses (over 250 employees) to report having no difficulties recruiting staff (42% and 16% respectively).



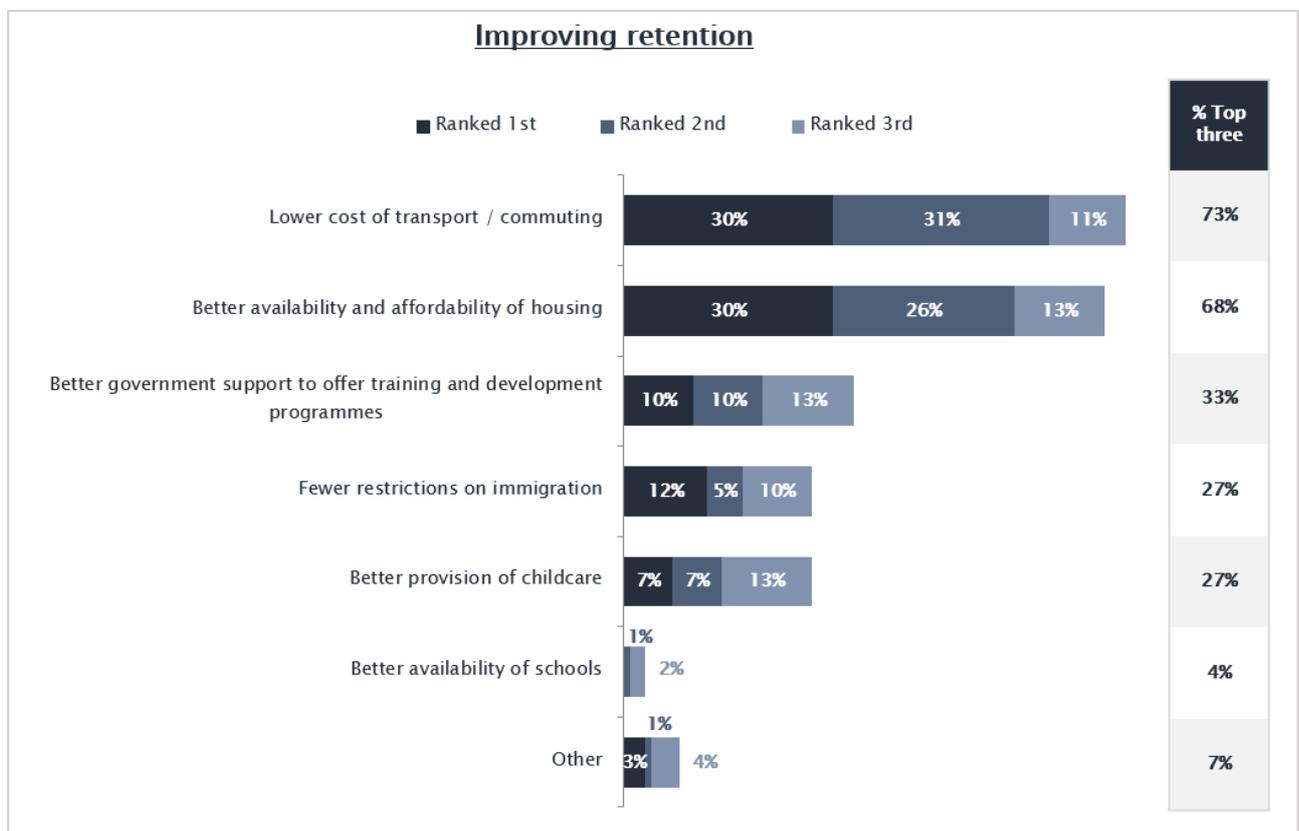
Apprenticeships

In Westminster, 23% of businesses currently employ apprentices, and financial support for businesses is most likely to make doing this easier. 45% of those in manufacturing, construction or property say that they do currently employ apprentices, whilst only 24% of those in accommodation and food services, arts, entertainment, recreation and other services say the same.



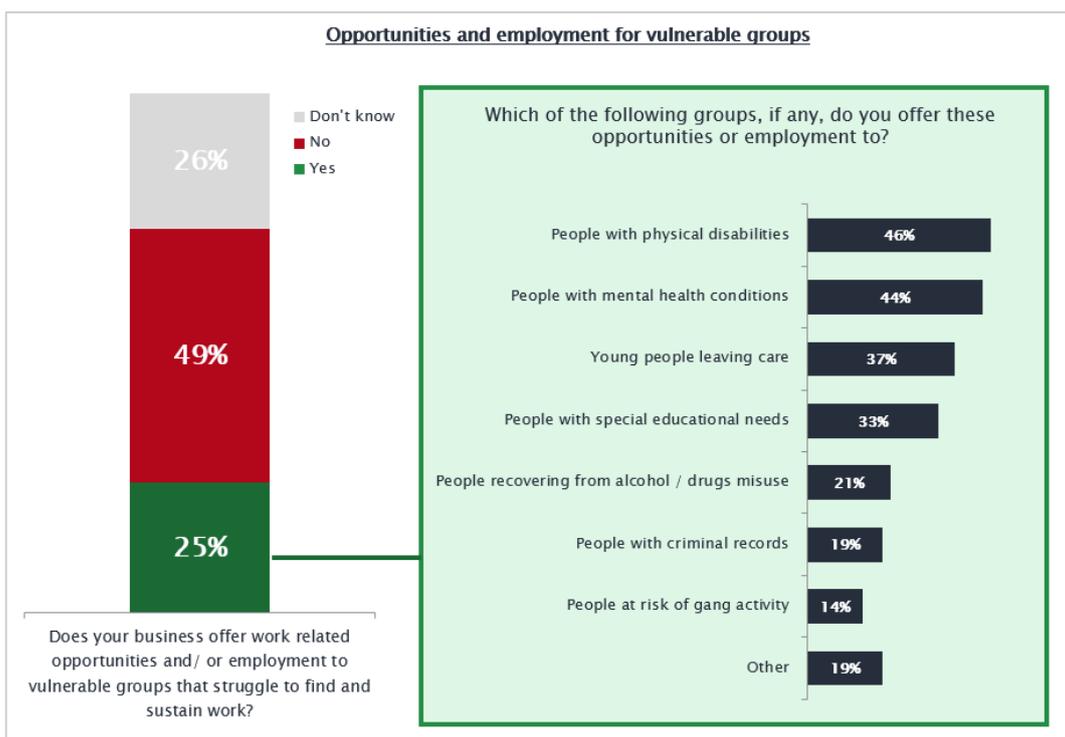
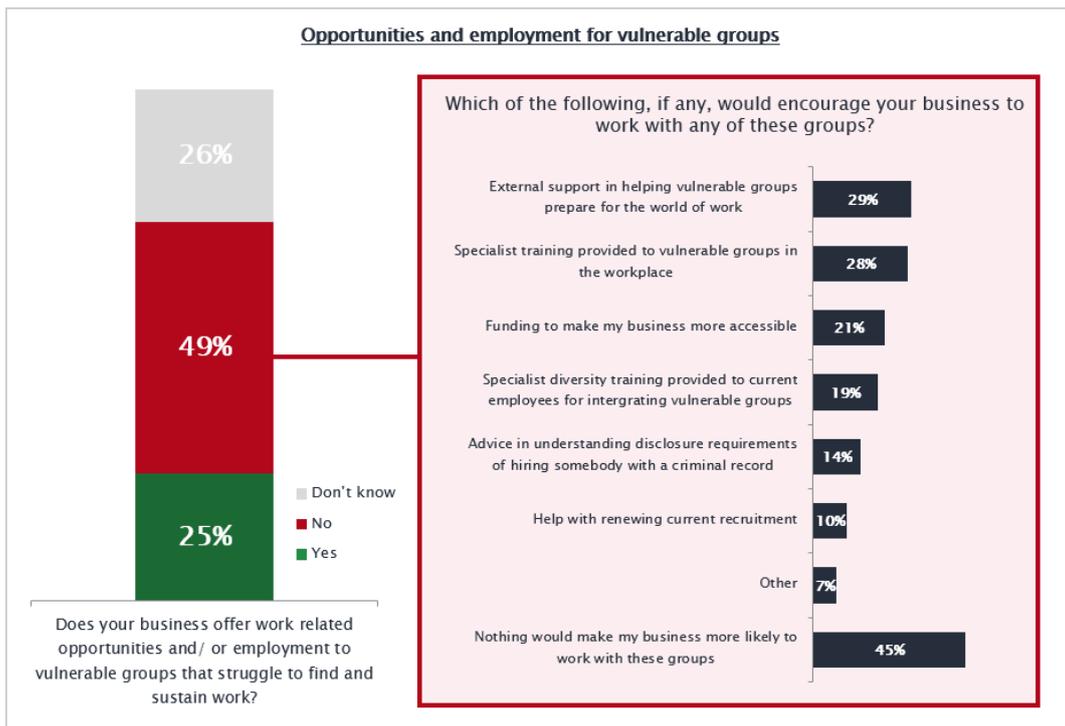
Staff turnover and retention

Around half say that their staff turnover has been consistent over the past year. A third (33%) of businesses in accommodation / food services / arts, entertainment, recreation and other services say that the proportion of staff leaving their business in the last 12 months was higher than in the preceding 12 months. 73% say that lowering costs of transport and commuting would be within the top three factors that would have a positive impact on staff retention. This is consistent with earlier findings around difficulties in recruiting.



Workforce diversity

Respondents are most likely to offer opportunities and employment to those with health difficulties, but around half of those who do not offer opportunities or employment for vulnerable groups say nothing would make them more likely to work with them. Small businesses most often say that funding to make their business accessible (25%) (including physical accessibility, translation or interpretation services) would most encourage them to provide opportunities to those that struggle to find and sustain work. Close to two thirds offer any form of support, although this is most likely to be through work placements or voluntary work. 58% of businesses in manufacturing, construction or property say that they offer work placements or voluntary work, compared to 45% of those in accommodation / food services / arts, entertainment, recreation and other services.



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Appendix 1

Performance by service directorate

Introduction:

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

- i) a narrative account of performance covering significant achievements and challenges
- ii) a set of KPIs for each department
- iii) a comprehensive tracker of the City for All 2018/19 commitments

ELT Directorate sections:

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For more information please contact the Evaluation and Performance Team.

1.1 Adult Social Care and Public Health

Achievements

The Bi-Borough Safeguarding Peer Review

The Bi-Borough Safeguarding Peer Review took place over a three-day period between Wednesday 13th March to Friday 15th March 2019. The Peer Reviews are organised by the London Association of Directors of Adult Social Services and aims to improve the quality of work done in the sector, particularly regarding outcomes for local people. They also provide feedback on what is working well.

Outputs delivered

132 people were interviewed over a period of 3 days. This included staff at all levels and the Lead Cabinet Member. The interviews provided clear evidence of a focus on high risk groups through approaches to hoarding, homelessness, rough sleepers and modern slavery. There was a good level of partnership response across council departments and with our statutory partners in working with individual needs and at a strategic level. The interviews revealed that the Quality Assurance Team were making a positive difference, enhancing market oversight and improvement work.

Outcomes achieved

The Peer Review identified that there is a clear demonstration that peoples' desired outcomes from safeguarding are important and are being recorded. An approach to developing Mental Capacity Act expertise in the workforce e.g. Mental Capacity Act champion network was identified, with a strong level of service user and community engagement. The review praised the involvement of the Deprivation of Liberty safeguarding team who are skilled and experienced.

Annual Report of the Director of Public Health

This year, the Annual Report of the Director of Public Health cast a spotlight on the health and wellbeing of young people (aged 14-25) growing up in Westminster and Kensington and Chelsea. Underpinned by a population needs analysis of this age group, the report highlighted the voices of young people in Westminster, who identified challenges to their health and wellbeing and potential solutions.

Outputs delivered

The annual report - 'Our Health, Our Wellbeing: young people growing up in Kensington and Chelsea, and Westminster' – was launched in February 2019 for Children's Mental Health Week 2019 as part of a social media campaign. The report was introduced by Cllr Heather Acton at the Lord Mayor of Westminster's Reception for the Young Westminster Foundation held on 8th February. The annual report identifies 9 areas of concern to young people that affect their health and wellbeing including areas such as daily pressures and challenges, crime and safety and social media. Four recommendations for leaders and partners across the health and care system are articulated in the report, ranging from increased engagement with young people in order to identify further unmet need and enabling young people to build trusted relationships with services.

Outcomes achieved:

Engagement with young people was central to this report and has ensured that the views of young people on their health and wellbeing have been articulated. We have spoken to over 80 young people across the two boroughs, including conversations with individuals, small groups and a workshop with 22 young people organised by the Young Westminster Foundation. The report identifies a number of potential solutions suggested by young people and these will be captured and monitored in a You Said We Did document over the next 12 months. The findings of the report will also be used during Mental Health Awareness Week in May 2019 to maintain awareness around the mental health and wellbeing of young people. Four recommendations for leaders and partners across the health and care system.

Development of a Market Shaping Strategy

Development of a Market Shaping Strategy that will guide the direction of travel for care and support providers in Westminster. The strategy will help further develop the market and will ensure that it aligns with the council and Adult Social Care vision. It has involved service users and providers and will assist in moving the market from the local authority commissioning services directly to a more personalised approach. This will place services users at the heart and helps shift the demand from paid for services to more universal opportunities such as swimming clubs, cinema, libraries, GPs or community centres thus offering better demand management.

Outputs delivered:

The development of the strategy has involved a provider mapping exercise with 400 providers mapped and a personalisation needs assessments organised to understand spend, client group, activity, budget modelling and areas for moving to more personalised approaches in place of block funding. Consultation exercises were conducted with social workers, residents and health workers, with six collaborative group sessions with strategic providers and two market shaping events covering home care and day opportunities.

Outcomes achieved:

The development of the strategy along with engagement from providers has resulted in awareness of the shift away from block funded contracts to the utilisation of personal budgets and a more personalised approach. In the longer term, the strategy will result in a personalised approach for all care and support provision in Westminster. A dashboard of measures is being developed including increasing the use of Direct Payments for new and existing service users and through our user surveys. This will be measured through a number of KPIs in Adult Social Care.

Risks and issues:

Fragility of the Care Market

Pressures on the local care market including staffing, training and development and financial pressures are resulting in the local markets being “fragile”.

Impacts and consequences:

Inability to provide services to the number of clients requiring care or support.

Mitigation and progress

- The Quality Team is working with local providers across Westminster and Kensington and Chelsea to focus on improving the quality of care provision.
- Working with all providers that require improvement in order for them to obtain a Care Quality Commission (CQC) rating of “Good” as a basic minimum standard.
- Utilisation of the improved Better Care Fund (iBCF) grant funding to support the local care market. Working with the West London Alliance (WLA), placement data has given a vital data source to compare prices paid by all London boroughs for all residential and nursing placements commissioned in London boroughs.
- A 3% uplift to the market was awarded in 2019/20 in recognition of the legitimate cost pressures being experienced the sector and to support its ongoing sustainability.
- A new initiative is in progress for members and wider corporate departments (e.g. finance, risk) to engage and discuss more proactive financial monitoring processes for key providers / sectors and contingency planning.
- Credit and finance checks are carried out routinely on key strategic providers – care homes, homecare so that officers are appraised of their current financial standing.

- Ongoing work with the care home market including the Care Homes Improvement Programme – Ladder to the Moon & My Home Life projects have been commissioned to offer registered managers in care homes time to take forward their own journey of improvement. The main focus related to creating a culture of relationship-centred practice by strengthening relationships between participants and line managers, members of staff, residents and relatives and across the community of the home. To date, participants have reported marked decrease in personal stress levels, the quality of management and leadership they are able to offer has improved and the quality of experience for people using their service has been enhanced.

Timeframe for improvement

August 2019

Failure to protect from significant public health incidents

Failure to protect / safeguard individuals / businesses / visitors from significant public health incidents or incidents affecting large numbers of residents (e.g. pandemic health incident, infectious disease outbreaks, legionella outbreaks).

Impacts and consequences:

Residents, visitors and businesses could become more susceptible to public health incidents.

Mitigation and progress:

Specific measures are in place to mitigate the risk of pandemic health incidents (e.g. flu): these include staff being given specific portfolios and responsibilities to own risk areas (e.g. flu pandemic and immunisations).

Timeframe for improvement:

August 2019

Delay in the government publishing the Social Care Green Paper which was scheduled for June increases reliance on short term funding mechanisms

Impacts and consequences:

There is lack of clarity around mechanisms for ensuring the effective longer-term funding of adult social care, with several existing funding streams (e.g. Better Care Fund) having short term programmes rather than providing clarity promised by the government.

Mitigation and progress:

Savings plans, and improvement activity is in place to increase the efficiency of services, ensuring most effective utilisation of the budget available.

Timeframe for improvement:

December 2019. Recent government announcement to publish the green paper in autumn 2019.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for Public Health indicators are not available until the end of July 2019.

Target range definitions¹	Minimum The minimum level for the KPI that will still allow the service to deliver	Ideal A level which is acceptable for service continuity	Aspirational The level at which the service is improving beyond current capability
YE Target assessment definitions²	Off track Failed to achieve the minimum target level	Exceeded target Performance is above ideal target level	Target achieved Performance reached ideal target level
	Minimum standard met Met the minimum target below ideal level		

Key performance indicator <i>[S] - Statutory indicator</i>	2017/18 position	2018/19 target ranges ¹			Position at Year End	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

Adult Social Care

1. Total number of new permanent admissions to residential/nursing care of people aged 65 years and over	98	105	→	95	→	85	98	Minimum standard met	Benchmarking: In 2017/18, the number of admissions per 100,000 was 315.2, below the average for all London boroughs.
<ul style="list-style-type: none"> Service commentary: Performance has remained static over the past year, for the number of new admissions, although over the past 2 years, there has been an improvement of 24 in the overall number of people in long-term residential care: this means we are just outside of top 5 performance for all London boroughs. Mitigation: This is now a feature of new monthly performance meetings to ensure more active management and increased focus on identifying alternatives to prevent new admissions, where this is in the service users best interests. Timeframe for improvement: This indicator is subject to the individual needs of the people requiring services and the availability of other services that can prevent their long-term admission. 									
2. Delayed transfers of care, acute days attributed to social care (cumulative)	540	1,213	→	1,103	→	1,047	848	Target exceeded	Insight: March data is now available and demonstrates that performance is almost 20% ahead of the aspirational target.
3. Number of carers (caring for an adult) who have received an assessment of review of their needs	90%	75%	→	85%	→	90%	90.6% (1,005/1,109)	Target exceeded	Benchmarking: In 2016/17 (latest data), 37.9% of carers were satisfied with social services, ahead of the London average of 34.2%.
4. Percentage of service users receiving an assessment/review	85%	75%	→	85%	→	90%	85.8% (2,184/2,545)	Target achieved	Benchmarking: In 2017/18 (latest data), 68.3% of services users found it easy to find information about support, slightly below the London average of 70.2%.

Key performance indicator [S] - Statutory indicator	2017/18 position	2018/19 target ranges ¹			Position at Year End	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

Public Health – data reported a quarter in arrears. Q3 data reported below. YE data available July 2019.

5. Percentage of children who receive a 2-2.5-year development review	81%	75%	→	80%	→	85%	70% (1,642/2,323)	Minimum standard met	
<ul style="list-style-type: none"> • Service commentary: Nursery Nurse vacancy (1.2 WTE) and short-term sickness (4.13%) have impacted on the overall performance. Interviews to be held in January for Nursery Nurses. • Mitigation: 1.5 % improvement in performance compared to Q2. An action plan is in place and monthly meetings are held to track and monitor performance. The commissioner continues to work with the service to ensure improvement. • Timeframe for improvement: Slight improvement already evident from Q2 to Q3, with further improvement expected for Q4. 									
6. Proportion of alcohol misusers in treatment who successfully completed treatment and did not re-present within 6 months	18%	Mid Percentile 25% proposed	→	30%	→	35%	36.96% (197/533)	Target exceeded	
7. Community Champions - Number of residents reached through activity	13,855	2,500	→	3,000	→	3,500	16,962	Target exceeded	Insight: This is a quarterly target - it is not fixed into any contracts but rather an aspirational level the service aims to achieve.
8. Proportion of opiate misusers in treatment, who successfully completed treatment and did not re-present within 6 months	7.70%	Mid Percentile	→	7%	→	7.37%	7.09% (39/550)	Target achieved	Benchmarking: Westminster's 2017 outturn of 7.7% is slightly ahead of the overall London figure of 7.5% and is beyond the England outturn of 6.5%
9. Stop Smoking Services – number of 4 week quits	1,513	820 (quarterly target)	→	920 (quarterly target)	→	1020 (quarterly target)	1,020	Target exceeded	Insight: This is a cumulative target that changes quarter on quarter. The 18/19 target range were not updated for Q3, I've amended this so this will show the targets and how we have exceeded this.
10. Total Sexual Health Screens Undertaken through E-services	New KPI	600	→	800	→	1,000	5,862	Target exceeded	This is a new indicator, and will be reviewed at the end of 18/19 both for scope and targets
11. Screening Positivity rate (% screens resulting in diagnosis)	New KPI	Target to be defined at end of 2018/19					1.93% (396/20,541)	N/A	This indicator will be moved to a quality measure, to ensure we are monitoring rates to ensure the right residents are taking up the service. This will be replaced by a new indicator for 19/20

City for All Tracker

The table below provides a progress update at the end of the year (March 2019) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering.

City for all Pledge	Delivery Status	Progress update
Caring and fairer city		
<p>We will be opening a new 84-bed home to provide specialist care for people living with dementia as part of a wider dementia strategy to support those and their families living with this difficult illness.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> Physical completion of the works at Beechcroft continues and is scheduled for March / April 2020, so ready for occupation after commissioning and registration scheduled for July 2020, which is when the moves from Carlton Dene & Westmead will begin.
Healthier and greener city		
<p>We will launch a new healthier schools programme, bringing together action on air quality, oral health and obesity to make sure the 42,600 children who live, learn and grow up here get the best start in life.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> The new Healthy Schools contract, provided through the health education partnership (HEP), has shown a positive promotion of a whole system approach to health and wellbeing across our schools. The service is aligned with the Healthy Schools London programme and has been identified as an example of good practice. The new Bi-borough Change4Life programme is an integral part of the whole system approach to the health and wellbeing of our local children and young people. This programme includes the procurement of a new healthy families, healthy communities service model which we are progressing the procurement of.

1.2 Children's Services

Achievements:

Christ Church Bentinck CoE Primary achieved 'Outstanding' Grade in its recent Ofsted inspection

Following inspection in February, Christ Church Bentinck Primary school was reported to provide "an outstanding quality of education". This is significant because it means that 54% of pupils in Westminster now have access to an outstanding education in the borough. This high level of excellence is reflected in the high standards achieved by our pupils at the end of Key Stage 2 (KS2) and Key Stage 4 (KS4).

Outputs delivered

Westminster has a very high percentage of outstanding primary schools at 34% compared to 18.7% of primary schools nationally. The school has been supported in the journey to becoming 'Outstanding' by the education service. All schools in the borough have a link adviser from the School Standards team who provide support and challenge during an annual core visit and through their guidance and advice to senior leaders and governors. Schools can also access additional support through the School Improvement Service Level Agreement. This ensures that all schools are supported to improve their current Ofsted grading. The impact of this work has seen an increase in the percentage of outstanding primary schools from 24% in January 2016 to 34%.

Outcomes achieved

The focus on outcomes for more vulnerable pupils is a local priority. Given the high standards achieved by pupils across Westminster, reducing the gap between disadvantaged and non-disadvantaged pupils is part of the core conversation with schools. The service has also been working with Early Help to support the attendance and outcomes of pupils with Special Educational Needs and Disabilities (SEND). The Ofsted report on Christ Church Bentinck exemplifies our commitment to enabling all children to achieve high standards. Progress of pupils was described as "superb", with SEN and disadvantaged pupils maintaining their strong outcomes. The school was ranked second in the borough with 93% of KS2 pupils achieving the expected standard in reading, writing and maths. Their progress scores were just as strong, with progress in reading and maths putting the school in the top 5% of schools nationally.

Launch of the Corporate Parenting Strategy

Westminster City Council has now signed off the strategy which sets out our commitments as a 'Corporate Parent'. The Corporate Parenting Strategy ensures that our young people understand what they have a right to expect and how we as corporate parents will support them during their journey through care.

Outputs delivered

There are a number of key outcomes and indicators that we wish to achieve for the young people in our care. Our priority is to support our looked after children and care leavers to sustain placements or accommodation and have high aspirations for their education and to be engaged in meaningful Employment, Education and Training (EET) activity. The strategy will also enable them to become productive, successful and happy members of their community. In order to achieve this, we have consulted with a range of young people to identify the things that they feel are important, and to ensure that these are reflected throughout the new strategy. Delivery of the strategy sits alongside the statutory returns we make annually, reporting on outcomes of placement stability, education, training and employment and the results of consultations with young people that indicate their happiness, safety levels and engagement.

Outcomes achieved

Last year 50% of children in care and care leavers completed the annual survey to tell us about the standard of our care. Of these children, 96.3% of looked after children who completed the survey stated they feel safe and well cared for and 89% of young people felt they were well supported by Children's Services in working towards their aspirations and education goals. 91.2 % children and young people who completed the survey said the health support provided was good and 84.8% of care leavers who completed the survey feel involved in their Pathway Plans. Whilst we are making progress against these key performance indicators, our data last year indicates that we can do more to achieve greater stability for children in care and provide better learning outcomes and work opportunities for children in care and our care leavers.

Early Help Strategy

Westminster City Council has developed a new Early Help Strategy for the period 2019 to 2022. The strategy is entitled 'From Surviving to Thriving - it starts with us' – because we aim to provide the support to help families, children and young people build their resilience to thrive into the future. We believe that by focusing on understanding the reasons for behaviours, rather than just the consequence, families can be supported to make more sustained change.

Outputs delivered:

The strategy was developed through two partnership workshops that took place in December 2018 and February 2019. It is a collaborative strategy designed with partners from the voluntary sector, Young Westminster Foundation, the Clinical Commissioning Group and the Child and Adolescent Mental Health Services. The process has been overseen by Westminster's Early Help Partnership Board. The strategy represents a consensus of a wide range of views and partners are now in the process of 'pledging' what they will provide to contribute to our agreed priorities. Early Help aims to achieve outcomes for children and families in the following four areas: Keeping children safe from harm, enabling more children to live with their families, healthy children who enjoy and achieve and prevention of crime and serious youth violence (or 'Safer risk taking amongst children and young people').

Outcomes achieved:

A key part of the new strategy is for the partnership of Early Help professionals to adopt shared behaviours as well as agreed priorities. An action plan has been developed for the 'systems' priorities and this will be measured by the Early Help Partnership Board through attendance at the trauma-informed training and later through case auditing. We will be launching the new strategy on 5 June at 09.30 in the Lord Mayor's Parlour.

Risks and issues:

Schools with falling rolls and those with budget reductions of pupils are at risk of developing budget deficits

Impacts and consequences

Schools funding is largely driven by pupil numbers and therefore schools with falling rolls have reductions in their funding. 26 of the 52 mainstream schools will see a budget reduction in 2019-20 (compared to 2018-19) and all these schools have a reduction in pupil numbers. There may also be a financial and reputational impact for the council with supporting maintained schools to put in place financial strategies.

Mitigation and progress

- The Westminster Schools' Forum, which includes Academy representatives, decided on the school budget allocation formula for 2019/20 with the aim of keeping per pupil reductions to a minimum.
- The council needs to ensure effective financial standards and processes are in place in all schools by continuing engagement via governing body workshops, Schools Forum papers and support and challenge sessions with individual schools.
- Schools with falling rolls of more than 5% were able to apply for an allocation from the falling rolls fund. The Schools' Forum finalised allocations in March 2019.
- The Schools Finance Team are working closely with schools with deficits. The paper regarding schools with deficits and at risk of going into deficit taken to the WCC Schools Forum on the 15th October 2018 was agreed. An updated position paper was taken to the March Schools' Forum.
- Officers will continue to support and promote the development of joint arrangements between schools and are engaging with the relevant Dioceses in relation to Voluntary Aided Church schools.
- While Academies budgets are calculated via the Westminster school budget allocation formula they receive their funding from the Education & Skills Funding Agency (ESFA) and held accountable to the ESFA for their budget management and budget setting including deficits. Therefore, the Council's role and responsibilities in relation to Academies with deficits is limited.
- Schools with deficits are required to submit a deficit recovery plan to officers by 31st May 2019.

Looked After Children numbers are rising

Looked After Children numbers are rising due to an increase in Unaccompanied Asylum-Seeking Children (81 in Q4, up from 71 in Q3 and from 59 in Q2) and there is an increasing demand for placements. Unaccompanied Asylum-Seeking Children are predominantly 42% Sudanese, 19% Eritrean, 6% Egyptian with other nationalities within the cohort representing 5% or less.

Impacts and consequences:

- The increased demand in placements creates a financial pressure on the council as well as pressure on resources to manage this demand. This will lead to financial overspend without mitigations.
- The Pan London UASC Protocol has recently ended. This means that the potential number of UASCs coming into the authorities (especially for Westminster) may increase dramatically in the forthcoming financial years. London authorities are now mostly at their 0.07 quota per 10,000 population, limiting the PAN London transfer scheme to small numbers of transfers from Croydon. This means that the numbers of UASC arriving in Westminster are remaining the responsibility of Westminster City Council. Modelling, using trend analysis, highlights a net financial increase in Looked After Children due to numbers of UASC presenting by £0.650m per annum, reflecting an average increase of 49 children per annum cumulatively.
- As at the end of March 2019, Westminster City Council has 209 Looked After Children, of which 81 are UASC. The UASC cohort represents 38.76% of the total LAC numbers.

- Assuming Westminster resident LAC numbers remain stable at 128, the number of UASC looked after would become greater than residents by Quarter 4 in 2021/22.
- The ability to transfer UASC arrivals under the terms of the National Transfer Scheme (NTS) is affected by delay and increasing legal challenges.
- The rates are set by the Home Office. They have recently been reviewed and revised upwards to a flat £114/day, irrespective of age. Previously we received less for a child over 16. Net increase of funding to WCC of £832k per annum based on current profile of UASC population. We are continuing to lobby for a fair rate that reflects the costs borne by Westminster having excess numbers of UASC above their Pan London threshold.
- There is no strong evidence to suggest trafficking as a common presenting issue. By the sheer nature of how UASC enter the UK, most young people will have been smuggled in to the UK and will have paid people smugglers at different points of the journey. Westminster see's particularly high numbers due to the vicinity of Victoria Coach Station.
- In working with UASC, these young people are always identified as a potentially vulnerable group and when practitioners identify possible concerns linked to trafficking they refer to the National Referral Mechanism (NRM) and where appropriate initiate s.47 child protection investigations.
- Westminster Children's Services work closely in partnership with the Home Office and Police wherever there are concerns and develop safety plans to help reduce any risk. The majority of UASC entering Westminster are older teenage males. Where there are potential trafficking issues, these mainly relate to unregulated employment.

Mitigation and progress:

- Regular review and monitoring of current placement costs including a breakdown of how these costs are made up.
- Implementation of a new Placement Strategy in 2019/20 as part of a wider transformation review of Looked After Children Placements.
- The Lead Member is kept informed on a regular basis as to the current position and potential financial implications.
- A Looked After Children tracker and financial placement models are in place to monitor numbers, need and cost.
- Forecasting future demand and sufficiency planning are in place over the medium term to 2022/23.
- Regular communications with the government regarding this issue.
- Ensuring the consultation on the Spending Review for Local Government has a robust response regarding the financial pressures created by Looked After Children and in particular rising UASC numbers in Westminster to ensure the final settlement meets the needs of the borough.

If serious harm comes to a child or young person to whom we have a duty of care

Impacts and consequences:

There is the impact for the child, the implications of the incident as well as the associated emotional impact for anyone else involved. There is also the potential reputational impact if the Council and/or partner agencies were at fault/seen to be at fault.

Mitigation and progress:

The Director for Children's Service is responsible for a child or young person to whom we have a duty of care and ensures that there are ongoing safety, reliability and quality assurance processes in place. This includes Practice Week and focused audits of work with children. Activities are monitored by the Local Safeguarding Children's Board to ensure lessons are learnt from case reviews. Staff are expected to attend safeguarding training. In the event of an incident there would be a co-ordinated response (including corporate teams) and working with other agencies to ensure appropriate action is taken.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Target range definitions¹	Minimum The minimum level for the KPI that will still allow the service to deliver Ideal A level which is acceptable for service continuity Aspirational The level at which the service is improving beyond current capability	YE Target assessment definitions²	Off track Failed to achieve the minimum target level Exceeded target Performance is above ideal target level Target achieved Performance reached ideal target level Minimum standard met Met the minimum target below ideal level
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Key performance indicator <i>[S] - Statutory indicator</i>	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			
1. Percentage of Westminster schools judged to be outstanding by Ofsted	35% (21/59)	27%	32%	37%	34% (20/59)	Target Met	Insight: Please note that there may be potential risk as many of our outstanding schools have not had an Ofsted inspection in more than six years (c.f. The Grey Coat Hospital School, Ofsted Inspection 2009)
<ul style="list-style-type: none"> Service Commentary: The value of 34% compares very strongly to average national figure which currently stands at 21% and a London average of 32%. The Bi-Borough School Standards Service continues to support the performance of schools and delivers interventions where needed in schools maintained by the local authority to ensure excellent performance. All schools in the borough have link adviser from the School Standards team who provide support and challenge in an annual core visit and through their follow up guidance and advice to the senior leaders and governors. Schools can also access additional support through the school improvement service level agreement. This process ensures that all schools are supported to improve, whatever their current Ofsted grading. Target setting: The target was set when all schools had 2-day inspections and could move up to outstanding position, which is now not the case. This target will be reviewed in the next Business planning process. 							
2. Percentage of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	74% (2017 academic year)	74%	76%	78%	74% (2018 academic year)	Minimum standard met	Service Commentary: The percentage is 74% in 2018 which is above the 2017 national average of 59%, which matches the minimum target level for service continuity.
<ul style="list-style-type: none"> Service Commentary: The percentage achieving grades 9-4 in English and mathematics is 74%. While this position is at the minimum standard, it remains well above the national score of 59%. Mitigation: In supporting high standards in Westminster secondary schools, the LA School Standards service continues to provide support and advice through the core Lead Adviser service and the additional Service Level Agreement offer. Working with the local teaching schools, School Standards also runs best practice workshops for English and mathematics leads and helps to broker school to school support. Timeframe for improvement: The target date for improvement is August 2019 in line with exam results publishing date. 							

Key performance indicator <i>[S] - Statutory indicator</i>	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			
3. To promote independence of young people by offering Independent Travel Training	New KPI	2	3	4	2	Minimum standard met	<ul style="list-style-type: none"> Service Commentary: This indicator is based on academic year reporting. First reporting point is Q3. There are currently two WCC children at College Park School being travel trained. They haven't completed their training yet, and we will have an update on their progress in April. If they are successfully travel trained and taken off minibus transport, then it can be classified as 'on track'. Mitigation: Children Services are in the process of securing Invest to Save funding to pilot the introduction of 2 new in-house Travel Coordinators who will work alongside children, families and schools to provide independent travel training to a greater number of eligible pupils. This will be overseen by the new Travel Assistance Steering Group which includes parental representatives. Timeframe for improvement: Subject to approval of the business case we would hope to have pupils start training in the Autumn term 2019.
4. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks [S]	69% (109/159)	60%	70%	75%	89% (115/129)	Target exceeded	Service Commentary: Overall performance for April to March 2019 was 89%. This demonstrates significant improvement from 69% in 2017-18.
5. Improve % of children who reach expected levels for reading, writing and maths at the end of primary school	68% (2017 academic year)	58%	68%	73%	72% (2018 academic year)	Target achieved	Benchmark: 72% of children are currently reaching the expected levels for reading, writing and maths at the end of primary school, which is matching the ideal target level of the service and compares with 64% nationally and 71% for Inner London.
6. % care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)	57%	50%	60%	80%	63% (76/120)	Target achieved	Service Commentary: Nationally, Westminster achieves higher rate of Care Leavers aged 19-21 in EET when compared with the most recent England 2018 rate of 51% and London rate of 53%. Placing Westminster in the second top quartile. At 31st December 2018, of the care leavers in touch 54 were in ETE.
7. Children subject to a child protection plan for a second or subsequent time	4% (4/100)	15%	10%	5%	2.4% (2/83)	Target exceeded	Service Commentary: Overall provisional performance for April to March 2019 was 2.4%. This demonstrates improvement from 4% in 2017-18 and compares well with national rates for England 18.7% and London 14.8%.

City for All Tracker

The table below provides a progress update at the end of the year (March 2019) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering.

City for all Pledge	Delivery Status	Progress update
City of opportunity		
We recognise that we have some of the best schools in the country. We will do all we can to make sure they continue to receive the support needed to maintain the highest standards.	Achieved	<ul style="list-style-type: none"> 34% of Westminster Schools are currently judged outstanding by Ofsted. Which compares very strongly to average national figure which currently stands at 21% and a London average of 32% and is in line with minimum targets for the service. The target was set when all schools had 2-day inspections and could move up to outstanding position, which is now not the case. Please note that there may be potential risk as many of our outstanding schools have not had an Ofsted inspection in more than six years. 72% of children are currently reaching the expected levels for reading, writing and maths at the end of primary school, which is matching the ideal target level of the service and compares with 64% nationally and 71% for inner London.
City that offers excellent local services		
We will continue to invest in and maintain the highest standards in our outstanding children's services as rated by Ofsted.	Achieved	<ul style="list-style-type: none"> Following the two-day Ofsted 'focused visit' in August 2018 that looked at the Council's "front door", there was some very positive feedback about the quality of social work in Westminster. We have an Outstanding Practice Group (OPG) to scrutinise and oversee ongoing continuous improvement to ensure the highest quality services. We are hosting Ofsted for our annual conversation about social care in June where will present our recent work from the Outstanding Practice Group and our updated self-assessment for 2019-20.
Caring and fairer city		
We will prioritise resources to support our most vulnerable children. We are offering a package of help to the 700 children with special education needs and their families, including a short breaks offer. We will pilot a new approach to tackling the root cause of exclusion from primary school, helping every child thrive in the classroom	Achieved	<ul style="list-style-type: none"> Feedback from all families that took part in the short break play scheme pilot was very positive and the pilot was extended to run again during October Half Term and Christmas Holidays. This has enabled us to offer a service locally and fund outings and trips that offer better experiences for the children. 5 additional families have signed up and will be using the offer moving forward. The register of Disabled Children is in place to support service planning and improve communication with families. To date 70 Families have registered. To encourage more families to register, we are now introducing the MAX card. It is a recognised discount card for children with additional needs and it offers discounts on a huge range of activities nationwide. We have also taken over the health notifications from Health. Families receive a letter from us welcoming them to the Local Authority and introducing them to the Local Offer. We then follow this up with a phone call and a meet up where the Front Door Officer can signpost as needed or take a referral for the Short Breaks Service. At the end of Quarter 4, all five schools involved in the schools' exclusions pilot to date had sent staff to two-day Trauma Informed ARC (Attachment, Regulation and Competency) framework training. Over 88 people including practitioners from agencies supporting the schools have attended the training. The pilot had received direct referrals from the schools involved with the team working with 16 families (with some cases closed or moved on for mentoring support provided by local agencies). The schools involved have started to report positive outcomes. Further training is planned for 2019/20 with a priority to involve secondary schools in the programme and a conference for schools in June 2019.

1.3 City Management and Communities

Achievements

Active Westminster

In 2018/19 we saw the opening of our new Moberly Sports Centre. The £28m Sports Centre was delivered through a partnership with Willmott Dixon who developed new homes to fund the leisure facilities. The project is the first new build of a public swimming pool in Westminster for nearly 40 years and is an example of the Active Westminster strategy coming to life as an Active Place community hub for Queen's Park ward. Also in 2018/19 we hosted our annual Active Westminster Awards 2018 where people who change lives through dedication and contribution to physical activity, leisure and sport were recognised. The Active Westminster strategy aims to encourage residents to lead active lives by making use of all the city has to offer. The annual awards event recognises the huge difference that partners make to Westminster's communities to help residents to maintain healthier lives.

Outputs delivered

Moberly Sports Centre was delivered to budget and to a high standard. The delivery will also realise the budgeted saving as part of the Council's MTP financial planning. The new facility will support community clubs and schools, offering Westminster's first dedicated gymnastics facility. The range of facilities will also help to tackle the health inequalities within this area and the Council's appointed leisure contractor will be offering work and apprenticeship opportunities. The 2018 Active Westminster Awards attracted over 200 nominations in total, which related to over 70 unique nominations – more than in 2017. On the night itself the Thomas Lord Suite was at capacity with 200 guests in attendance awaiting the announcement of winners across 10 separate award categories. Awards range from Active Volunteer of the year, Active Place to recognising talented young people on the Champions of the Future Programme and the final award Outstanding Contribution.

Outcomes achieved

Moberly Sports centre provides the biggest and best facility in the Westminster portfolio and delivering a 37% increase in sporting provision for Queen's Park through the Active Queen's Park project at very low cost to the Council. The Active Westminster Award 2018 Winners included Rashmi Becker, who established Step Change Studios – London's first dedicated inclusive ballroom dance company – which gives opportunities for disabled and non-disabled children and adults to dance, including blind ballroom dance and wheelchair dance. Rashmi won the Active Inclusive Finalists award. Our very own Sayers Croft Forest School picked up the Active Place or Space Award, the school's Wildlife Garden has been running outdoor learning sessions at Paddington Recreation Ground for five years. These sessions are for local schoolchildren and for other specialist groups. Sessions include tree-climbing and den-building, with more than 5,500 individual sessions last year.

Public Realm developments

The public realm outside St James' Place and Cleveland Row has been significantly upgraded. It was completed in March and officially opened by HRH The Prince of Wales, who planted a tree at the location. There have also been significant public realm improvements made alongside the Baker Street Two Way project.

Outputs delivered

At Baker Street there has been a reduction of the dominance of traffic, creating safe and attractive environment for pedestrians via better pedestrian links to major transport hubs like Bond Street, Baker Street and Marylebone stations by providing wider footways on Baker Street. There are now 50 signal-controlled crossings in the area that are new, relocated or upgraded and a straight across crossing on Marylebone Road opposite Baker Street station. Implementation surveys are planned to be done in

June and July. Only after they have been analysed and compared with pre-implementation surveys, will we have a report.

Outcomes achieved

The works have improved the pedestrian link between Marylebone station and Baker Street tube station with wider footways, a zebra crossing, raised informal crossing points and green man crossings on all arms of two main junctions. Improved cycling infrastructure has been implemented with new cycle lanes on Gloucester Place that will connect with the London Cycle Grid, new advanced stop lines at junctions and increased cycle parking. Residents and visitors will also have improved access to public transport by locating northbound and southbound buses on the same street, where possible.

Greener City

Throughout the year a number of achievements have been realised to contribute to a healthier and greener city. Our parks team won 'London in Bloom' - Borough of the Year for the second year running. The Street Waste Action Team (SWAT) project is designed to educate and change the behaviours of residents who dump and present waste incorrectly. An EV charging infrastructure strategy has been formally submitted to the Cabinet Member and is pending approval. Additionally, a charge point expansion proposal was approved by the Cabinet Member which sets out plans for expansion over the next year for rapid, fast and trickle charge points, to meet the demands from both residential and commercial EV users.

Outputs delivered

The SWAT team has now completed all phases of baselining, residential engagement, compliance embedding, and comparative monitoring across 8 ward areas and is close to completion in a further 2 (Bayswater and Lancaster Gate). In the enhanced enforcement stage in Bayswater, City Inspectors have issued 152 residential warnings, 23 fixed penalty notices and 6 waste transfer notices over a 2-week period. We are currently installing 12 rapid EV chargers alongside taxi rest ranks to complement the transition of the London taxi trade to Zero Emission Capable taxis, the 12 points are expected to be completely rolled out by the spring of 2019 and a further 20 rapid charge points are being considered for installation later in the year.

Outcomes achieved

In the 2018 City Survey parks satisfaction rating is at 97%. The SWAT project has been recognised as a great success internally and nationally, winning "Waste Performance Project of the Year" award from Keep Britain Tidy, and has been shortlisted at the National Recycling Awards. On re-surveying, there has been a 67% drop in fly tipping around communal bin sites, and a 58% drop in duty of care issues around waste presentation.

There are currently 221 Electric Vehicle (EV) on-street charging points: 97 of these are in dedicated EV-only bays, 44 in dedicated car club bays, 5 taxi rapid chargers and a further 91 retrofitted into lamp columns. This means we have met our City for All pledge target to expand our network of 165 electric charging points by 25%.

Risks and Issues:

Downturn on demand led commercial income

Decline in Paid for commercial income & Reduction in demand for licences/permits/orders issued by City Highways to facilitate works on the highway

Impacts and consequences:

A decline in income from Paid for Parking has been experienced this financial year that has produced a final year end deficit of £1.66m against budget. Income from issuing of licenses or permissions was £218k short of the target which is mainly due to a large reduction in activity in relation to temporary traffic orders.

Mitigation and progress:

Contract and other savings on expenditure have partly mitigated the underperformance on income. There will be no impact on service quality as the final underspend is mainly as a result of contract efficiencies within the service. A data model to review parking trends is being finalised and is due for implementation in the first quarter of 2019/20.

Timeframe for improvement:

Work is underway to analyse parking trends which will provide the basis for future alignment of parking income budgets for 2019/20 onwards.

Policing resources following the planned Basic Command Unit (BCU) merger with Westminster, Kensington & Chelsea and Hammersmith and Fulham.

The new BCU's have now been announced and Westminster police will merge with RBKC and Hammersmith & Fulham to form the new 'Area West' BCU.

Impacts and consequences:

Serious concerns remain regarding the capacity of MPS to deliver an effective policing service given the complexity, in terms of its size, demands and the uniqueness, of Westminster, against a backdrop of increasing levels of crime across the city and in North Westminster as well as the West End and Evening and Night Time Economy. A growing concern of issues associated with the street population and open drug dealing and anti-social behaviour affecting the communities within the City, especially the most vulnerable. There is also a possibility that a reduction in police resource (of 11.9%, a total of 243 officers across the three boroughs) will have a disproportionate impact on council staff working within the statutory partnership arrangements and that community confidence levels may reduce.

Mitigation and progress:

- Regular review and scrutiny by Police and P&S. Policy and Scrutiny to continue to challenge implementation and development.
- Residents associations, amenity societies, ward panels and councillors met with and have written to Commissioner Cressida Dick to highlight concerns about the reduction of officers on our streets.
- Plans are underway to make Changing of the Guard a London resourced event, which will free up to 26 officers a day in Westminster.
- ISEU police officers will combine with a neighbourhood tasking team to provide 20 police officers dedicated to tackling crime and anti-social behaviour in Westminster.

- The BCU model went live in February this year. To date transition has and continues to be challenging but performance remains relatively consistent.
- The Five operational strands are now fully operational Response, Neighbourhoods, Safeguarding, and Investigations and HQ interconnectivity between strands is vital to continued success.
- The Partnership working continues to be strengthened with dedicated points of contacts threaded throughout teams and strands. It is Westminster police's absolute priority to keep people safe, reduce violence, and deal with the things that matter the most to the people they serve locally. Bearing down on violent crime on the streets of Westminster continues to be a top priority for the BCU. They continue to work tirelessly - day and night – to identify and pursue offenders, help bring perpetrators to justice, take weapons off the street, support victims, engage and reassure the public, and keep our communities safe.
- The BCU is due to receive additional analytical support in the next few weeks, this will greatly enhance their ability to effectively analyse crime data As a direct response to the challenging demands and need to reduce Robbery offending the Priority Crime Team has been formed which is an amalgam of officers from all strands working to target Robbery offences (specifically knife crime related) this has been a divergence from the BCU model but is the cross-strand solution to target the increasing demand in this area.
- Dedicated ward officers and the West End Business Engagement Team continue to work closely with the community they serve to identify problems. This often generates from concerns raised by businesses or residents which leads to ongoing, multi-agency problem solving of high-risk venues. The police in Westminster are shortly undergoing training to use the new council ASB data system to make this process as seamless as possible and reduce barriers to information sharing.
- This approach also allows Westminster Police to seek additional support from specialist units within the MPS. They have a proven record in obtaining additional support from the Territorial Support Group and Violent Crime Task Force to specifically target knife crime and serious youth violence.
- We have implementing new initiatives to help reduce demand such as the Soho Angels – a team of volunteers helping to keep people safe on Friday nights, and providing high visibility patrols in one of our busiest night life spots.
- Of course, there is still a significant reduction in police numbers and concerns remain about the impact of the merger. The Council will continue to meet regularly with the Metropolitan Police to monitor the situation and hold them to account on behalf of our communities.

The City Council continues to work in partnership with the police and other agencies to play our part in ensuring the safety of our communities. In addition to our commissioned services and extensive preventative new recruits from outside London. This change has now been implemented and is making it easier for them to recruit to full capacity. work, we are working to minimise the impact of these changes and where possible will innovate, commission and integrate services to reduce demand. However, the City Council cannot be expected, nor has the powers or finances, to fill a vacuum that a deficit in policing may create.

The council's relationship with our local police remains as strong as ever, and we continue to work in partnership. We are also implementing new initiatives to help reduce demand such as the Soho Angels – a team of volunteers helping to keep people safe on Friday and Saturday nights, and providing high visibility patrols in one of our busiest night life spots.

Timeframe for improvement:

The planned BCU merger went live 20th February 2019. Go live went ahead on schedule and the merger and changes were subject to Policy and Scrutiny in April 2019 where members of the police Command Team provided a full update on vacancies, performance and opportunities.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

City Highways

1.	% of urgent lighting defects made safe within agreed timescale	99%	95%	→	98%	→	100%	97% (405/419)	Minimum standard met	
<ul style="list-style-type: none"> Mitigation: This is a minor failure associated with traffic congestion and no actions are required. 										

2.	% of carriageway and footway defects repaired or made safe within 24 hours	98%	95%	→	98%	→	100%	99% (3,557/3,582)	Target met	
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Public Protection and Licensing

3.	Percentage of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision	55%	70%	→	80%	→	90%	39%	Target missed	Insight: Only percentage figures are available.
<ul style="list-style-type: none"> Service commentary: Due to the team working at 50% of capacity (Through recent reorganisation and staff leaving, the team was not at capacity. This is now on track with posts filled) the main focus of the department was processing applications. Mitigation: This is now on track with posts filled. 2019 YTD figures = 69%. New officers continue to be trained and upskilled. This target is also dependent upon the speed at which decisions are received from Committee services. Timeframe for improvement: End of Quarter 1 2019/20 as new staff are now in place following an extensive recruitment programme. 										

4.	Number of Houses of Multiple Occupation improved (buildings with more than one household including shared facilities)	59	50	→	65	→	75	54	Minimum standard met	
<ul style="list-style-type: none"> Service commentary: The reduced number of HMOs improved has been caused by gaps in resource associated with ENW restructure during 2018/19. In addition, significant workload under the governments Building Safety Programme has impacted this area of work, drawing resource away. HMOs due to a reduced number of officers undertaking this work. Mitigation: Recruitment has restored the team to capacity. Proactive work to improve HMO stock has now returned to past levels. In addition, work to improve intelligence in the PRS, including HMOs, to identify poor conditions and practices is now coming to fruition with the imminent production of a comprehensive report on the PRS sector. This product will be utilised to direct resources more effectively with the anticipated upturn in improvement of problematic HMOs. Timeframe for improvement: End of Quarter 1 2019/20 as new staff are now in place following an extensive recruitment programme. 2019 figures Apr-May = 13 HMOs improved so YTD ideal target is now being exceeded. 										

Key performance indicator	2017/18 position	2018/19 target ranges ¹				Position at YE	Target assessment ²	Other contextual insight	
		Minimum	→	Ideal	→				Aspirational
5. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety	371	400	→	500	→	600	436	Minimum standard met	Insight: There is ongoing work to build intelligence in this area, which will include more information around prevalence of housing hazards. The English Housing Survey 2016-17 estimated that 15% of private rented dwellings contained at least 1 Category 1 hazard.
<ul style="list-style-type: none"> • Service commentary: The reduced number of Category 1 hazards removed has been impacted by work commitments under the governments Building Safety Programme, alongside resource gaps linked to the recent restructure in 2018/19. However, it is considered that the impact on residents is not significant as, in addition to the removal of these Category 1 hazards, enforcement action has also brought about the removal of 604 Category 2 hazards. Category 1 hazards are identified by officers via reactive complaints from tenants, alongside proactive intervention. Tenants may choose not to report poor property conditions under fear of retaliatory action by their landlord, and proactive work has not been undertaken at previous levels this year due to overarching reasons highlighted above. • Mitigation: 604 Category 2 hazards have been removed from housing alongside the removal of Category 1 hazards. Recruitment has restored the team to capacity. Proactive work to improve HMO stock has now returned to past levels. In addition, work to improve intelligence in the PRS, including HMOs, to identify poor conditions and practices is now coming to fruition with the imminent production of a comprehensive report on the PRS sector. This product will be utilised to direct resources more effectively with the anticipated upturn in improvement of dwellings and the removal of housing hazards. • Timeframe for improvement: End of Quarter 1 2019/20 as new staff are now in place following an extensive recruitment programme. 									
6. Percentage of women accessing specialist domestic abuse services who report a reduction in abuse	90%	75%	→	75%	→	80%	95%	Target met	The figure is 32% higher than the baseline figure prior to the current contract.
7. Percentage of licensed premises that are safe and well managed following a single inspection.	85%	65%	→	70%	→	100%	82% (999/1,224)	Target met	Insight: This ensures that Westminster residents and the public have access to safe bars and restaurants across the city.
8. Number of vulnerable residents supported to continue living in their homes	926	600	→	800	→	1,000	1,065	Target exceeded	Insight: This is a programme run by the public protection team offers housing related services to help vulnerable residents live independently.
Community Services									
9. Total participation in Council sports, leisure and wellbeing activities	3.8m	3.5m	→	3.7m	→	3.8m	4.07m	Target exceeded	2018 City Survey: 92% of residents were satisfied with Council sports facilities.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

Parking

10. Ensuring parking compliance across the City is over 97%	98%	97%	→	98%	→	99%	98%	Target met	2018 City Survey: 82% of residents were satisfied with Council parking services
11. Ratio of residential permits issued against parking bays available on the street	97%	85%	→	90%	→	95%	99%	Target exceeded	

Waste & Parks

12. % of streets in Westminster that pass the street score survey for litter	98%	98%	→	98%	→	98%	97%	Target missed	2018 City Survey: 91% of residents were satisfied with the Council's street sweeping service
<ul style="list-style-type: none"> Service commentary: This is an independent survey carried out by Keep Britain Tidy over three inspection dates per year. They carry out their inspections at 315 sites in the city per visit. The difference between 97% and 98% equates to 9 of these site inspections indicating a fall below expected standards rather than the target of 6. 97% is an improvement on 2017/18 where the failure rate was 3.65%. Mitigation: There are 3 contracted inspections in the year. The average across the last three inspections is 2.1% (i.e. 97.9% performance – 0.1% below target). The inspection reports can vary across the year, with November tending to have the highest percentage. Independent surveys can take place on days when streets are not scheduled to be cleaned. The clearance of street leaves also substantially disrupted sweeping schedules. Timeframe for improvement: Q1 2019/20 									

Libraries & Registration Services

13. 2% increase in real and virtual visits to libraries	1.98m	1%	→	2%	→	3%	-3.4% (1,959,019 visitors)	Target missed	
<ul style="list-style-type: none"> Service commentary: At the start of 2018-19 incorrect data was being captured, which meant that monitoring of KPIs would have been affected. Mitigation: Thorough monitoring of library visit stats/performance and effective business plan implementation to support the achievement 2% increase. The Council is considering also recommendations from independent review to ensure our libraries remain fit for the future and meet the needs of our community. 									
14. % of appointments to register births available within 5 days of enquiry	86%	95%	→	95%	→	98%	95% (4,198/4,410)	Target met	
15. % of satisfied users across the Libraries Services	N/A	85%	→	90%	→	95%	94%	Target met	2018 City Survey: 92% of residents were satisfied with Council Libraries Services

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

City Management and Communities

16. Number of Emergency planning exercises completed	N/A	6	→	7	→	10	17	Target exceeded	Insight: These are drills run within directorates to simulate emergency situations (e.g. terror attacks),
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17. Reduction in offending by those who have engaged with our commissioned support services			→		→		N/A - 18-month delay in data being calculated		Service insight: 6 out of 6 clients who have left the service for 12 months or more have not reoffended 18 completions .We don't have reoffending data (there is an 18 month delay on this data being calculated) The service provides additional support to up to 60 offenders on the male Integrated Offender Management cohort (aged 18 and over) in the borough of Westminster in order to work to address their needs and reduce their reoffending.
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City for All Tracker

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City for all Pledge	Delivery Status	Progress update
City that offers excellent local services		
By the end of 2019 we will license buskers and street entertainers to make sure that residents and visitors get the best experience, and that new performers have a chance to shine.	Off track	<ul style="list-style-type: none"> • In Jan 2019 the project manager has assembled a project team to develop policy and operational working models for the pilot areas. Since this time internal team have; <ul style="list-style-type: none"> ○ Gathered and assessed evidence to support the legal case for change. ○ Developed operational requirements for a traditional licensing scheme in Oxford Street, which includes analysis and assessment of associated resources/costs and potential conditions ○ Begun to develop a hybrid collaborative model for Leicester Square, whereby performers in the area need to be granted a license by the council, however the council will remain arm’s length to management. ○ Scoped potential improvement to existing portrait artist licensing ○ Developed operational requirements, manual and digital booking engine. Completed market testing for digital booking engine and currently drafting business case for capital funding. ○ updated project timeline and configured operational development requirements into the project • It is unlikely that a licensing regime will be in place by the end of this calendar year.
We will extend our Licensing Charter across the whole of the city, working in partnership with the industry to set the standards for how venues take care of the welfare of patrons and be good neighbours.	Off track	<ul style="list-style-type: none"> • Due to ENW, staff changes and resource issues (We were carrying a high vacancy factor across teams as we waited for phase 1 recruitment within the new ENW model - that recruitment is now complete and additional staff are in place) we have not been able to continue to roll the Licensing Charter out across the City in full. However, we have been laying the foundation for improvement, engaging well with BIDs, large landlords and venues. North Bank BID is in the final stages of Charter adoption and we anticipate a further 20 licensed premises to sign up over the coming months. • We will continue to review our approaches to the Charter looking to strengthen responsible compliance through business self-assessment.
We have established the Housing Standards Task Force which has the dedicated job of making sure private renters are protected from rogue landlords and unlawful nightly letting does not overrun the city.	Achieved	<ul style="list-style-type: none"> • To date a total of 123 Planning Contravention Notice and 7 Planning Stop Notices have been served. The Short Term Lets Team is now working with City Inspectors to widen the enforcement options available to address some of the impacts of short term letting. Thus far a statutory noise warning letter has been created and served resulting in 1 repossession. Further use of this option for noise nuisance will be made used going forward. • A common law nuisance letter has been created and is ready for use by City Inspectors; this will assist with issues such as waste inside properties, low level noise, and general (non-statutory) nuisance. Thus far 35 cases have been identified and dealt with. 38 cases relating to statutory noise at short term let properties have been identified and appropriate action taken. • Work with the PP&L Neighbourhood Coordinators has addressed issues at properties where ASB has been reported, 2 Community Protection Notices have been served where ASB was identified – including the use of a short term let was being used as a brothel. • The Ministry of Housing Communities and Local Government has indicated a willingness to engage with us to consider a further submission for exemption to the deregulation where residents amenities are being negatively impacted. A further meeting to explore how and the extent to which we might make a submission is to be scheduled.

City for all Pledge	Delivery Status	Progress update																														
We will ask all power and utility companies to sign up to a new protocol to coordinate works so our streets and traffic are not needlessly disrupted.	Achieved	<ul style="list-style-type: none"> Commitments with individual statutory undertakers have been agreed and delivered. The overarching protocol is subject to the drafting of a memorandum of understanding which is being scoped and agreed. 																														
Caring and fairer city																																
We will consult on a new gambling policy, leading the way nationally on setting the standards for the industry and protecting the most vulnerable in our neighbourhoods by providing better regulation of betting shops across the city.	On Track	<ul style="list-style-type: none"> We are preparing to consult on proposals for a new Gambling Policy later this year. We have moved the timeframe to fit with other key policy and strategy priorities e.g. City Plan and Street Entertainment. Currently on track but due to large number of consultations going on its being planned slot into a gap in the autumn. 																														
We will fund a dedicated officer to support the work of our local neighbourhoods and the police to combat hate crime and discrimination as part of a new anti-hate crime strategy.	Achieved	<ul style="list-style-type: none"> The Commission co-ordinator has now started with WCC and is working with the cabinet member to identify the Commission members and scope of the enquiry. It is believed that the WCC strategic approach, strategy, resource requirement and action plans will result from the Commission's findings. 																														
Healthier and greener city																																
We will deliver a new £1m Schools Clean Air Fund, giving schools the resources they need to tackle poor air quality.	On Track	<ul style="list-style-type: none"> The Clean Air Fund application form goes to schools on Clean Air Day – Thursday 20th June. It is expected that the funding would be distributed before the start of the new academic year in line with the Leader's aspirations. Five active street schemes delivered. One School Street (Endford Street) and one Play Street (Fisherton Street) installed in April 2019. Three School Streets were approved by Cllr Tim Mitchell in October 2018 and feasibility designs are being completed. Pedestrianisation of St Vincent Street has already been completed. 																														
Our new four-year ActiveWestminster strategy will ensure all our neighbourhoods have access to open spaces and sports facilities through developments like the new £28m Moberly Sports Centre.	Achieved	<ul style="list-style-type: none"> Quest – the first ever joint Active Communities Assessment involving the City of Westminster and its main leisure contractor, Everyone Active leading to the production of a single Service Improvement Plan. Following the assessments by Quest (who are the quality assurance, benchmarking and continuous improvement organisation for the industry) which was held on Tue 29th Jan, Porchester & Wed 30th Jan, Moberly - the PALS service was rated 'Very Good'. 																														
We will launch a new Recycling Information Hub and roll out five neighbourhood pilots including the expansion of our In It To Win It campaign, working with local neighbourhoods to achieve a step change in recycling rates across the city.	Achieved	<ul style="list-style-type: none"> New web page added to the Council's website supporting the SWAT project, including information on rubbish and recycling collections. <table border="1"> <thead> <tr> <th>Top 5 page – online visits</th> <th>Jan</th> <th>Feb</th> <th>Mar</th> <th>Apr</th> </tr> </thead> <tbody> <tr> <td>Recycling and Rubbish</td> <td>5,288</td> <td>4,454</td> <td>4,792</td> <td>4,898</td> </tr> <tr> <td>Residential bulky waste</td> <td>2,794</td> <td>2,208</td> <td>2,528</td> <td>2,206</td> </tr> <tr> <td>How we collect your rubbish and recycling</td> <td>2,160</td> <td>1,669</td> <td>1,702</td> <td>2,290</td> </tr> <tr> <td>What can I recycle at home</td> <td>2,633</td> <td>1,924</td> <td>2,289</td> <td>1,968</td> </tr> <tr> <td>Report recycling rubbish and street cleansing problem</td> <td>1,451</td> <td>1,460</td> <td>1,401</td> <td>1,343</td> </tr> </tbody> </table>	Top 5 page – online visits	Jan	Feb	Mar	Apr	Recycling and Rubbish	5,288	4,454	4,792	4,898	Residential bulky waste	2,794	2,208	2,528	2,206	How we collect your rubbish and recycling	2,160	1,669	1,702	2,290	What can I recycle at home	2,633	1,924	2,289	1,968	Report recycling rubbish and street cleansing problem	1,451	1,460	1,401	1,343
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Report recycling rubbish and street cleansing problem	1,451	1,460	1,401	1,343																												

City for all Pledge	Delivery Status	Progress update
<p>We will expand our network of 165 electric charging points by 25%, making it as easy as possible for people to switch to electric vehicles.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> The City Council has a significant role to play in the expansion of the On-Street Electric Vehicle (EV) charging network, with the majority of residents parking their vehicles on-street. An EV charging infrastructure strategy has been formally submitted to the Cabinet Member and is pending approval. Additionally, a charge point expansion proposal was approved by the Cabinet Member which sets out plans for expansion over the next year for rapid, fast and trickle charge points, delivering a range of charging options to meet the varying demands from both residential and commercial EV user in the City. We are currently installing 12 rapid EV chargers alongside taxi rest ranks to complement the transition of the London taxi trade to Zero Emission Capable taxis, the 12 points are expected to be completely rolled out by the spring of 2019 and a further 20 rapid charge points are being considered for installation later in the year. There are currently 221 Electric Vehicle (EV) on-street charging points: 97 of these are in dedicated EV-only bays, 44 in dedicated car club bays, 5 taxi rapid chargers and a further 91 retrofitted into lamp columns. This means we have met our city for all pledge target to expand our network of 165 electric charging points by 25%.
<p>We will launch a new Green for 18 campaign to raise awareness and make it easy to reduce our reliance on single use plastic. Westminster City Council has already banned single use plastic containers in meetings.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> Reusable water bottles and coffee cups have been provided to WCC staff to reduce/minimise the amount of single use plastics that are used within the Council. 1,000 reusable water bottles and 1,000 coffee cups have been distributed to staff since April 2018, so 2,000 reusable containers in total.
<p>We will expand #DontBeldle, setting the ambition for 1,000 businesses to sign up and play their part in reducing their own and their customers' emissions.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> Draft and submission of informal diesel surcharge paper with recommendations for full Cabinet. We have had a number of air quality action days for the #DontBeldle phase two campaign: <ul style="list-style-type: none"> 21 February – Queen Mother Sports Centre, 350 leaflets and cards distributed. 14 March – Covent Garden, 250 leaflets and 400 cards distributed. 19 March – Covent Garden, 181 leaflets and 196 cards distributed. 27 March – Marylebone, 17 volunteers joined the action event including staff from our waste contractor Veolia. 32 streets visited and 30 drivers asked to turn off their idling engines. 200 leaflets were distributed. Further idling days have been scheduled, these are to include events within the libraries as part of wider air quality action day programme. Westminster website page for businesses to pledge to the #DontBeldle phase two campaign went live in January. https://www.westminster.gov.uk/dont-be-idle-business #DontBeldle campaign made national news - The Times, P1, The Guardian, The Sun, Daily Mail, P10, BBC Radio 4

City for all Pledge	Delivery Status	Progress update
City that celebrates its communities		
We are consulting on a new market's strategy, listening to the views of residents, shoppers, visitors and traders on how we can keep the city's eight thriving local markets at the heart of local neighbourhoods. The new strategy will roll out in 2019.	Achieved	<ul style="list-style-type: none"> A strategy for Westminster City Council's markets 2019-2022 was published on the 20th March 2019 after a successful consultation. The strategy is available here: https://committees.westminster.gov.uk/documents/s31725/4.1.%20Market%20Strategy%20Final%20Doc.pdf
We will retain and support Westminster's libraries at the heart of our neighbourhoods.	Achieved	<ul style="list-style-type: none"> Board report delivered to Cabinet and engagement/comms plan in development. Next steps are for engagement with staff. Stakeholders and residents/service users. These will take the form of workshop sessions for staff and stakeholders and multi-channel communications with residents including pop-ups in libraries, social media and public events. The engagement phase is expected to last into Q2 2019/20 and will be simultaneous with action planning.
We will introduce a new licensing policy by 2020 to ensure that Westminster remains a major night time destination, balancing the needs of residents, visitors and businesses.	On Track	<ul style="list-style-type: none"> Officers are considering the scope of the review of the Licensing Policy and how it will synergise with the City Plan. Consultation will be carried out on a revised Licensing Policy in 2020.
We will introduce 20mph speed limits where residents tell us they want them.	Achieved	<ul style="list-style-type: none"> The 39 trial 20 mph limit sites have been made permanent. We have received additional requests for sites and we are currently reviewing options to expand the scheme. We are currently working on a consultation strategy with a provisional date to start consultation in September 19.

1.4 Growth, Planning and Housing

Achievements:

Creation of the New Westminster Housing Team – 1 April 2019

Outputs delivered.

Priorities for the new Department moving forward include a refreshed local offer to residents, service improvement activities including 'Westminster on Wheels' and more structured contact points for residents to raise queries and issues with a consistent approach to contact with residents. Quarterly walkabouts take place with housing staff and councillors.

Outcomes achieved

Monitoring of service delivery continues monthly via a comprehensive dashboard of KPIs. In addition, Cllr Smith leads a quarterly performance meeting with Directors and Heads of Service to review performance.

Public Speaking at Planning Committees

To ensure openness and transparency we have introduced public speaking at Planning Committee meetings. This follows a report by the Planning Advisory Service (PAS). Interested parties can register to speak for or against an item going to Committee.

Outputs delivered.

Public speaking has been available at all Committee meetings since the first one held in the new City Hall in February 2019. Applicants have an opportunity to register online for public speaking a week before the meeting. For Major Applications Sub-Committees there can be a maximum of two speakers in support of the application (with one of these slots reserved for the applicant or their nominated spokesperson) and two against. For Minor Applications Sub-Committees a maximum of one speaker in support is allowed (normally the applicant or their nominated spokesperson) and one speaker against. For both Sub-Committees, there is a separate slot for the recognised and/or semi-recognised amenity society and a further slot for the relevant Ward Councillors should they wish to speak. In the event of the number applicants wishing to speak exceeding available slots, a ballot system is deployed.

Outcomes achieved

Monitoring of public speaking is ongoing, through customer surveys and Member and officer feedback. A formal evaluation will be undertaken at six months and reported to the Planning, City and Development Committee. So far, the feedback has been positive with speakers feeling that they had a fair opportunity to be part of the process. No ballots have so far been required.

Church Street Regeneration

Consultation on the future options for regeneration of the Church Street area concluded in April 2019. The 4 options considered included business as usual, refurbishment and part and full redevelopment of a number of sites.

Outputs delivered:

The exercise has included a daily public exhibition with some weekend openings, dedicated events for engaged residents, local businesses, market traders and young people, alongside door knocking of all affected households to encourage participation. The consultation exercise has been well received with good attendance at events and over 200 visitors to the exhibition.

The design and phasing has been developed in alignment with the recently completed Housing Needs Assessment and the commitments within the masterplan regarding phasing. A developer-led financial model has been developed in close consultation with finance colleagues and in alignment with the Council's financial parameters. Throughout, the scheme has been the subject of extensive pre-application discussions with Planning colleagues, including dedicated sessions on Transport, Waste and Designing out Crime. The Planning department is broadly supportive of the scheme and the proposals have also been discussed at a strategic level with the GLA, who are also supportive of the proposals.

Outcomes achieved:

The emerging headline response indicates support for redevelopment, in particular Option 3 as it includes the retention of Kennet House and reduces the risk from CPO, delay to the programme and deliverability. Option 3, in its current design iteration, would produce c. 1100 units in total, of which 622 would be affordable. This is including the re-provision of 358 council homes that exist on the site already. These figures are subject to change as the design is refined and developed further. Proceeding with Option 3 would also provide the opportunity to improve the public realm along Church Street, including providing better facilities for the Street Market such as more storage, water, electricity, showers and toilets. Option 3 includes the retention of Kennet House and the Edgware Road frontage. The Edgware Road frontage lies outside of the Council's freehold ownership and would likely require a lengthy and complex CPO process to acquire and achieve vacant possession. There was strong support from the residents of Kennet House especially, to proceed with Option 3 as it retains the block.

Risks and Issues:

New Housing Department

In October 2018, Cabinet made the decision to transfer the responsibilities of City West Homes, our arms length housing provider, back into Westminster City Council. As always, with significant transformation projects, there will be a short-term risk to service delivery during the transformation period.

Impacts and consequences.

It is important to ensure continuity of service for our customers during this transition period. It is also important to maintain staff morale, otherwise customer satisfaction levels could deteriorate.

Mitigation and progress

CityWest Homes staff have been successfully transitioned to Westminster. A transformation team was set up to plan and manage the process. A number of events have taken place to welcome our new colleagues and they are settling in well. This induction process will continue into the Autumn.

Redevelopment of Huguenot House

Redevelopment of this property can only occur with vacant possession of the block. Resistance by existing residents to the acquisition of dwellings could lead to delays to the development and reputational damage to the Council. Of the 35 flats within the Property, the Council owns 16, leaving 17 remaining units, of which 10 lessees are resident and 7 lessees are subletting. These leasehold interests are to be acquired, in the event that a full redevelopment option is preferred.

Impacts and consequences:

Loss of benefits of this redevelopment which includes new office, residential, retail and leisure accommodation, new and improved public realm spaces, employment opportunities and the regeneration of a dated island site.

Mitigation and progress:

If redevelopment is progressed then any negative PR caused by the displacement of tenants, loss of residential community etc, will have to be well managed. A PR and communications team has been established to project the Council's response. The Council should ensure it has set out a robust case for redevelopment prior to making a Compulsory Purchase Order (as a last resort should redevelopment is progressed).

Timeframe for improvement:

A robust consultation programme is currently being drawn up.

Other Key Activities

Ebury Bridge

The Council has recently approved the self-delivery of a first phase of the Ebury Bridge Estate renewal that will deliver over 200 new homes and the first, high quality public open space. This initial phase will also see the delivery of the meanwhile space that will provide community, play and retail space to ensure a continuity of provision through the estate renewal programme. It will set the design standard and quality for all phases of this important regeneration scheme. This early phase delivery will enable the Council to fulfil most of their re-housing commitments to local residents and enable further decant activity subsequent phases of delivery. We are now progressing with design development and pre-planning works, including ongoing and intensive local stakeholder consultation and involvement to deliver an exemplar housing-led renewal scheme on this priority estate. The new homes in Phase 1 are anticipated to be completed in early 2023.

Oxford Street District

The approved Business Case, agreed by Cabinet on 8th April 2019, demonstrates a robust justification for the £150m investment by the Council for the Oxford Street District programme. Cabinet has also approved spend against the project of c.£21m which focusses on the design, surveys and other feasibility related work for the programme, including a contingency element. The capital funding will kick start to this scheme with additional funding required from the private sector. The project team is developing a full funding strategy. It is also working on the proposed designs and planning for the engagement with stakeholders which is due to start late May. The engagement activity will involve residents, businesses, land owners and local BIDs.

Trailblazer

The first full year of the Trailblazer scheme has proved a major success. The scheme offers a fresh and innovative approach, focusing on prevention and early intervention, in response to increasing homelessness and specifically the requirements of the recently-introduced Homelessness Reduction Act. Types of intervention include mediation with landlords and employers, reconnection services, employment advice and support, welfare advice and entitlement. In 2018/19, the team provided interventions for 220 families and 99% did not go on to make a homelessness application who otherwise would have. We are improving people's lives by dealing with problems in full first time round and before more complex issues develop for them, whilst delivering savings on expensive temporary accommodation.

City Hall

The Council re-occupied floors 11-19 during February and March 2019. The new office layout and furnishings support agile working practices and encourage greater levels of collaboration and the 18th floor meeting room suite flexibility accommodates public meetings including planning committees. Floors 1-10 are under offer to a single tenant and this new source of income will support front line services.

Connect Westminster

The Connect Westminster scheme has been nominated for Connect Britain Awards for the second year running under the 'Barrier Removal' category.

STEAM WEEK

Westminster STEAM Week 2019 ran from 11 to 15 March 2019. Every year, Westminster City Council, in partnership with Westminster businesses, curates a week of activities to engage young people in STEM careers. During the week, the Council's Business & Enterprise Team ran an extensive programme of STEAM-focused events for young people in Westminster secondary schools. 34 STEAM dedicated industry tours, business challenges, speaker and panel discussions, networking events and assemblies were offered. The largest event was the Women in STEAM Panel that was attended by over 50 students and saw a panel of 7 young and inspirational women working within STEAM sectors talk about their career experiences and leadership journey. The timing of the activities is designed to coincide with British Science Week with the aim is to support young people to raise aspiration, develop an appetite for success, broaden their horizons and explore the worlds of Science, Technology, Engineering, Art & Design and Mathematics. Overall, we engaged with over 2504 young people aged 11-25. Across the week student feedback was overwhelmingly positive with 95% glad they attended an event and 85% finding the events useful, informative and inspiring. We hope to build on the relationships we have formed with schools and businesses to come up with further exciting opportunities for students as part of British Science Week 2020.

Hospitality Week and National Apprenticeship Week

During National Apprenticeship Week in March 2019, the Business and Enterprise team partnered with Victoria and Northbank BIDs to deliver two employer-focussed apprenticeship awareness breakfasts. The team also hopped onto a newly launched "Hospitality Sector Bus" to visit Westminster City School and Sir Simon Milton UTC. The Reubens at the Palace hotel opened its doors to a group of year 10 Westminster Academy students, who were provided with an overview of the hotel group, and received a tour of the hotel, including meeting Michelle, a chef who has cooked for the Duke and Duchess of Sussex. For International Women's Day, a Women in Construction Careers Panel convened at City of Westminster College. Two women on the panel were apprentices. The event was well attended and received positive feedback from panellists and attendees alike.

Westminster Adult Education Service (WAES)

The first two terms of the 2018/19 academic year have been extremely successful, with strong recruitment to a significant majority of programmes. There have been 7,893 enrolments to date compared to 6,803 at the same time in 2017/18. Of these 42.5% are Westminster residents, compared to 39.9% in 2017/18. This shows that WAES has successfully reversed the decline in learner recruitment and is increasing the number of Westminster residents that are engaged on the skills agenda. The number of learners on specific employment related programmes has also increased, with 421 to date, compared to 145 in 2017/18, of which 31.8% are Westminster residents, compared to 25.9% in the previous year. One of our successful employability programmes is the WAES to Employment in Construction programme, which delivers training in construction skills for entry level roles in the sector. This has delivered 26 job outcomes to date, of which six are Westminster residents.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Target range definitions¹	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	YE Target assessment definitions²	Off track Exceeded target Target achieved Minimum standard met	Failed to achieve the minimum target level Performance is above ideal target level Performance reached ideal target level Met the minimum target below ideal level
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Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

Housing Service

1. Number of households where statutory housing duty is discharged into the private rented sector	New KPI	75	→	100	→	125	82	Minimum standard met	
<ul style="list-style-type: none"> Service commentary: All properties let are family size and Currently there are 13 cases where a property has been accepted and the household is in the process of moving and/or making a final decision with a further 8 properties being matched to suitable households, a further 15 properties under offer pending viewing and decision and a further 3 properties available awaiting a household to be identified and over 190 offers of accommodation have been made in total during the year. 									
2. Affordable Housing units delivered in 18/19 (1,850 by 2023)	New KPI	TBA	→	201	→	TBA	176	Minimum standard met	Insight: Total 327 since 1/4/17. Some scheme slippage between years but still expected to complete the City for All target of 1,850.
3. No families in Bed & Breakfast for more than 6 weeks [S]	0	0	→	0	→	0	0	Target exceeded	Benchmark: At the end of Q4 of 17/18 2,110 h/holds were living in TA in Westminster. Above the London average (of 1,696) and 6th highest amongst all London LAs. Source: MHCLG.
4. Reduction in rough sleepers spending more than one night out	75%	70%	→	75%	→	80%	83% (300/361)	On Track	Insight: Quarter 3 figures. Reported a quarter in arrears. However, at Quarter 3 we were well on track to achieve the year-end target.

Key performance indicator	2017/18 position	2018/19 target ranges ¹				Position at YE	Target assessment ²	Other contextual insight
		Minimum	→	Ideal	→			

Development Planning

5.	% of 'non-major' planning applications determined within 8 weeks [S]	78%	68%	→	68%	→	70%	80% (5,510/6,906)	Target exceeded	Reporting Period: Oct 2017 – Sept 2019 (MHCLG requirement).
6.	% of 'major' planning applications determined within 13 weeks i.e. larger scale development. [S]	64%	60%	→	60%	→	62%	79% (84/107)	Target exceeded	Benchmark: 2017/18 annual figure was 88%. Inner London average was 90% Reporting Period: Oct 17 – Sept 19 (MHCLG requirement).
7.	% planning appeals determined in favour of the Council	69%	55%	→	60%	→	65%	67% (108/161)	Target exceeded	

Property and Estates

8.	Increase total income generated from the council's investment portfolio	£721K	TBA	→	£600K	→	TBA	£1.443m	Target exceeded	Insight: This large increase in income is due to large increases in rents received and rent reviews.
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Growth and Economy

9.	1,000 businesses significantly engaged (incl. vouchers issued, CSR activity)	New KPI	900	→	1,000	→	1,100	1,108	Target exceeded	
10.	Connect businesses to super and ultrafast broadband (Based on vouchers redeemed).	0	225	→	250	→	275	357	Target exceeded	Insight: The Council secured a £2.8m European Regional Development Fund (ERDF) project. £1.4m is from ERDF matched by £1.4m council funding (Capital Programme). The Council makes the payments and then claims back the money from ERDF. Each voucher is up to £2,000.
11.	Westminster Employment Service to achieve 750 job starts of which 300 long-term unemployed	442	500	→	750 (300)	→	1,000	1,010	Target exceeded	Insight: Await figure from one external partner so final outturn likely to be higher. We are currently developing an evaluation framework for the Westminster Employment Service including the suggestion of tracking beneficiaries for a longer period of time.
12.	Number of businesses advised about the apprenticeship levy and developing apprenticeship schemes	New KPI	90	→	100	→	110	110	Target exceeded	
13.	2,000 young people engaged in enterprise and sector-based experiences	New KPI	1,500	→	2,000	→	2,500	3,582	Target exceeded	

Key performance indicator	Wave 1 position (Dec 2018)	Wave 2 position (Feb 2019)	Overall direction of travel	Other contextual insight
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Westminster Housing Service tracker (Second wave of survey)

Satisfaction

1. Resident Satisfaction with service provided by WHS	Leaseholders	N/A	29%	↑	<ul style="list-style-type: none"> Hackney Council's December 2018 survey outturn was 74%, while Haringey's overall survey score was 65%.
	Tenants	53%	54%		
2. Resident Satisfaction with value for money of WHS rent or service charge	Leaseholders	N/A	40%	↔	<ul style="list-style-type: none"> Hackney Council's December 2018 value for money survey score was 35%, while Haringey's overall survey score was 78%.
	Tenants	70%	69%		
3. Resident Satisfaction with how WHS deals with repairs and maintenance	Leaseholders	20%	22%	↔	<p>Methodology</p> <ul style="list-style-type: none"> In February 2019 Westminster City Council (WCC) carried out the second wave of the tracker survey, through telephone interviews, with residents of Westminster Housing. The first wave was in November 2018, both waves were conducted before April 1st 2019 when CWH came back into WCC. The second wave surveyed 302 individuals, comprising of 60% tenants, 40% leaseholders (27% resident leaseholders, and 13% non-resident leaseholders). A major difference between the present wave and the first wave is the much larger, and representative, sample size of leaseholders participating in the survey. <p>Key findings</p> <ul style="list-style-type: none"> The second wave saw a decrease in satisfaction compared to the first wave. There were significantly more neutral responses in the survey, which has impacted the satisfaction score. Tenants have moved out of negatives scores into neutral which is a slight improvement. However leaseholders tend to score more negatively. The key factors that appear to correlate with levels of satisfaction are: value for money; being kept informed; views are heard and listening to; repairs and maintenance. The levels of satisfaction could also be due to a more representative sample of leaseholders in wave 2 compared to wave 1, as leaseholders were significantly more likely to be dissatisfied or disagree than tenants.
	Tenants	49%	48%		
4. Residents agreed when asked whether WHS provides an effective and efficient service	Leaseholders	30%	49%	↔	
	Tenants	70%	69%		
5. Residents that feel moving housing services to WCC is unlikely to improve the service they receive	Leaseholders	N/A	17%	↑	
	Tenants	8%	12%		
6. Residents that feel moving housing services to WCC is likely to improve the service they receive	Leaseholders	80%	46%	↓	
	Tenants	57%	51%		
7. Residents that feel safe where they live	Leaseholders	50%	75%	↑	
	Tenants	73%	77%		

Key performance indicator	Wave 1 position (Dec 2018)	Wave 2 position (Feb 2019)	Overall direction of travel	Other contextual insight
Informed				
8. Residents asked how well “informed about things that might affect you as a resident or leaseholder”	Leaseholders		↔	<ul style="list-style-type: none"> In 2016, 86% of CWH tenants said that they felt informed, while 67% of leaseholders said the same.
	60%	49%		
	Tenants			
	67%	66%		
9. Residents that have heard hardly anything about the service transition	Leaseholders		↑	Listening programme <ul style="list-style-type: none"> A Listening Programme was organised by WCC to consult with residents and leaseholders on their experiences of CWH and priorities for WCC regarding the housing service going forward. Approximately two thirds of all respondents were tenants and one third were both resident leaseholders and non-resident leaseholders. Overall, residents (both tenants and leaseholders) discussed their experiences and issues encountered with the CWH housing service and felt that the council should prioritise interventions to the repairs service; the contact centre regarding wait time, system and initial communications; security on estate and anti-social behaviour (ASB) issues. Findings from the Listening programme support the decreased levels of satisfaction from wave 1 to wave 2 of the CWH tracker. In particular, regarding importance of communications surrounding the transition of the service, safety on estates and the repairs system.
	49%	53%		
	Tenants			
	36%	59%		
10. Residents that have heard something about the service transition	Leaseholders		↓	
	20%	20%		
	Tenants			
	16%	14%		
11. Residents that have heard a lot about the service transition	Leaseholders		↓	
	30%	27%		
	Tenants			
	35%	28%		
To what extent are any of the following a problem in your neighbourhood?				
12. Noisy neighbours	Leaseholders		↑	Service commentary <ul style="list-style-type: none"> Overall, there was a significant increase in the number of neutral responses compared to wave 1. This may contribute towards the decrease in agreement figures for this wave, as neutral scores are not included in aggregate figures. This also demonstrates the shift from satisfaction scores is not translating in to an increase in dissatisfaction scores.
	30%	38%		
	Tenants			
	36%	42%		
13. Disruptive children/teenagers	Leaseholders		↑	Recommendation <ul style="list-style-type: none"> As part of future activity, this should focus on shifting those who reported neutral scores in to positive scores. These residents are more likely to be “quick wins” as they are more likely to have shifted recently from positive scores.
	50%	39%		
	Tenants			
	36%	39%		
14. Racial or other harassment	Leaseholders		↔	
	20%	18%		
	Tenants			
	18%	18%		

Key performance indicator	Wave 1 position (Dec 2018)	Wave 2 position (Feb 2019)	Overall direction of travel	Other contextual insight
To what extent are any of the following a problem in your neighbourhood? (continued)				
15. Drunk or rowdy behaviour	Leaseholders		↔	•
	30%	40%		
	Tenants			
	40%	38%		
16. Vandalism and graffiti	Leaseholders		↑	
	20%	32%		
	Tenants			
	26%	30%		
17. People damaging your property	Leaseholders		↓	Service commentary <ul style="list-style-type: none"> For wave 2, a representative split of 60% tenants and 40% leaseholders was included, for wave 1 there was a 96% split for tenants and 4% split of leaseholders. The sample is another factor for the shift in satisfaction scores for this wave, as leaseholders were significantly more likely to report dissatisfaction/disagreement across many of the satisfaction and perception measures, as reported in the next slide.
	30%	33%		
	Tenants			
	23%	21%		
18. Drug use or dealing	Leaseholders		↔	Recommendation <ul style="list-style-type: none"> Therefore we recommend that communications and activity should focus separately on tenants and leaseholders, rather than a holistic approach for both. The significant differences between tenants and leaseholders in the survey indicate that their experiences, perceptions and needs differ and should be addressed as such. Satisfaction levels could impact how much Trust residents feel towards WCC.
	50%	55%		
	Tenants			
	50%	51%		
19. Flytipping	Leaseholders		↔	
	60%	39%		
	Tenants			
	45%	44%		
20. Safety of building (such as fire safety)	Leaseholders		↑	
	20%	25%		
	Tenants			
	26%	28%		

City for All Tracker

The table below provides a progress update at the end of the year (March 2019) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering.

City for all Pledge	Delivery Status	Progress update
City of opportunity		
We will deliver the most ambitious house building programme in the city for a generation. We are on track to deliver nearly 2,000 new council and affordable homes by 2023 and have identified sites for a further 2,000 homes.	On track	<ul style="list-style-type: none"> Some key schemes previously anticipated for 18-19 have slipped to 19-20 although still expected to complete in the target period. These include Westbourne Park Baptist Church site (33 units) and St Anne's Gate. 10 units (in 2018-19) were delivered through infill sites.
We will support 750 people into jobs per year. We also will make sure people have the best chance of finding work by ensuring our housing and children's services work together to enable parents to return to work.	Achieved	<ul style="list-style-type: none"> 1,010 people into jobs in 2018-19 of which 343 were long term unemployed.
Caring and fairer city		
We will continue to support our new £6m state-of-the-art assessment centre, outreach services and accommodation for rough sleepers, helping people to get off the streets at night.	On track	<ul style="list-style-type: none"> As at Qtr. 3 we had sustainably resettled 167 people to their home area with a 69% success rate with 34 people moving to their own accommodation in their home area. Year-end figures to follow.
We have earmarked five schemes chosen by residents that will receive a combined investment of nearly £400,000 raised through our voluntary community contribution scheme. This will include helping rough sleepers off the streets at night, tackling loneliness and isolation across all age groups and supporting youth services.	Achieved	<ul style="list-style-type: none"> So far, the city's most affluent band H council tax payers have contributed more than £800,000 through the scheme.

City for all Pledge	Delivery Status	Progress update
Healthier and Greener City		
We will plant 3,000 trees by 2020.	On track	<ul style="list-style-type: none"> A total of 327 trees have been planted in the financial year 2018/19. Surveying will take place over the spring/summer for planting sites for the 2019/20 planting season which commences in the autumn, with the intention to plant 200-300 trees. The population of trees on Westminster’s streets has increased by over 2000 in the last 10 years.
City that celebrates its communities		
We are reforming the planning system so that, for the first time, members of the public will be able to speak at planning meetings. This is one of a range of measures to make the UK’s busiest planning authority more transparent.	Achieved	<ul style="list-style-type: none"> To ensure openness and transparency we have introduced public speaking at Planning Committee meetings. This follows a report by the Planning Advisory Service (PAS). Interested parties can register to speak for or against an item going to Committee.
We will remove unwanted and misused phone boxes from our streets.	On track	<ul style="list-style-type: none"> The Planning Enforcement Team continues to pursue action against the poor condition of telephone boxes to ensure that their condition is improved to a satisfactory standard.
City that offers excellent local services		
We will deliver a step change in the quality of CityWest Homes customer service so that it is the standard that our tenants and lessees deserve.	Achieved	<ul style="list-style-type: none"> A new Westminster Housing service has been created. Priorities for the new Department moving forward include a refreshed local offer to residents, service improvement activities including ‘Westminster on Wheels’ and more structured contact points for residents to raise queries and issues with a consistent approach to contact with residents. Quarterly walkabouts take place with housing staff and councillors. Monitoring of service delivery continues monthly via a comprehensive dashboard of KPIs. In addition, Cllr Smith leads a quarterly performance meeting with Directors and Heads of Service to review performance.

1.5 People Services

Achievements:

Our Voice 2018 Survey

This is the City Council's annual Staff Survey –The survey is designed for staff to be heard. It identifies issues which have the biggest impact on staff and helps the councils to focus time and attention on the issues that matter most.

Outputs delivered:

- Increased Employee Engagement
- Increased PACE values index
- Results Benchmarked

Outcomes achieved:

Westminster City Council's Engagement Index for 2018 is 70%. This is an increase of 4% from last year (66% in 2017). The result is 4% above the local government average. This is a positive indicator that people are increasingly engaged by our vision of City for All and that that we are making positive progress in making this a great place to work.

Comparison with Local Government (LG) benchmark: The survey has continued to be benchmarked against the LG average as our prime comparator. Within the Employee Engagement Index (a basket of 6 questions- please see below), Westminster are ahead in 5 questions. No benchmarking information is available for the 6th question.

Employee Engagement Index questions	Variance from Benchmark
1) I am proud to work for the council	+6%
2) I would recommend the council as a great place to work	+7%
3) I feel a strong sense of belonging to the council	+4%
4) I am committed to helping the council meet its goals and objectives	+3%
5) Working here makes me want to do the best work I can	+8%
6) If I were a member of public contacting the council, I would be confident of a good service	-

PACE Index: Through Our Voice, we are also able to measure our PACE index, which shows the commitment to, and demonstration of, our values: Productive, Ambitious, Collaborative and Enterprising. For WCC, the overall PACE index is 62% which is an increase of 3% compared to 2017 (59%).

Launch of IBC system

In November 2017 it was agreed that Westminster City Council, together with RBKC, should join the Hampshire Partnership as a replacement for BT Managed Services. The Partnership is known as the Integrated Business Centre or "IBC". Implementation of the new solution was completed by 1 December 2018 and has been deemed a success.

Outputs delivered:

In December 2018, we successfully deployed the new Transactional HR and payroll system, recruitment system including recruitment site and onboarding portal, Learning Management system, HR policy area with revamped Westminster policies and pensions employer administration services.

Outcomes achieved

Our partnership with the IBC is a key enabler of the Westminster Way, providing managers and employees with an accessible, easy to use payroll and HR transactional system, recruitment system and supporting IBC recruitment team and a Learning Management system. In line with the Westminster Way, the new system gives managers greater discretion to more easily manage their teams and employees, and greater accessibility to a more agile system. An employee is able to transact from the own mobile devices to book leave or log expenses. Managers can view all team information via the Manager self-service and action any employee requests. Managers can create new posts and teams. All systems are accessible via single sign on for Westminster employees. Managers can also view a series of dashboards and reports for their team including sickness, turnover, diversity. The systems went live on the 1 December 2018 with minimum transactional issues. Performance data at the end of the stabilisation period (March 19) shows 95% of calls answered and 97% of WCC queries resolved in 5 days. 7 out of 10 WCC customers surveyed in February said they were satisfied with the service. In February, 2,176 payments were made via payroll for Westminster with zero error.

Embedding of the Westminster Way, the council's people strategy

On the 25th July 2019, we launched our new approach to personal development framework. The framework is employee-led fully supporting the Westminster Way, recognising that everyone is a leader and should take accountability for their development and performance. The framework encourages all staff and managers to have three types of conversations throughout the year to support staff development and manage performance.

Outputs delivered

Development and launch of the Westminster Way, the council's people strategy that brings all of our employee programmes together in one place. The Westminster Way has three pillars; Personal Development (Everyone has talent), Value our People & Diversity (Everyone is valued) and The Westminster Way of working (Everyone is a leader). These are underpinned by the enablers of a modern and progressive working environment, technology and policies.

Following on from the launch, we have held a successful staff conference themed around the Westminster way last year which gave staff an opportunity to experience the Westminster way through the various offers under each of the pillars. To support the embedding of the Westminster Way, we have:

- Launched our new personal development framework which replaces the traditional approach to performance appraisals and focusses on a more forward-looking developmental conversation. We have held interactive forum theatre training for staff and sessions for managers to support them with the new approach.
- Launched our Inclusion and Diversity action plan with the successful inclusion and diversity day where we launched a number of key programmes including Positive action, Diverse panels and Reverse mentoring. We have a number of staff networks in the council now including the BAME network, Women's network, LGBT+ and a disability network. The people services team has worked in close collaboration with the networks to not only develop and shape the inclusion and diversity action plan but also to deliver events. In addition, the council has published both its gender and BAME pay gap.
- Developed a holistic talent strategy which has been signed off by ELT and will focus on "everyone has talent" by the council providing resources and tools for everyone to lead on their career development.
- Launch of the inclusion and diversity action plan.
- Launched the IBC solution successfully as a key enabler.

In addition to the above, we have established a robust programme management approach to the Westminster Way and Westminster Way branding and signage has been used for all staff development related communications such as staff forums.

Outcomes achieved

The Westminster Way demonstrates the development opportunities and support available to everyone and signifies how we want our culture to be in Westminster. Through the Westminster Way we will create a culture of openness, transparency and integrity in everything we do and enable the delivery of City for All. We have seen a significant increase in our engagement scores last year (see update 'Our Voice' above) and the Westminster Way enables us to maintain our focus on the key drivers of engagement.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Target range definitions¹	Minimum The minimum level for the KPI that will still allow the service to deliver	Ideal A level which is acceptable for service continuity	Aspirational The level at which the service is improving beyond current capability	YE Target assessment definitions²	Off track Failed to achieve the minimum target level	Exceeded target Performance is above ideal target level	Target achieved Performance reached ideal target level	Minimum standard met Met the minimum target below ideal level
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Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

People Services

1.	Ensure staff turnover is managed at appropriate benchmark levels (excluding redundancies)	14%	15%	➔	14%	➔	13%	15.6%	Missed target	
	<ul style="list-style-type: none"> Service commentary: We are missing an accurate number of leavers between October and November due to the transition between Agresso and SAP. This Percentage is based on 10 months' worth of data and has been extrapolated into an annual figure. Individual data by service area will be shared with ELT members for their review and action planning as appropriate Mitigation: Individual data by service area will be shared with ELT members for their review and action planning as appropriate Timeframe for improvement: April 2020 									
2.	Reduce the total population of TACS	263	237	➔	203	➔	<200	290	Missed target	
	<ul style="list-style-type: none"> Service commentary: TAC numbers have only decreased slightly since Q3 and further work to be undertaken. The main reasons for this are: <ul style="list-style-type: none"> Hampshire SAP project resource - many have been retained after SAP deployment to manage the insourcing of City West Homes TACs backfilling roles for staff seconded to the Hampshire and City West Homes TUPE project Mitigation: ELT are asked to renew efforts to reduce the number of TACs, in particular those costing more than £100k and those who have been engaged for more than 12 months. Support to explore other resource strategies, in particular for hard to fill roles, is available from People Services Timeframe for improvement: April 2020 									
3.	Increase the number of BAME employees in senior leadership roles (band 5 and above)	7%	8%	➔	10%	➔	12%	11% (15/133)	Target met	

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			
4. Closing the gender pay gap	9.8% (16/17)	9.5% mean	9% mean	8% mean	8.6%	Target met	
5. Increase the number of women in senior leadership roles (band 5 and above)	42%	43%	45%	47%	47% (62/133)	Target met	
6. Percentage of the 2018 Talent cohort to gain a promotion or make a planned development move during 2018/19	New KPI	15%	20%	30%	42% (11/26)	Target exceeded	
7. To increase the Employee Engagement Index across WCC	New KPI	66%	67%	68%	70%	Target exceeded	

1.6 Finance and Resources

Achievements:

Finance

Closing of accounts

The Council have successfully closed their accounts for 2018/19 handing over the accounts to the auditors on 16th April. This most likely makes the council the fastest in the country to close its accounts.

Outputs delivered

Closing the accounts promptly means that the council's outturn position and all financial information contained within the accounts is available early to stakeholders. This allows scrutiny of key financial transactions promptly after year end.

Outcomes achieved

This achievement demonstrates the standard of excellence and robust processes used by WCC Finance. More importantly, it allows the council's finance team to move on swiftly to other activities which add residents to value as opposed to spending a period of months closing the accounts.

Community Contribution scheme

The Community Contribution scheme has currently raised £640,000, these funds are collected and administered by the City of Westminster Charitable Trust.

Outputs delivered

Community contribution letters were issued, with Council Tax annual bills, in March 2019. It should be made clear that the City of Westminster Charitable Trust is completely separate to the council. However, by assisting the Trust by facilitating fundraising, Westminster residents will benefit from its charitable activities because the objects of the Trust require donations to be spent on activities which benefit local people.

Outcomes achieved

The contribution will go towards supporting young people and helping rough sleepers and impact those suffering from isolation and loneliness.

Forward Borrowing

The section 151 officer has approved two forward borrowing transactions which total £250m.

Outputs delivered

The council has an ambitious capital programme which means that in the future it will need to externally borrow for the first time in recent times. This leaves the council exposed to the risk of interest rates rising and therefore the cost of the borrowing increasing, potentially to a level which is not affordable. The forward borrowing transactions provide the council with certainty in respect of the cost of borrowing in 3 to 4 years' time.

Outcomes achieved

The deal will provide certainty to the council's long-term capital funding strategy and potentially provide real, significant interest savings.

Resources

Recant - Transition back to City Hall completed in partnership with the project team. IT provisioned new wired and wireless network platform, new Audio Visual services for meeting rooms and deployed new Surface Pro/Windows 10 devices to all officers returning to the new building, as part of a major End User Computing upgrade programme. This was successfully delivered on time and on budget.

23 MFD devices plus the print room were also moved from Strand and Portland House, without issue or impact on end users. WCC terminated the agreement on 5 devices without charge, with a further 5 being handed back to Ricoh this month. A total reduction of 10 devices to the fleet, which saves £4,500 on lease costs per annum.

City West Homes transition support – Transition support given to the CWH project team to ensure Ricoh updated software for MFD's, to allow both WCC and CWH users to print on each other's network and devices. Transition completed without issues to date.

Risks and Issues:

Brexit delay and uncertainty relating to finances

Impacts and consequences

Uncertainty in respect of Brexit could have an impact on equity valuations, the economy and future inflation levels. The council is maintaining a watching brief on Brexit to make sure it is in a position to mitigate any issues which arise.

Mitigation and progress

The Pension Fund Committee is considering its holdings of UK Equities in comparison to the extent of its Global Equity holdings. The council is also maintaining a Brexit risk register which has a number of financial items contained within it.

Timeframe for improvement

The change to a global portfolio will be considered at the June 2019 pension committee.

A potential movement in interest rates

A change to the UK base rate, could result in volatility in the pension fund, resulting from a change in the valuation of liabilities, as well as changes in asset prices. There could be gains and losses, which will result in variation to the funding level and future employer contribution rates.

Impacts and consequences

This has the potential to affect council employee budgets arising from higher employer contributions required.

Mitigation and progress

The pension fund is invested in a diverse portfolio, designed to mitigate the impact of such shocks.

Timeframe for improvement

Triennial valuation work is currently underway with a view to new contribution rates to take effect from the 1st April 2020. However, if the scenario changed in the next six months, our actuary could still take account of a new impact, arising from any interest rate change.

CPI (Consumer Price Index) Inflation is higher than envisaged

This will have an effect on the valuation of future pensions payments, which have a direct link to CPI index.

Impacts and consequences

Future higher pensions payments will result in a higher liability valuation, and a reduction in funding level. In turn, this will result in an increase in future employer rates.

Mitigation and progress

The Pension Fund Committee has recently allocated funds to global infrastructure which has inflation protection due to investing in real assets with CPI-linked income. Further diversification will result in investment in inflation-proof assets. The fund's largest allocation is to equities, and these are recognised to have inherent inflation proofing.

Timeframe for improvement

We are in the process of reviewing our long-term investing strategy.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

Finance

1. Percentage sundry debtors (more than 1 year old) of total gross sundry debtors	£2.675m (TBC)	20%	→ 5%	→ 0%	11.35% (£4,465,000/ £39,325,000)	Minimum standard met	
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- Service Commentary**

There has been a 14% increase in the value of invoices raised since 1st April 2017, i.e. £115m for 2016/17 vs £131m 2018/19. The percentage of debt over a year-old vs total debt has decreased from 13% in 2017/18 to 11% in 2018/19. The target of 20% is almost halved. The new finance system, SAP, was introduced in December 2018 which required the subsequent re-introduction of some processes such as dunning, which was suspended during the system migration process. Although every effort was made to minimise any disruption, some interruption was unavoidable.

Adult social care

The significant majority of the aged debt, 70%, over a year old relates to Adult Social Care debtors. Of this, approx. £0.5m is secured against property and collection is therefore deferred until the property is sold. ASC debt is a challenging area requiring sensitive handling given the vulnerability of the debtor population. The dedicated income and billing team was previously a tri-borough service but became a sovereign service from October 2018, under direct management of the Head of Support and Control. Reminder letters were not issued for ASC debt although monthly invoices/statement document were issued but has ceased following SAP implementation. It is also not Council policy to take legal action against vulnerable debtors. There has also been a change in the statute of limitations which means that debt is recoverable up to six years, whereas previously debt more than three years old was unrecoverable and written off.

Public Protection and Licensing

13% Public Protection and Licensing. Largely consisting of Street Traders licencing and Pest control treatments. The licencing debt is made up of clients that are no longer trading with limited debt recovery due to an extensive service area reorganisation that has resulted in staff changes and resource reduction. The pest control debt has also received little recovery action due to limited resources available in the service and challenging historic record keeping.

- Mitigation**

Adult social care

The de-merger from the tri-borough service has provided an opportunity for the Council's corporate finance debt recovery team to be more actively engaged in supporting the ASC Income and Billing team. Together with RBKC, the debt management leads have been instrumental in supporting a review of the end to end ASC care assessment and billing process, which has identified areas for joint improvement and closer liaison.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

A detailed review of the significant debtors in progress and ongoing, which has already resulted in considerable recovery of aged debts, approx. £800k, but also in many assessments being recalculated, resulting in credits being issued. Calculations are complex as any change in a client’s circumstances may affect the chargeable amount. Given also the client population, enquiries are invariably time-consuming to resolve.

Local bespoke reminders are being issued for debt over £5k, to help stop them from escalating to large debt and some automated dunning (from SAP) has commenced for debt less than £5k.

The Legal teams are more actively engaged in seeking advice on challenging debt such as those involving potential problematic/high risk debts eg deprivation of assets or mismanagement of finances under Powers of Attorney.

The strategy is also for more debt to be pursued rather than being written off, which has yielded some good results and is considered worth continuing.

Public Protection and Licensing

The Licensing team has undergone significant staff cuts and changes which has interrupted the debt recovery process. Clients that no longer hold licenses and have historic debt have been identified with the possibility of referring them to external debt recovery. The service is working through each account to ensure accuracy of the billing before further recovery action. Clients with the largest debt are encouraged to agree payment plans or risk losing their licence as the reinstatement of the Licensing Panel is expected to encourage licence holders to comply with settling debts or risk losing their license.

The majority of the outstanding debt for Pest Control has been referred to our external debt recovery provider, who will attempt personal contact e.g. via letter, email, phone and personal visits for the larger debts. For unsuccessful action, the debts are rereferred back for legal action or write off as necessary.

- **Timeframe for improvement**

Adult social care

The ASC debt recovery team are making progress against the largest debtors, which often involves liaising with solicitors and are working closer with the Financial Assessments teams as information is established that requires recalculation of charges. However, these can become extremely time consuming and complex given the number of finance system that have been in place over the past six plus years. Weekly meeting is now taking place for updates or appropriate steps required to reduce the debt.

Given the size of the project and the limited resource available to address issues, we are expecting a gradual reduction in the debt moving forward.

The objective of the end to end review of the care, assessment and billing process is to ensure that opportunities are maximised to ensure accurate charges are assessment from the outset and that the client is made fully aware of the costs to assist them in making provision for payment.

Public Protection and Licensing

The Licensing team are progressing the accounts review of approx. 400 licence holders. The timeframe for completion is subject to ongoing resources being available but is expected to show improvement within six months. Pest control should see a reduction in the debt position at a quicker rate given the route we have taken with recovery. There is likely to be a reduction within the next six months.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
2. Variance between budget and full year forecast	£17.201m underspend	On budget	→ <£5m underspent	→ As per ideal	£3.918m underspend	Target exceeded	
3. Variance between capital budget and FY forecast	£23.513m	On budget based on forecast	→ On budget based on forecast	→ On budget based on forecast	£44.571m net underspend	Target achieved	
4. % of payments made via Purchase Order	76.90%	96%	→ 98.00%	→ 99.00%	98%	Target achieved	
<ul style="list-style-type: none"> Service commentary: Our move to the IBC has mandated the use of POs therefore non-compliant supplier invoices are rejected back now. A more appropriate measure of the effectiveness of the payment function for 2019/20 will be the promptness with which payments are made to suppliers i.e. percentage of invoice payments made within 30 days of receipt of invoice. 							
5. Percentage of council tax collected	96%	95%	→ 96.5%	→ 99%	96.7% (£92,581,803/ £95,741,265)	Target exceeded	
6. Percentage of business rates collected	98%	96%	→ 98.5%	→ 100%	98% (£2,289bn/ £2,336bn)	Minimum standard met	
Complaints							
7. Percentage of stage 2 responses signed by Chief Executive with no need to return	New KPI	95%	→ 98%	→ 100%	98% (132/134)	Target achieved	
ICT							
8. No. of major business impact Priority 1 incidents per quarter such as total loss of network connectivity at a site, major security breach or a major business application being unavailable or inability of users to log-on	22	22	→ 18	→ 12	23	Missed target	
<ul style="list-style-type: none"> Mitigation: We have exceeded the limit for priority 1 incidents in Q4, due to increased prudence in recording all priority one incidents including those which occur out of hours and those which are resolved quickly. This has led to an increase in the volume of incidents recorded but does not correlate to a decline in performance. We are currently performing resilience testing in relation to our network provider VMB to reduce the number of priority one incidents in future. 							
9. Significant incident attracting fines under new GDPR legislation such as Information Commissioner intervention regarding handling of data protection	New KPI	3	→ 1	→ 0	0	Target exceeded	

1.7 Policy, Performance and Communications

Achievements:

Don't be Idle gains Government support

Westminster City Council's campaign to stop engine idling made national news and has gained support from central government with Cabinet Minister for Environment Michael Gove announcing that he backed the council's plans to introduce on the spot fines for persistent idling drivers.

Outputs delivered

The Leader Nickie Aiken and actor Nigel Havers, a long-time supporter of the #DontBeldle campaign, were both interviewed by BBC London TV. The #DontBeldle campaign has now reached over 14,000 pledges and 24,000 interactions with drivers to switch off their engines. The council has also engaged to more than 20 business leaders from some of London's top freight, delivery, coach, taxi and private hire companies by asking for support given delivery drivers and commercial vehicles make up a large proportion of idling drivers.

Outcomes achieved

The #DontBeldle campaign won a prestigious prize in PRmoment Awards 2019 in the category 'Best Use of Research'. The Westminster project was shortlisted with other leading initiatives in the PR industry. The project aims to improve the air quality for our community and its visitors, by eliminating engine idling from the areas of highest pollution in the city. The campaign used advanced research and analysis techniques that informed the project design, tested theories of change, and evaluated the potential impact on our audiences needs.

Trust fund opens for voluntary groups

Voluntary groups involved in helping young people and rough sleepers across Westminster are set to get a £200,000 boost as the new community contribution fund opens its doors to applications for support. A total of £130,000 has been earmarked for youth projects with £70,000 for rough sleeping. Voluntary organisations can bid for up to £30,000 per project.

Outputs delivered

The maximum amount per individual grant for rough sleeping is £10,000 and the maximum for youth support is £30,000. Funding is for defined projects which need to be completed within 15 months. This has been made possible due to the success of Westminster City Council's voluntary community contribution scheme. Launched last year, it has so far raised more than £600,000 due to the generosity of the City's top-rated Band H council tax payers.

Outcomes achieved

The money raised has already been used to hire former rough sleepers to work with those living on Westminster's streets. The Westminster Buddies scheme involves training former rough sleepers to go back on the streets to help those living rough. Set up five years ago, the initiative has proven successful in getting people who may be reluctant to engage with authority to accept help from those who 'speak their language'. A grant of £60,000 has been allocated to the Riverside Care & Support charity, the charity that runs the scheme, to pay for two "Buddies" for 15 months.

MyWestminster City Lions programme engagement with young people

The MyWestminster City Lions programme, a development scheme for 13-16-year olds, is now in its fifth month of delivery. Five targeted after school programmes have been completed, each comprising of multiple school-based workshops and visits to Somerset House and the Photographer's Gallery.

Outputs delivered

- Including the pilot, 115 young people have passed through the workshop sessions to date, whilst a further 107 young people have engaged with at least one event or opportunity offer through the programme (e.g. ice skating at Somerset House).
- A further five cohorts have been planned until the end of the academic year, consisting of three cohorts scheduled to run during holiday periods, one further school cohort and a larger 'wider offer' cohort which will take place during Creative Industries Week.
- A pilot of the Experience of Work phase run during March in collaboration with Absolute Productions. The event, part of Westminster STEAM Week, brought together several Soho-based Production, Sound, CGI, VFX and Editing companies, to deliver a day of mini-workshops which offered an insight into the Film and Television industry.
- Multiplex has approached the City Lions with an exciting opportunity called 'Construction Team Challenge'. The offer will allow students from four Westminster schools, to work with a range of professionals to create a fictional construction company that will prepare a bid presentation for a new client. The programme will help the students develop a whole range of skills that will help them in their academic studies and with potential employers.

Outcomes achieved

After a revised evaluation and tracking approach which has started to be implemented before, during and after sessions, provided detailed data on a range of outcomes. Those particularly have shown that 53% of participants feel that their knowledge of the cultural and creatives opportunities within Westminster has improved as a result of the programme. An estimated 23 work experience placements have also been secured to date across a wide range of businesses that work within a cultural or creative setting.

Rough Sleeping Action Plan

The Council is currently running a campaign aimed at increasing people's understanding of how they can most effectively help people who are sleeping rough and improving perception of the council's efforts to reduce rough sleeping.

Outputs delivered

In March 2019, Members approved a cross-directorate Action Plan of officer and Member-led interventions, that aim to improve our co-ordinated response to rough sleeping, test new policy ideas and improve public perception. This Action Plan will be delivered alongside the council's Rough Sleeping Strategy 2017-2021 and will act as an ongoing internal working document that drives us to consider and implement new approaches to tackling this issue.

Outcomes achieved

The CHAT APP TAP campaign has been promoted to residents, businesses and visitors, reached over 26,000 people on social media, and prompting over 2,300 visits to the web page. TAP London donation machines have been put into around 20 locations across Westminster.

Risks and Issues:

Brexit

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

Impacts and consequences:

- Brexit could lead to political upheaval and a potential change in Prime Minister or government
- Brexit also creates uncertainty for the economy of the City and the high number of EU nationals that currently work and reside in Westminster
- Lack of financial mitigation from the Treasury may mean that there are further pressures on local government funding impacting on finances available to deliver services

Mitigation and progress:

PPC will be monitoring the convergence and divergence between the sides on the key issues that impact Westminster. There will be further work done with central London partners to understand and articulate specific issues relating to Westminster. There are also regular meetings with the WCC Brexit Strategic Board in place to mitigate risks and monitor a set of key performance indicators in order reduce service impact for each area in case a no deal scenario occurs.

Revenue from filming and events at risk

There are a number of internal and external factors that are impacting on future filming and events revenue.

Impacts and consequences:

Residents views on events in parks, Brexit, growing costs of filming in Central London, an inability to grow the advertising sector of the business and the relocation of many filming crews to Manchester and Birmingham are putting revenue from filming and events at risk.

Mitigation and progress:

The team takes every opportunity to consult with residents and are working with finance colleagues to further promote events support with stakeholders. Further analysis will be performed on the impacts of Brexit and filming relocation on revenue.

Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q4 (April 2018 – March 2019). Please note the final yearend outturn position for some indicators (indicated below) are not available until the end of July 2019.

Key performance indicator	2017/18 position	2018/19 target ranges ¹			Position at YE	Target assessment ²	Other contextual insight
		Minimum	Ideal	Aspirational			

Policy, Performance and Communications

1. Total customer calls answered in 30 seconds by the council (new contract agreement)	80.17%	= last year	> last year	+2% on last year	79.27%	Minimum standard met	Insight: The data included is for the Agilisys contract. The Ericsson customer services contract has by far the most customer contact, with over 1.3m interactions.
<ul style="list-style-type: none"> Service commentary: The contractual target is 70% - Agilisys is over delivering on this KPI. Mitigation: A customer dashboard has also been created to unify all areas of customer services in an easily interpretable platform in order to allow problems or trends to be identified and acted upon. The dashboard will be used as a tool to monitor channel shift, identify problems early and identify the success of new initiatives by tracking volumes and satisfaction. 							
2. Number of views on the Open Forum website	11,300	11,000	15,000	17,500	11,000	Minimum standard met	Insight: "Have your say on expanding the diesel parking surcharge across the city" was the most popular project listed on the Open Forum website with 4,566 visitors aware of the project.
<ul style="list-style-type: none"> Mitigation: Plans are in place to review Open Forum and resident engagement levels to increase numbers. 							
3. Less than 4% of calls abandoned	3.78%	<4%	<4%	<3%	2.97%	Target exceeded	Insight: Telephone is the preferred method of contact for customers, with approx. total 2.5m calls made to council contractors.

2018 City Survey

4. Residents feel informed about services and benefits	65%	= last year	> last year	+5% on last year	68%	Achieved	
5. Residents feel informed about plans for your local area	60%	= last year	> last year	+5% on last year	63%	Achieved	
6. Residents have seen the Westminster Reporter	54%	= last year	> last year	+5% on last year	60%	Target exceeded	

City for All Tracker

The table below provides a progress update at the end of the year (March 2019) on the measures and milestones aligned to the CFA pledges that the directorate is directly responsible for delivering.

City for all Pledge	Delivery Status	Progress update
City of opportunity		
We will roll out our #MyWestminster City Lions Programme for 13 to 16 year olds, making sure that young people from a variety of backgrounds have access to all of the opportunities the city has to offer	Achieved	<ul style="list-style-type: none"> A three-day schedule of tour activities were held for the Easter holidays. Nineteen young people discovered some of top places to visit in London and had the chance to get out and about to create works of art inspired by some of Britain's famous historical figures. Activities ranged from a one of a kind VR experience at the Saatchi Gallery to a round of robot games at the Royal Astronomical Society.
We will consult on and adopt a new City Plan, putting in place the biggest change in policy for a generation to support the building of more affordable homes and making sure residents are at the heart of all new developments.	Achieved	<ul style="list-style-type: none"> Westminster's draft City Plan, which sets out the future approach for the city, was launched on 12th November. Underpinned by the City for All vision, it sets out a blueprint for how Westminster will enter the next few decades in a strong and competitive position. There are plans in place for formal consultation in June.
We will launch a new enterprise partnership bringing together businesses from across the city to shape a new economic development strategy.	On track	<ul style="list-style-type: none"> More than 1,000 young people had the chance to brush up their business skills as part of Westminster Enterprise Week. Organised as part of Global Entrepreneurship Week, the Westminster City Council initiative helps nurture the next generation of budding entrepreneurs by connecting local students to the world-class enterprise organisations, employers and networks on their doorstep. With 23 events hosted in the week, and nine Westminster schools and colleges participating, the city's fourth annual Enterprise Week provided our next generation of entrepreneurs – for anyone aged 16 to 24 - with a rare opportunity to pitch ideas to inspiring business leaders.
We will work with businesses, residents, schools, colleges, and policy makers to build a new model of vocational education and, by 2020, launch a new city skills framework. This will support people develop their talents – and learn entirely new ones – from birth to well after retirement.	Achieved	<ul style="list-style-type: none"> The development of the city skills framework is on-going, with officers delivering a series of high-profile seminars, bringing together thought leaders from the worlds of business, education, think tanks and more to shape and influence the strategies. It is planned that a partnership will be formed and launched as a result of the seminars. This partnership of leading figures will act as guardians of both strategies, providing cross-sectoral knowledge and experience and ensuring that the CSF and EOS are effectively implemented.
Caring and fairer city		
We have earmarked five schemes chosen by residents that will receive a combined investment of nearly £400,000 raised through our voluntary community contribution scheme. This will include helping rough sleepers off the streets at night, tackling loneliness and isolation across all age groups and supporting youth services.	Achieved	<p>The money being raised will go towards:</p> <ul style="list-style-type: none"> £60,000 towards employing two ex-rough sleepers to become Westminster 'buddies' – helping people on the streets who may be distrustful of mainstream authority £70,000 available in grants to organisations who help rough sleepers £130,000 for schemes that provide young people with jobs skills or training £130,000 to go towards initiatives that combat loneliness in the community – not just among the elderly but also the young.

City for all Pledge	Delivery Status	Progress update
Healthier and Greener City		
We will launch a new Green for 18 campaign to raise awareness and make it easy to reduce our reliance on single use plastic. Westminster City Council has already banned single use plastic containers in meetings.	Off track	<ul style="list-style-type: none"> This campaign will now be taken forward into 2019
We will expand #DontBeldle, setting the ambition for 1,000 businesses to sign up and play their part in reducing their own and their customers' emissions.	Achieved	<ul style="list-style-type: none"> Westminster City Council's campaign to stop engine idling made national news and has gained support from central government with Cabinet Minister for Environment Michael Gove announcing that he backed the council's plans to introduce on the spot fines for persistent idling drivers. The Leader Nickie Aiken and actor Nigel Havers, a long-time supporter of the #DontBeldle campaign, were both interviewed by BBC London TV.
City that celebrates its communities		
More than 3,000 people from all over Westminster celebrated the second #MyWestminster Day at Paddington Recreation Ground on 1 July, cementing it as a major annual event to celebrate the city's neighbourhoods.	Achieved	<ul style="list-style-type: none"> Just over 3,000 residents came down to enjoy the day, which took place on Sunday 1st July. Families and residents enjoyed free family activities, sport, live music, entertainment, dancing and arts and crafts Maida Hill Place provided food from across the world working in partnership with Westminster residents who are part of the Big Eat Training programme. Local acts provided live music and dancing from the bandstand. We were also joined by 40 community and voluntary organisations who offered free entertainment and activities to showcase our vibrant and diverse city
We will continue the roll out of the #MyWestminster Fund, making up to £10,000 available to grassroots organisations across the city to help make a difference in their neighbourhoods.	Achieved	<ul style="list-style-type: none"> The #MyWestminster Fund has now granted funding to 48 local organisations. Safe Haven Basketball were awarded funding in the scheme's second of four rounds, which saw 19 organisations share in £123,000 of funding A basketball association providing weekly training sessions for young adults with learning disabilities is one of nineteen organisations set to benefit from funding. Safe Haven Basketball, which trains young people between the ages of 12-25 in Little Venice, will put £2,500 in funding toward everything from basketballs to training its coaching staff and volunteers Applications for round three opened in January 2019 and will close on 21st March at midday
We will work with our neighbourhoods and businesses to make sure our valued EU residents remain welcome and the local economy continues to thrive as the UK prepares to leave the European Union.	Achieved	<ul style="list-style-type: none"> The EU citizen's advice hotline run by the CAB has been established. The website has attracted 1,635 individual visits and 303 advice appointments/assessments have taken place. The majority of service users report an improved capacity to manage future problems, increased knowledge and confidence regarding their rights and responsibilities and feeling better about their future. The service is now also available for Westminster City Council staff to use
We will work with residents to develop new proposals for the Oxford Street District, which includes the reduction of pollution levels, control of deliveries, protection of resident parking bays, ensuring traffic will not 'rat run' down residential roads and effective management of pedestrian areas and surrounding streets.	Achieved	<ul style="list-style-type: none"> The city council is planning on setting aside £50 million each year for the next three years in order to provide a massive kick start to turn the strategy into reality and is calling on private and public partners to back the improvements. A draft of the detailed Place Strategy was developed over the summer following rounds of discussion with 50 stakeholder groups, including residents, businesses, workers in the district, young people and special interest groups. The consultation ran from 6th November to 16th December 2018 with a series of exhibitions across the district and plenty of opportunities for people to get involved and to have their say.



City of Westminster

Audit & Performance Committee Report

Meeting or Decision Maker:	Audit and Performance Committee
Date:	10 th July 2019
Classification:	General Release
Title:	Period 2 Finance Report
Key Decision:	Review and challenge officers on the contents of the report
Report of:	Gerald Almeroth, Executive Director of Finance and Resources.

1. Executive Summary

- 1.1. The Period 2 monitoring report details results for May 2019 against the 2019/20 approved budget. The report provides explanations and commentary in respect of forecast variances to budget.

2. Recommendations

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

3. Reasons for Decision

- 3.1. To inform Members of how the City Council is delivering its approved budget.

4. Background, including Policy Context

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

5. Key Messages

- 5.1. The period 2 monthly Revenue Monitoring report projects a nil variance compared to budget with net risks of £3.540m. This comprises £4.874m of risks and £1.307m of opportunities.

- 5.2. Majority of the cabinet portfolios are forecasting to budget as at period 2. However, experience suggests this will change as monitoring continues over the coming months. It should be noted that as the previous Deputy Leader was still in post during May 2019 this report includes their portfolio. However, this will be updated for future reports to the committee.
- 5.3. The monthly Capital Monitoring report projects a gross expenditure overspend of £7.895m by year end and income is forecast to over recover by £10.673m resulting in a net underspend of £2.778m.
- 5.4. The HRA revenue forecast as at period 2 is an overall net surplus of £10.159m, a favourable variance of £0.366m compared to budget.
- 5.5. The forecast gross capital expenditure outturn for the HRA is £146.387m resulting in total variance of £3.466m compared to the budget of £149.853m

6. Revenue – Forecast Outturn

- 6.1. The period 2 monthly Revenue monitoring report projects a nil variance compared to budget but with net risks of £3.540m. The table below shows a summary of forecast variances, risks and opportunities by Cabinet portfolio.

Cabinet Portfolio	Full Year Budget (£m)	Full Year Forecast (£m)	Full Year Variance (£m)	Risks Identified (£m)	Opps Identified (£m)	Projected Variance inc Opps and Risks (£m)
Leader of the Council	9.064	9.064	0.000	0.000	(0.080)	(0.080)
Deputy Leader, Economic Development, Education and Skills	12.898	12.898	0.000	0.900	0.000	0.900
Digital and Customer Services	11.191	11.191	0.000	0.000	0.000	0.000
Environment and City Management	(17.078)	(17.078)	0.000	2.950	(0.400)	2.550
Family Services and Public Health	80.892	80.892	0.000	0.827	(0.827)	0.000
Finance, Property and Regeneration	48.878	48.878	0.000	0.000	0.000	0.000
Housing Services	23.299	23.299	0.000	0.000	0.000	0.000
Place Shaping and Planning	2.251	2.251	0.000	0.000	0.000	0.000
Public Protection and Licensing	8.972	8.972	0.000	0.000	0.000	0.000
Sport, Culture and Community	1.618	1.618	0.000	0.170	0.000	0.170
NET CONTROLLABLE BUDGET	181.985	181.985	0.000	4.847	(1.307)	3.540
Council Tax*	56.675	56.675	-			
Business Rates - Net of Tariff*	125.310	125.310	-			
CORPORATE FINANCING	181.985	181.985	0.000			
NET (SURPLUS) / DEFICIT	-	0.000	0.000			

*Any additional receipts from council tax or business rates are not recognised until next year due to accounting regulations and are therefore forecast on budget.

7. Period 2 Forecast Outturn by Cabinet Portfolio

7.1. Leader of the Council (Councillor Nickie Aiken)

7.1.1. At the end of period 2, the portfolio is forecasting to the full year budget of £9.064m with no reported risks.

7.1.2. An opportunity of £0.080m is being reported relating to vacancies in People's Services.

7.2. Deputy Leader, Economic Development, Education and Community (Councillor David Harvey)

7.2.1. At the end of period 2, the portfolio is forecasting to the full year budget of £12.898m with no reported opportunities.

7.2.2. There is a risk of £0.900m in the Education service owing to demographic pressures in Passenger Transport, activity pressures in short breaks and respite placements and the remainder from legal fees and salary pressures.

7.3. Digital and Customer Service (Councillor Paul Swaddle)

7.3.1. At the end of period 2, the portfolio is forecasting to the full year budget of £11.191m with no reported opportunities or risks.

7.4. Environment and City Management (Councillor Tim Mitchell)

7.4.1. At the end of period 2, the portfolio is forecasting to the full year budget of £17.078m.

7.4.2. There is a reported risk of £2.950m of which £2.200m relates to the Parking service from changes in on-street parking demand; £0.400m in Road Management's declining activity particularly in relation to Temporary Traffic Orders (TTOs) and Code of Construction income; £0.200m increase in utilities costs arising from inflationary increases and changes to Climate Change levies; also an identified risk of £0.150m for a food waste collection pilot starting in October.

7.4.3. There is a £0.400m opportunity reported at period 2, through early implementation of 2020/21 MTP proposed fees & charges increases.

7.5. Family Services and Public Health (Councillor Heather Acton)

7.5.1. At the end of period 2, the portfolio is forecasting to a full year budget of £80.892m.

7.5.2. Adults Social Care's breakeven position is after allocation of one-off funding received such as the Winter Pressures Funding of £1.323m and Improved Better Care Fund (iBCF) of £15.807m for 2019/20.

- 7.5.3. Public Health is reporting a nil variance. The service is fully-funded by Department of Health (DH) grant, in addition to the budgeted drawdown from the accumulated Public Health reserve. This is to ensure that there is no impact upon the Council's General Fund. The budget for 2019/20 includes in year DH grant of £30.425m plus £1.425m from the PH earmarked reserves. As at period 2, the amount required from the reserve has been forecast to budget.
- 7.5.4. There are reported risks of £0.827m within Family Services which are subject to review as part of the budget baseline exercise in Children's Services and are being reviewed in line with the medium-term financial plan to determine their longer-term impacts.
- 7.5.5. There are £0.827m of opportunities reported in Family Services through the one-off grant for 2019/20 for the Social Care Support Grant (SCSG). The grant was originally profiled in 2019/20 to fund demographic growth pressures relating to Unaccompanied Asylum-Seeking Children (UASC). However, following an unexpected rate uplift from the Home Office for UASC costs, £0.827m of the SCSG has been freed up as a fund to mitigate these risks.
- 7.6. **Finance, Property and Regeneration** *(Councillor Rachael Robathan)*
- 7.6.1. At the end of period 2 the portfolio is forecasting to a full year budget of £48.878m with no reported risks or opportunities.
- 7.7. **Housing Services – General Funds** *(Councillor Andrew Smith)*
- 7.7.1. At the end of period 2 the portfolio is forecasting to a full year budget of £23.299m with no reported risks or opportunities.
- 7.8. **Housing Services – Housing Revenue Accounts (HRA)** *(Councillor Andrew Smith)*
- 7.8.1. The HRA revenue forecast as at period 2 is an overall net surplus of £10.159m, a positive variance of £0.366m compared to budget. Forecast salary underspends totalling £0.716m are offset by projected additional costs of £0.350m relating to fire risk assessment work.
- 7.9. **Place Shaping and Planning** *(Councillor Richard Beddoe)*
- 7.9.1. At the end of period 2 the portfolio is forecasting to a full year budget of £2.251m with no reported risks or opportunities.
- 7.10. **Public Protection and Licensing** *(Councillor Ian Adams)*
- 7.10.1. At the end of period 2, the portfolio is forecasting to a full year budget of £8.972m with no reported risks or opportunities.
- 7.11. **Sports, Culture and Community** *(Councillor Ian Bott)*
- 7.11.1. At the end of period 2, the portfolio is forecasting to a full year budget of £1.618m with no reported opportunities.

7.11.2. There are reported risks of £0.170m within the Libraries and Register Services.

8. Capital – Forecast Outturn

- 8.1. The Council's General Fund capital projects are currently reporting a forecast gross expenditure of £322.288m and gross income of £111.115m against a revised gross expenditure budget of £314.393m and gross income budget of £100.442m. This equates to a net underspend of £2.778m comprising an overspend of £7.895m on expenditure and an over recovery of income of £10.673m.
- 8.2. The slippage from 2018/19 outturn has been added to the gross budget and is pending approval from Cabinet.
- 8.3. The table below summarises the capital programme by Cabinet Member.

Cabinet Member

General Fund Summary

	Revised Expenditure Budget	Revised Income	Expenditure Forecast	Income Forecast	Expenditure Variance	Income Variance	Previous Expenditure Forecast	Expenditure to Date
	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)
Deputy Leader, Economic Development, Education and Skills	20,230	(15,957)	19,880	(15,957)	(350)	-	-	1,547
Digital and Customer Services	1,253	-	853	-	(400)	-	-	1,142
Environment and City Management	35,337	(9,419)	34,135	(8,808)	(1,202)	611	-	(131)
Family Services and Public Health	1,183	(1,183)	502	(502)	(681)	681	-	(9)
Finance, Property and Regeneration	120,831	(7,950)	121,726	(8,306)	895	(356)	-	1,820
Housing Services	27,411	(18,849)	39,563	(31,001)	12,152	(12,152)	-	6,037
Place Shaping and Planning	35,388	(1,441)	35,192	(1,388)	(196)	53	-	764
Environment and City Management/Place Shaping and Planning	51,851	(43,610)	51,851	(43,120)	-	490	-	59
Public Protection and Licensing	1,759	(1,162)	1,759	(1,162)	-	-	-	219
Sports, Culture and Community	2,619	(871)	2,619	(871)	-	-	-	(71)
Service Area Total	297,862	(100,442)	308,080	(111,115)	10,218	(10,673)	-	11,377
Projects Funded from Flexible use of Capital Receipts	16,531	-	14,208	-	(2,323)	-	-	3
Grand Total	314,393	(100,442)	322,288	(111,115)	7,895	(10,673)	-	11,380

Funding

	Revised Funding Budget	Funding Forecast	Variance
	(£,000's)		
Grants	(100,442)	(111,115)	(10,673)
Contributions			-
Revenue Account			-
External Funding Total	(100,442)	(111,115)	(10,673)
Internal Funding*	(213,951)	(211,173)	2,778
Grand Total	(314,393)	(322,288)	(7,895)

* This is by capital receipts or borrowing

Generation of Capital Receipts

	Revised Budget	Full Year Forecast	Actual to Date
	(£,000's)		
Queensway Car Park	-	-	-
Moxon Street	-	-	-
Sir Simon Milton UTC	-	-	-
Capital Receipts Total	-	-	-

- 8.4. **Deputy Leader, Economic Development, Education and Community** (*Councillor David Harvey*)
- 8.4.1. At period 2 the portfolio is forecasting £0.350m underspend of expenditure to budget.
- 8.4.2. Libraries 6 Year Decoration Programme is reprofiling £0.350m to next year due to a long lead time.
- 8.5. **Digital and Customer Service** (*Councillor Paul Swaddle*)
- 8.5.1. At period 2 the projected outturn is an underspend of £0.400m against the gross budget of £1.253m. This underspend relates to the End User Computing Refresh project, as devices were purchased in 2018/19 (£0.638m). But the project has now been extended by four months from the original timescales, the anticipated costs of this extension is £0.238m. This is due to its deployment to Housing staff. The project is now expected to be completed by November 2019.
- 8.6. **Environment and City Management** (*Councillor Tim Mitchell*)
- 8.6.1. At period 2 the portfolio is forecasting £1.202m underspend to budget.
- 8.6.2. The variance movement is outlined below.
- 8.6.3. Local Safety and Traffic Management Schemes are reporting reprofiling of £0.800m to next year. It is not envisaged that works which have been recently received from the contractor are going to start until spring 2020.
- 8.6.4. Cycle Schemes are declaring £0.535m underspend due to TfL's allocation of funding being lower than expected and this is offset with a £0.535m reduction in income as this scheme was fully funded by TfL grant.
- 8.6.5. Moberly Sports Centre is forecasting an overspend of £0.133m due to a delay in previous phase.
- 8.7. **Family Services and Public Health** (*Councillor Heather Acton*)
- 8.7.1. At period 2 the Family Services and Public Health portfolio is forecasting a £0.681m underspend to budget.
- 8.7.2. The main variance contributor is Lupus Street. As part of a strategic review, the housing and health partners will inform decisions on the use of the property. The review is being led through Central and North West London NHS (CNWL) and the intention is to have a new service in place within 18 months. It is likely that the majority of the spend (£0.247m) will slip into 2020/21.
- 8.7.3. In addition, the remaining variances (£0.434m) are linked to the IT system projects, including upgrades to the People First Website (£0.100m), Health Integration (£0.200m) and Customer Self Service Digital projects (£0.061m). These projects require further review therefore the profile of expenditure is currently uncertain.

8.8. **Finance, Property and Regeneration** *(Councillor Rachael Robathan)*

8.8.1. At period 2 Finance, Property and Regeneration is forecasting an overspend of £0.895m against the annual budget of £121.726m. The main variance movement is outlined below.

8.8.2. The Westmead development is forecasting an overspend of £1.824m, owing to the re-profiling of consultant costs and educational charges to Wilberforce school.

8.8.3. Dudley House is forecasting an overspend of £1.637m. This is due to the re-profiling of construction costs leading to the overspend.

8.8.4. Beachcroft is expecting an underspend of £1.263m, resulting from an extension of time agreement with the contractor, which has delayed completion and slipped costs into 2020/21.

8.8.5. The Coroners Court Improvement is currently under review and contracts for works need to be procured, therefore £1.040m is re-profiled to next year.

8.8.6. Smaller movements from other schemes account for the remaining underspend of £0.263m.

8.9. **Housing Services** *(Councillor Andrew Smith)*

8.9.1. At period 2, Housing and Customer Services is forecasting an expenditure overspend of £12.152m. This variance relates to the Affordable Housing Fund Budget project (£12.152m), where the expenditure overspend reflects the recent approval of an additional £15.000m to Westminster Community Homes to acquire studio and 1 bed properties. This expenditure is fully funded through Affordable Housing Fund grant.

8.10. **Place Shaping and Planning** *(Councillor Richard Beddoe)*

8.10.1. At period 2, Place Shaping and Planning is forecasting an underspend of £0.196m.

8.10.2. The underspend is related to Street Trees - New Planting (£0.094m) and Marylebone Flyover (£0.102m) owing to projects expenditure being currently uncertain.

8.11. **Environment and City Management / Place Shaping and Planning** *(Councillor Tim Mitchell/Councillor Richard Beddoe)*

8.11.1. At period 2, Environment and City Management/Place Shaping and Planning jointly monitored projects, are forecasting to budget.

8.12. **Public Protection and Licensing** *(Councillor Ian Adams)*

8.12.1. At period 2, Public Protection and Licensing is forecasting to budget.

8.13. **Sports, Culture and Community** *(Councillor Ian Bott)*

8.13.1. At period 2, Sports, Culture and Community is forecasting to budget.

8.13.2 A further analysis of the expenditure position splitting projects between Development, Operational and Investment expenditure can be found in Appendix 1.

9. HRA

9.1. REVENUE EXPENDITURE – 2019/20 Budgets and Projected Expenditure

9.1.1. The HRA revenue forecast as at period 2 is an overall net surplus of £10.159m, a favourable variance of £0.366m compared to budget. This is due to forecasted salary underspends totalling £0.716m which are offset by projected additional costs of £0.350m relating to fire risk assessment work.

9.2. CAPITAL EXPENDITURE – 2019/20 Budgets and Projected Expenditure

9.2.1 At the end of period 2, the forecast gross capital expenditure outturn for the HRA is £146.387m resulting in a total variance of £3.466m compared to the budget of £149.853m. This reflects the expenditure forecast for Major Works of £49.353m, Housing Regeneration of £62.116m and Other Projects of £34.918m.

9.2.2 A forecast underspend for Housing Regeneration of £4.070m, primarily related to Parsons North.

9.2.3 Major Works is forecasting on budget.

9.2.4 A projected overspend of £0.604m in Other Projects

Housing Revenue Account – Capital Monitoring Period 2

Description	Full Year Budget (£'000's)	Forecast P2 (£'000's)	Variance (£'000's)
Major Works	49,353	49,353	-
Housing Regeneration	66,186	62,116	(4,070)
Other Projects	34,314	34,918	604
Total Capital Expenditure	149,853	146,387	(3,466)

Appendix 1

Project Categorisation Cabinet Member

	Revised Expenditure Budget	Revised Funding Budget	Expenditure Forecast	Funding Forecast	Expenditure Variance	Funding Variance	Net Variance
	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)
Operational							
Deputy Leader, Economic Development, Education and Skills	20,230	(15,957)	19,880	(15,957)	(350)	-	(350)
Digital and Customer Services	1,253	-	853	-	(400)	-	(400)
Environment and City Management	32,793	(8,096)	31,458	(7,485)	(1,335)	611	(724)
Environment and City Management/Place Shaping and Planning	28,597	(24,074)	28,597	(23,584)	-	490	490
Family Services and Public Health	1,183	(1,183)	502	(502)	(681)	681	-
Finance, Property and Regeneration	66,994	(2,925)	65,145	(2,925)	(1,849)	-	(1,849)
Housing Services	20,421	(11,859)	20,421	(11,859)	-	-	-
Place Shaping and Planning	3,975	(1,250)	3,779	(1,197)	(196)	53	(143)
Public Protection and Licensing	1,759	(1,162)	1,759	(1,162)	-	-	-
Sports, Culture and Community	2,619	(871)	2,619	(871)	-	-	-
Operational Total	179,824	(67,377)	175,013	(65,542)	(4,811)	1,835	(2,976)
Development							
Environment and City Management	2,544	(1,323)	2,677	(1,323)	133	-	133
Environment and City Management/Place Shaping and Planning	23,254	(19,536)	23,254	(19,536)	-	-	-
Finance, Property and Regeneration	33,837	(5,025)	36,581	(5,381)	2,744	(356)	2,388
Housing Services	6,990	(6,990)	19,142	(19,142)	12,152	(12,152)	-
Place Shaping and Planning	31,413	(191)	31,413	(191)	-	-	-
Development Total	98,038	(33,065)	113,067	(45,573)	15,029	(12,508)	2,521
Investment							
Finance, Property and Regeneration	20,000	-	20,000	-	-	-	-
Investment Total	20,000	-	20,000	-	-	-	-
Efficiency							
FCR	16,531	-	14,208	-	(2,323)	-	(2,323)
Efficiency Total	16,531	-	14,208	-	(2,323)	-	(2,323)
Grand Total	314,393	(100,442)	322,288	(111,115)	7,895	(10,673)	(2,778)



City of Westminster Committee Report

Meeting:	Audit & Performance Committee
Date:	10 July 2019
Classification:	For General Release
Title:	Annual Report on Internal Audit and Internal Control - 2018/19
Wards Affected:	All
Financial Summary:	The Council's budget
Report of:	David Hughes, Shared Services Director for Audit, Fraud, Risk and Insurance
Report author:	Moira Mackie, Senior Manager; email: moira.mackie@rbkc.gov.uk Tel: 020 7854 5922

1. Executive Summary

- 1.1 This report summarises the work of Internal Audit in 2018/19, including an update on work completed since the previous report to the Committee, and provides the audit opinion of the Shared Services Director of Audit, Fraud, Risk and Insurance on the adequacy and effectiveness of the Council's framework of governance, risk management and control. This opinion is provided for the use of Westminster City Council and is used to support its Annual Governance Statement.
- 1.2 From the Internal Audit work undertaken in the financial year 2018/19, reasonable assurance can be provided that systems of internal control in place are effective with 91% of the audits undertaken receiving a positive (substantial or satisfactory) assurance opinion.
- 1.3 There are a few areas where control improvements are required and compliance with agreed systems could be improved. In each case, action plans are in place to remedy the weaknesses identified. These will be followed up by the internal audit team until they are completed.
- 1.4 The Council was found to be effective, in most areas, at implementing recommendations where concerns in respect of controls were identified.

2. Recommendation

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

3. Background, including Policy Context

- 3.1 The Audit and Accounts Regulations 2015 require the Council to conduct a review of effectiveness of the system of internal control. With effect from 1 April 2015, the Council's internal audit service has been provided under a shared service arrangement with the Royal Borough of Kensington & Chelsea (RBKC) and the London Borough of Hammersmith and Fulham (LBHF). RBKC are the host authority for the provision of this service which is managed by the Shared Services Director of Audit, Fraud, Risk and Insurance.
- 3.2 The in-house internal audit team is supplemented by resources from Mazars LLP under a Framework arrangement with the London Borough of Croydon and PWC under a Framework arrangement with the London Borough of Islington.
- 3.3 Detailed reports on the performance and outcomes of the internal Audit work undertaken, have been presented quarterly to the Council's Section 151 Officer and at each meeting of the Audit & Performance Committee during 2018/19, with a further update provided in Appendix 3 to this report for recently completed reviews.
- 3.4 Where appropriate, audits were undertaken on a bi-borough basis where the underlying services operate in such a manner. Additionally, where the opportunity arose, audits considered the controls across all three Councils in services that remained sovereign. This approach provides the opportunity to compare and contrast systems to identify and disseminate best practice.
- 3.5 Wherever possible, when planned audits had to be postponed, alternative audit work was identified from the original plan's contingency list of audits or from in-year requests from senior management.
- 3.6 The internal audit service has been provided in accordance with the UK Public Sector Internal Audit Standards (PSIAS). Under these Standards, internal audit services are required to have an external quality assessment at least once every five years. During 2018/19 the Internal Audit Service undertook a self-assessment to verify PSIAS compliance which has identified general compliance with the Standards with minor improvements required which will be addressed during 2019/20.

4. Internal Audit Opinion

- 4.1 As the provider of the internal audit service to Westminster City Council, the Shared Services Director of Audit, Fraud, Risk and Insurance is required to provide the Section 151 Officer and the Audit & Performance Committee with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control arrangements. In giving this opinion it should be noted that assurance can never be absolute. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- 4.2 The opinion is that, at the time of preparing this report and based upon the work completed this year, the Council's governance, risk management and internal control systems in the areas audited were adequate, with the exception of those areas detailed as "amber", all of which have been reported to the Audit & Performance Committee. This is a positive opinion which means that the Council generally has effective internal control systems with 91% of audits receiving a positive (substantial or satisfactory) assurance opinion. This is an increase from 2017/18 (85%) and reflects ongoing improvements in controls across the Council.
- 4.3 To provide context to the audit opinion ratings assigned to our assurance work, these have been summarised below:

Assurance Rating	Description
Substantial	There is a sound system of control designed to achieve the objectives. Compliance with the control process is considered to be substantial and no material errors or weaknesses were found.
Satisfactory	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	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.
None	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.

- 4.4 In the above context it should be noted that:
- This opinion is based solely upon the areas reviewed and the progress made by the Council to action internal audit recommendations;
 - Assurance can never be absolute neither can internal audit work be designed to identify or address all weaknesses that might exist;

- Responsibility for maintaining adequate and appropriate systems of internal control resides with Council management, not internal audit.
- 4.5 Follow up reviews confirmed that the implementation of medium and high priority recommendations has been consistently effective.
- 4.6 Issues arising from Internal Audit work which have significant implications for the Council's control assurance framework have been included in the Annual Governance Statement which is reported separately to this Committee. The monitoring process in respect of the Annual Governance Statement also ensures that follow up action is taken to remedy the key control weaknesses found.
- 4.7 There were some areas where improvements in compliance with controls were needed with a total of four audits being designated as "limited assurance", namely:

Service Area	Audit	Reported to A&P Committee
Children's Services	Leaving Care*	September 2018
Corporate Services (Fin & Res)	IT Procurement & Contract Mmnt*	September 2018
	Members IT*	September 2018
	FOI and SARs	July 2019

*The findings from these audits have been reported to the Audit & Performance Committee as indicated above and the implementation of recommendations arising from these audits have been reviewed during 2018/19 with good progress made to implement them.

As reported in Appendix 3 to this report, the implementation of the recommendations made in the FOI and SARs audit will be followed up in 2019/20.

4.9 Implementation of Hants CC Managed Services (Finance, HR & Payroll)

- 4.9.1 The Council exited from the BT Agresso Managed Service during 2018/19 and joined the public-to-public partnership for the provision of finance, HR and payroll services with Hampshire County Council (HCC). Services are provided through Hampshire's Integrated Business Centre (IBC).
- 4.9.2 Internal Audit were actively involved in the programme since commencement, providing independent assurance and ongoing constructive challenge through the planning, delivery and governance/oversight of the programme and has been satisfied that the programme has been robustly planned, well-resourced to ensure delivery of plans, and has been subject to good programme governance and oversight.
- 4.9.3 Testing and review was undertaken at key stages of the programme, including the Fit-Gap process, data migration and data verification, development of organisation structure and data required to enable work flow and approvals in the new system,

system integration testing and user acceptance testing. No significant issues were identified in the processes established to undertake these activities of from testing of transactions to ensure that processes were being correctly applied.

- 4.9.4 Appropriate arrangements were put in place to establish and maintain an archive of data held on the BT Agresso system, to enable access to the external auditor and others in respect of historic queries.
- 4.9.5 The Director of Audit, Fraud, Risk and Insurance worked closely with the Programme sponsors and Dependent Projects Board to ensure that key risks were identified, evaluated and plans put in place to manage them.
- 4.9.6 Following the implementation of the new Managed Service, the Senior Audit Manager and the Shared Services Director of Audit, Fraud, Risk and Insurance have been liaising with the HCC's Internal Audit Service, Southern Internal Audit Partnership (SIAP), to ensure that appropriate audit work can be planned to provide the Council with assurance over the adequacy of controls following the implementation of the new finance, HR and payroll systems.
- 4.9.7 During the year, the SIAP have undertaken audits in the following areas of the IBC:
- Governance Arrangements (satisfactory assurance);
 - Payroll (substantial assurance);
 - Order to Cash (Accounts Receivable) (satisfactory assurance);
 - Purchase to Pay (Ordering & Accounts Payable) (satisfactory assurance);
 - Debt Collection (satisfactory assurance);
 - Master Data Team (satisfactory assurance).
- 4.9.8 In addition, HCC commissioned an external review of the suitability of the controls and control objectives operated within the IBC, with the approach agreed with HCC and WCC's external auditors. A Service Organisation Controls Type 1 Report has been provided on the suitability of the design of controls as at 31 March 2019, which was based on International Standard Assurance Engagement (IASE) 3402. This report notes that the Description of Services provided by the IBC fairly presents the system that was designed and implemented as of 31 March 2019. It is also noted that the controls related to the control objectives were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively. It is also noted that certain control objectives can be achieved only if complementary user entity controls are suitably designed and operating effectively.

5. Assurance on Risk Management

- 5.1 The Council must ensure that it is delivering against priorities and requirements (political, community and statutory), that it is managing its processes effectively (finance, procurement, governance) and making the best use of its resources (money, assets, people). To ensure that outcomes are achieved for residents,

businesses and visitors, the Council has adopted recognised best practice in the identification, evaluation and control of risks and issues to ensure that they are managed at acceptable levels. The risk management process has clearly defined steps to support better decision making through the understanding of risks, whether a positive opportunity or a threat and the likely impact.

- 5.2 Risk and issue management are aligned to the Council's business planning, financial management, transformation activities and performance management processes to ensure that it is a live process. A combination of strategic and operational registers is used to ensure that risks and issues are captured and addressed in an integrated way.
- 5.3 The Executive Leadership Team reviews the Council's strategic risk on a regular basis and the top risks for the coming year were published in the Executive Director's Report in the Council's Annual Accounts.
- 5.4 The Director of Policy, Performance and Communications reports regularly to the Audit and Performance Committee on achievements against the Council's 'City for All' commitments, key performance indicators and risks. In areas of concern, Directors are requested to provide additional information to the Committee and during the financial year 2018-19, the following were reported to the Committee:
 - Provision of Home Care Services (April 2018);
 - CityWest Homes Performance and Transfer to the Council (September 2018 and February 2019);
 - Bi-borough arrangements in Adult Social Care and Children's Services (November 2018);
 - Procurement (February 2019); and
 - Regular reporting on the Programme to transfer finance, HR and payroll systems from BT Agresso to Hampshire CC SAP.

6. Assurance on Corporate Governance Arrangements

- 6.1 To Support the Annual Governance Statement, all Council directors are required to complete an annual Director's Assurance Statement which covers their arrangement for managing risk, performance and statutory/policy compliance in their areas or responsibility.
- 6.2 In addition, a number of independent reviews on the effectiveness of arrangements in the following areas have been completed which were reported to the Committee in May 2019:
 - The Role of the Chief Financial Officer (S151) – based on the CIPFA statement for this role;

- The Role of the Shared Services Director of Internal Audit, Fraud, Risk Management and Insurance – based on the CIPFA statement on the role of the Head of Internal Audit;
- The Audit & Performance Committee – based on the CIPFA Toolkit for Effective Audit Committees.

The outcome of these reviews indicated that they are operating effectively.

6.3 In addition to the above, from the work undertaken by Internal Audit, the Council's corporate governance framework is considered to comply with the best practice guidance on corporate governance issued by CIPFA/Solace.

6.4 Appendices to this report are as follows:

- Appendix 1 - A list of audits completed in 2018/19 with assurance opinions;
- Appendix 2 - A summary of the Internal Audit Service performance indicators; and
- Appendix 3 – A summary of Internal Audit outcomes since the last report to Committee.

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

Moira Mackie on 020 7854 5922,

Email: moira.mackie@rbkc.gov.uk

BACKGROUND PAPERS

Internal Audit Reports;
Committee Progress Reports

Internal Audit Plan – 2018/19

Adult Social Care:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Direct Payments (cfwd from 2017/18)	Green	Satisfactory	1	4	7	Sept 2018
IT – Mosaic (cfwd from 2017/18)	Green	Satisfactory	0	0	1	Sept 2018
Safeguarding (cfwd from 2017/18)	n/a	Advisory	0	3	0	Feb 2019
Client Affairs (cfwd from 2017/18)	n/a	Advisory	0	6	0	Feb 2019
Day Centre: 42 Westbourne Park	Green	Satisfactory	0	2	1	Jul 2019
Day Centre: Droop Street	Green	Satisfactory	0	1	3	Jul 2019
Day Centre: Lisson Grove	Green	Satisfactory	0	1	3	Jul 2019
Day Centre: Flexible Response Service	Green	Substantial	0	0	4	Jul 2019

Public Health:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Public Health Prioritisation Framework (cfwd from 2017/18)	Green	Satisfactory	1	2	0	Nov 2018
Public Health – Commissioning, Planning & Delivery (cfwd from 2017/18)	Green	Substantial	0	0	0	Feb 2019
Public Health – Investment Fund	n/a	Advisory	2	3	2	Feb 2019

Internal Audit Plan – 2018/19

Children's Services:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Leaving Care (cfwd from 2017/18)	Amber	Limited	2	4	0	Sept 2018
Supplier Resilience (cfwd from 2017/18)	Green	Satisfactory	0	2	1	Sept 2018
IT – Mosaic (cfwd from 2017/18)	Green	Satisfactory	0	3	0	Sept 2018
Emergency Duty Team (also covers ASC)	Green	Satisfactory	1	0	2	Jul 2019

Schools:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Our Lady of Dolours (cfwd from 2017/18)	Green	Satisfactory	0	2	3	Sept 2018
St Barnabas (cfwd from 2017/18)	Green	Satisfactory	0	5	3	Sept 2018
St Peters Chippenham Mews (cfwd from 2017/18)	Green	Satisfactory	1	1	4	Sept 2018
St Mary Magdalene (cfwd from 2017/18)	Green	Satisfactory	0	3	3	Nov 2018
St Saviours Primary (cfwd from 2017/18)	Green	Satisfactory	0	2	5	Jul 2019
St George's Hanover Square Primary	Green	Satisfactory	0	6	2	Jul 2019
St James' & St John's Primary	Green	Satisfactory	0	8	4	Jul 2019
St Vincent de Paul Primary	Green	Satisfactory	2	9	4	Jul 2019

Internal Audit Plan – 2018/19

Growth, Planning & Housing

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Planning (cfwd from 2017/18)	Green	Satisfactory	0	3	0	Sept 2018
Implementation of Homelessness Reduction Act	Green	Satisfactory	1	2	0	Jul 2019
Churchill Gardens Resident Association	n/a	Advisory	2	24	1	Jul 2019

City Management & Communities:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Licensing (cfwd from 2017/18)	Green	Satisfactory	0	4	2	Sept 2018
Libraries Target Operating Model (cfwd from 2017/18)	Green	Satisfactory	0	4	1	Sept 2018
Noise Complaints	Green	Satisfactory	0	3	1	Jul 2019
Electric Vehicle Charging Strategy	n/a	Advisory	0	2	1	Jul 2019

Policy, Performance & Communications:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Section 106 Agreements	Green	Satisfactory	1	2	1	Feb 2019
Community Infrastructure Levy	Green	Satisfactory	1	3	0	Feb 2019

Internal Audit Plan – 2018/19

Corporate Services (now part of Finance & Resources):

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
IT – Service Governance (cfwd from 2017/18)	Green	Satisfactory	0	2	1	Sept 2018
IT – Procurement & Contract Monitoring (cfwd from 2017/18)	Amber	Limited	2	3	0	Sept 2018
Members' IT (cfwd from 2017/18)	Amber	Limited	2	4	0	Sept 2018
IT – Office 365 Implementation (cfwd from 2017/18)	Green	Satisfactory	0	0	2	Feb 2019
HR – Pensions Admin (cfwd from 2017/18)	Green	Satisfactory	0	1	4	Sept 2018
HR – Off Payroll Working (IR35) (cfwd from 2017/18)	Green	Substantial	0	1	0	Nov 2018
Legal Services (cfwd from 2017/18)	n/a	Advisory	0	1	3	Feb 2019
Governance – Effectiveness of Roles	n/a	Advisory	n/a	n/a	n/a	May 2019
GDPR Readiness	n/a	Advisory	3	2	0	Jul 2019
FOI & SARs	Amber	Limited	2	4	0	Jul 2019
Complaints & Customer Engagement	Green	Satisfactory	0	3	1	Jul 2019
Implementation of new Finance, HR & Payroll System	n/a	Advisory	n/a	n/a	n/a	Jul 2019

City Treasurer: (now part of Finance & Resources)

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Housing Benefit (cfwd from 2017/18)	Green	Substantial	0	0	0	Sept 2018
NNDR (cfwd from 2017/18)	Green	Substantial	0	0	0	Sept 2018
Housing Benefit 2018/19	Green	Substantial	0	0	1	Jul 2019
NNDR 2018/19	Green	Substantial	0	0	0	Jul 2019
Council Tax	Green	Substantial	0	0	0	Jul 2019
CHAPS Controls	Green	Satisfactory	0	1	3	Jul 2019
Charitable Trust (IE)	n/a	Advisory	n/a	n/a	n/a	Jul 2019

Audits in progress

The audits listed below could not be completed prior to the end of the financial year and the outcomes from these audits will be reported to the Committee during 2019/20:

Children's Services	<ul style="list-style-type: none"> • TBAP Contract Monitoring (WIP) • Procurement of SEN Transport (Advisory)
City Management & Communities	<ul style="list-style-type: none"> • Cemeteries Contract Monitoring (draft report) • Community Safety (WIP) • Registrar Service Income (WIP) • Certified Enforcement Agent (Parking) Contract Monitoring (draft report) • Street Works Permits (WIP)
Growth, Planning & Housing	<ul style="list-style-type: none"> • Procurement of Temporary Accommodation (WIP) • Energy Performance of Buildings Compliance (WIP) • Building Control (WIP) • Procurement of Estate Services Management (Advisory) • Housing Management – Health & Safety Compliance (draft report)
Corporate Services (Fin & Res)	<ul style="list-style-type: none"> • IT - BT Agilisys Contract Monitoring
City Treasurer (Fin & Res)	<ul style="list-style-type: none"> • ASC Debt (WIP)
Policy, Performance & Communications	<ul style="list-style-type: none"> • Strategic Objectives (WIP) & Corporate Performance Monitoring (WIP)

Audits deferred

The audits listed below were not undertaken during 2018/19 for the reasons shown and where appropriate will be undertaken during 2019/20 or included in a future year's audit plan:

Plan Area	Auditable Area	Reason Audit not Undertaken
Adult Social Care	Mosaic – Disaggregation of Data	Data disaggregation not yet complete – to be reviewed in Q2-Q3 of 2019/20
Adult Social Care	Placements	Deferred to allow settled processes following disaggregation of the service.
Adult Social Care	Procurement	Several reviews completed in previous year
Children's Services	<ul style="list-style-type: none"> • Family Support & Safeguarding • MASH 	External reviews already undertaken in year
Children's Services	Business Continuity	Deferred to 2019/20 and will be a wider BC review
Children's Services	Childcare Funding (Additional Hours)	Not considered high risk – to review in a year
Children's Services	Procurement	Several review completed in previous years
Children's Services	Schools Thematic Reviews	Delay in agreeing scope – to be undertaken in 2019/20
Growth, Planning & Housing	Adult Education Service	Changes to funding to consider audit in 2019/20
Growth, Planning & Housing	Capital Programme (to include all areas) – PMO	Establishment of new PMO in 2018/19 to be reviewed in 2019/20
Growth, Planning & Housing	Housing Major Works Contracts	Defer due to move back to the Council and will be picked up in Capital Programme
Growth, Planning & Housing	Management of TMOs & TMO Action Plans	Defer due to move back to the Council. To consider in 2019/20
Growth, Planning & Housing	Housing Repairs	Defer due to move back to the Council. Include in future year.
Growth, Planning & Housing	Transformation of Service Delivery	External review completed in 2018/19

APPENDIX 1
Internal Audit Plan – 2018/19

Plan Area	Auditable Area	Reason Audit not Undertaken
Growth, Planning & Housing	<ul style="list-style-type: none"> • Income • Management of Investment Portfolio 	Deferred and replaced by review of procurement of Estate Management Services (advisory)
Growth, Planning & Housing	Partnerships – WEP	Currently under review by Council
City Management & Communities	Organisational Health & Safety	Advisory undertaken but full review deferred to 2019/20
City Management & Communities	Procurement	Suggested areas due to commence in 2019/20
City Management & Communities	Effective Neighbourhood Working	Delay to 2019/20 when new structures embedded.
ICT – RBKC & WCC	Cyber Security	Requested to defer audit until Q2 2019/20
ICT – RBKC & WCC	PCI Compliance	Defer until after year end 2018/19
CS - Managed Services – General (Fin & Res)	Various relating to HR, Payroll & Finance Systems	Replaced with review of implementation of new IBC system and controls. New areas to audit in 2019/20
CS – Procurement (Fin & Res)	Procurement Integrity	Integrity included in all procurement reviews
CS – Procurement (Fin & Res)	Procurement Expertise	Review of Procurement Team in progress in 2018/19 – reconsider post review
CS – General (Fin & Res)	Digital Transformation of Services	Replaced by external review of programme commissioned by CExec during 2018/19
City Treasurer (Fin & Res)	Bank Reconciliation	Requested deferral to after year end 2018/19
City Treasurer (Fin & Res)	Various relating to HR, Payroll & Finance System	Replaced with review of implementation of IBC system and controls. New areas to audit in 2019/20
Policy, Performance & Communications	Risk Management	Delay in commencing the audit due to other audits in this area being undertaken. To be undertaken in 2019/20

APPENDIX 2
Internal Audit Performance Indicators – 2018/19

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 March 2019	90%	90%	
Percentage of draft reports issued within 10 working days of fieldwork being completed	90%	90%	
Percentage of audits finalised within 10 days of a satisfactory response	95%	95%	
Quality			
External audit conclude they can place reliance on Internal Audit work (annual)	Yes	Yes	Liaison with external auditors to provide evidence of internal audit work.
Percentage of recommendations implemented and in progress	95%	97%	114 out of 130 recommendations fully implemented, 13 in progress and 3 not yet implemented.

Internal Audit Progress Report January to March 2019

1. Executive Summary

- 1.1 The work carried out by the Council's Internal Audit Service in the reporting period found that, in the areas audited, internal control systems were generally effective with seven satisfactory and one limited assurance reviews being issued in the period.
- 1.2 The follow up reviews completed in the period for sixteen audits confirmed that the implementation of recommendations has been effective with 96% of recommendations being fully or partly implemented at the time of review.

2. Audit Outcomes (January to March 2019)

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

Audit	Assurance	RAG
ASC – Droop Street Centre	Satisfactory	Green
ASC – Flexible Resource Centre	Substantial	Green
ASC – 42 Westbourne Park	Satisfactory	Green
CHS – Emergency Duty Team	Satisfactory	Green
CS (Fin & Res) - Freedom of Information Act (FOI) & Subject Access (SA) Requests*	Limited	Amber
CS (Fin & Res) – Complaints & Customer Engagement	Satisfactory	Green
GPH – Homelessness Reduction	Satisfactory	Green
CMC – Noise Complaints	Satisfactory	Green
Schools: St Saviour's Primary	Satisfactory	Green
Schools: St George's Primary (Hanover Sq)	Satisfactory	Green
Schools: St James' & St John's Primary	Satisfactory	Green
Schools: St Vincent de Paul Primary	Satisfactory	Green
City Treasurer (Fin & Res) – Housing Benefit	Substantial	Green
City Treasurer (Fin & Res) – NNDR	Substantial	Green
City Treasurer (Fin & Res) – Council Tax	Substantial	Green
City Treasurer (Fin & Res) – CHAPS	Satisfactory	Green

*Further information on this audit is contained in paragraph 2.3

- 2.2 In addition, four advisory reports have been issued in the following areas:
- Implementation of the new Managed Service;
 - GDPR Readiness;
 - Churchill Gardens RA;
 - Electric Vehicle Procurement Strategy.

Recommendations arising from advisory reports are followed up and the implementation of these recommendations will be reported in summary to the Committee.

2.3 Freedom of Information Act (FOI) & Subject Access (SA) Requests (Amber)

The Freedom of Information (Fol) Act gives the public the right to request information held by the council. The Act came fully into force 1st January 2005 and applies to all information held by public authorities, regardless of when the information was recorded. The aim of the Act is to open up the inner workings of government departments and public bodies. The general principle is that people have the right to know and should not have to demonstrate a need to know. In order to comply with the Fol Act, Westminster City Council (WCC) need to respond to individual requests for information and have a Publication Scheme in place. The Publication Scheme provides Council information relating to how it operates and how it spends its budget. It will also detail information they intend to publish in the future, how this information will be published, and whether the information is available free of charge or on payment.

Individuals can also make Subject Access Requests (SARs) to obtain personal information held by the Council. This is permitted under the Data Protection Act (DPA). Where information is held, the Council will:

- Provide a description of it
- Tell the individual why they are holding it
- Tell the individual who it could be shared with
- Let the individual have a copy of the information if they are able to do so.

The audit identified that there is sufficient information available to staff on their responsibilities and the expectations when responding to FOI requests and directs them to the Information Governance Team if training or assistance is required on complex cases.

The Information Commissioner's office (ICO) has stated that websites may serve as a Council's guide to information and the Council's website contained information on how to make a Fol or SAR's request and on how to make a complaint should if a response to a request is not satisfactory. Requestors were also made aware of this process via the response letter.

Where exemptions are applied to a response or where a request exceeds the cost limit for providing the information, the requester is notified of this including a breakdown of the associated costs.

All cases reviewed in this audit had been appropriately signed off by the Information Management Officer.

The audit identified areas where controls required improvement with two high and four medium priority recommendations made to address the following:

- Local procedures were either not available, out of date and / or lacking key information / updates. The procedure notes received by audit were also not easily accessible by staff. The WCC FoI policy was available online, however this was last reviewed in 2011;
- The iCasework systems allows management to build its own monitoring reports. It allows management to extract relevant information to monitor the progress of the service. Audit reviewed a number of reports relating to response times, outstanding requests by department and by worker. Audit were advised that outcomes of these reports or FoI and SAR's in general were not discussed at Senior Management Team/Executive Leadership Team Meetings;
- One officer appeared to be responsible for the majority of requests which has impacted adversely on the response time for requests and disclosures;
- there were discrepancies between the actual date FoI's and SAR's requests are received and the date recorded on iCasework. In addition, there was evidence of delays in allocating requests to departments;
- The audit testing identified 26% of FOI requests received in a calendar year were responded to outside of the 20 working days' timescale. A number of SARs were also showing as 'awaiting documentation' for over a month (some dating back over a year). The monitoring of the responses was not considered to be effective;
- The Freedom of Information Act requires each public authority to produce and make available a Publication Scheme in the interests of openness and accountability. However, audit was advised that there is not a formal review of the Publication Scheme nor was frequently requested information published. Additional information such as an annual report online which details the number of requests received, responded to within time frames and exemptions applied were also not made available online.

The service has accepted all of the recommendations and is expecting to address them within the next six months when a follow up audit will be undertaken.

2.4 Implementation of Audit Recommendations

Sixteen follow-up reviews were undertaken in the period (January to March 2019) which confirmed that 85% of recommendations made had been implemented with good progress made to implement the remaining recommendations:

Audit	No of Recs Made			No of Recs Implemented			No of Recs In Progress			No of Recs not yet actioned		
PH – Supplier Resilience	3			3			0			n/a		
PH – Prioritisation Framework	1			1			0			n/a		
CHS – Leaving Care*	6			2			4			n/a		
St Peter’s CE Primary School	6			6			0			n/a		
Dorothy Gardner Nursery	5			5			0			n/a		
Our Lady of Dolours Primary School	2			2			0			n/a		
Queens Park Primary School	2			2			0			n/a		
Mary Paterson Nursery	3			3			0			n/a		
Tachbrook Nursery	4			4			0			n/a		
St Thomas’ Primary	4			4			0			n/a		
St Matthew’s Primary	6			6			0			0		
CMC – Highways Contracts	8			4			3			1		
CMC – Sayers Croft	4			4			0			n/a		
CS (Fin & Res) – Members IT	6			5			1			n/a		
CS (Fin & Res) – IT Procurement & Contract Monitoring	5			3			0			2		
CT (Fin & Res) – Pension Investments	4			4			0			n/a		
Total	72			61			8			3		
Priority of recommendations	H	M	L	H	M	L	H	M	L	H	M	L
	12	47	13	10	40	11	1	6	1	1	1	1

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



City of Westminster

Audit & Performance Committee Report

Meeting:	Audit & Performance Committee
Date:	10 th July 2019
Classification:	For General Release
Title:	Counter Fraud 2018/19 – End of Year Report
Wards Affected:	All
Financial Summary:	The Council's budget
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The Audit and Performance Committee's Terms of Reference require that the Committee receive reports on internal and external fraud investigated by the Council. This report is intended to brief members of the Committee in respect of work undertaken by the fraud service during the period 1 April 2018 to 31 March 2019.

FOR INFORMATION

1. BACKGROUND

- 1.1 This report provides an account of fraud related activity undertaken by the Corporate Anti-Fraud Service (CAFS) from 1 April 2018 to 31 March 2019.
- 1.2 CAFS remains a shared service covering three Councils and continues to reap a number of benefits including the sharing of skills and expertise, a "compare and contrast" review to identify the best practice and the streamlining of anti-fraud related policies and procedures.
- 1.3 CAFS continues to provide Westminster City Council with a full, professional counter fraud and investigation service for fraud attempted or committed against the Council.
- 1.4 For the period 1 April 2018 to 31 March 2019, CAFS identified 231 positive outcomes, including 100 successful prosecutions and 24 recovered tenancies,

and stopped successions. Fraud identified has a notational value of over £629,548 and is detailed in the following table.

Activity	2017/18		2018/19	
	Fraud proved	Notional Values (£'s)	Fraud proved	Notional Values (£'s)
Housing application fraud	29	65,532	0	0
Right to Buy	57	121,060	38	56,780
Advisory Reports (pro-active)	8	16,000	4	11,392
Prevention subtotal	94	202,592	42	68,172
Tenancy Fraud (Council and Registered Providers)	21	117,550	24	207,350
Insider fraud	4	8,500	2	8,000
High/Medium risk fraud (e.g. NNDR, Procurement)	-	0	2	3,315
Low-risk fraud (e.g. Freedom passes, Council Tax SPD)	7	15,353	6	2,649
Disabled Parking	23	69,096	96	216,000
Resident's Parking	61	71,795	52	56,800
Detection subtotal	99	439,098	182	494,114
Proceeds of Crime (POCA)	5	17,425	6	64,112 <i>(repaid to date 48,900)</i>
Press releases and publicity	-	-	1	3,150
Deterrence subtotal	5	17,425	7	67,262
Total	215	502,311	231	629,548

1.5 Between 1 April 2018 to 31 March 2019, CAFS investigated 578 cases, including 380 new referrals, and concluded 421 investigations. Conclusion could mean support of a successful prosecution, successful prevention that stops fraud, a detection that identifies fraud and stops it continuing, an action that deters fraud, or no further action where there is no case to answer.

1.6 The table below shows this activity and details the fraud types that make up the closed cases, and the live caseload at the start of the current financial year.

Activity	Cases	Fraud types	Closed	Live
Live cases as at 01/04/18	198	Tenancy & Housing cases	184	86
New referrals received	380	Insider fraud	3	4
Closed investigations	421	Other Corporate	13	9
Positive outcomes	231	Parking and Blue Badges	215	56
Live cases as at 01/04/19	157	POCA	6	2

1.7 Details of noteworthy cases are reported in Appendix 1.

2. WHISTLEBLOWING

- 2.1 The Council's whistleblowing policy continues to be the primary support route for staff wishing to report a concern.
- 2.2 Since April 2018 CAFS received one referral via the whistleblowing process which was concluded. The table below provides an overview of the allegation and outcome of the investigation;

Allegation		Outcome
i.	Codes of Conduct breaches	Investigation concluded

3. ANTI-FRAUD AND CORRUPTION STRATEGY

- 3.1 The Council's Anti-Fraud & Corruption Strategy is based on three key themes: Acknowledge, Prevent and Pursue, and is aligned with the National Strategy: *Fighting Fraud and Corruption Locally*.
- 3.2 The Strategy places emphasis upon the following anti-fraud activities:
- i. **Acknowledge:** recognising and understanding fraud risks and committing support and resource to tackling fraud to maintain a robust anti-fraud response.
 - ii. **Prevent:** preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.
 - iii. **Pursue:** punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive law enforcement response.

4. ACKNOWLEDGE, PREVENT, PURSUE

(i) ACKNOWLEDGE

Committing support and resource to tackling fraud.

- 4.1 A vital element of a counter-fraud strategy is the ability of an organisation to call upon competent, professionally trained officers to investigate suspected fraud, and through the resourcing and support for CAFS, the council demonstrates it is committed to tackling fraud.

- 4.2 As part of this commitment of professionalism, the head of service is working closely with the Cabinet Office to extend membership of the Government Counter Fraud Profession to local authorities.
- 4.3 Having received ministerial consent in January 2019, work is well underway to map local authority standards to those of central government to ensure they are comparable, and we expect Westminster City Council to become one of the first councils to qualify to join the profession by the end of this financial year.
- 4.4 In support of this CAFS has also become a founder member of a new Counter Fraud Apprenticeship Scheme in partnership with the Institute for Apprenticeships and Technical Education, HMRC, Cabinet Office and a selection of other local authorities.
- 4.5 The new counter fraud apprenticeships will provide opportunities for individuals to forge a career path in counter fraud, with a practical approach to training that offers professional accreditation. The scheme is reaching its final sign-off stage, and it is expected to roll out in the autumn.

Maintain a robust anti-fraud response.

- 4.6 There are three critical elements of the operational plan that underpins and drives the Anti-Fraud and Corruption Strategy, and CAFS refer to this as the *Fraud Resilience Triangle*. The triangle is formed of:
- 1) Fraud Risk Register (*Acknowledge*)
 - 2) Pro-Active Work Programme (*Prevent*)
 - 3) Reactive Referrals (*Pursue*)
- 4.6 Responding solely with reactive referrals often fails to provide the levels of coverage required to provide a robust anti-fraud response. Therefore, during 2018/19 CAFS continue to dedicate resources to pro-active operations.
- 4.7 Combining pro-active work plans with reactive capability increase the chances of fraud detection. But regardless of how successful a proactive fraud operation may be in detecting fraud, it can always serve as a deterrent if the work is done visibly and if it is performed in areas that fraud perpetrators may consider operating.
- 4.8 Details of concluded risk reviews and pro-active counter fraud activity are reported in Appendix 1.

(ii) PREVENT

Corporate investigations

- 4.9 Corporate investigations are fraud cases which relate to employee fraud or more complex third-party fraud investigations.

4.10 Additionally, CAFS continue to work closely with Council's Human Resources Department to ensure that matters are investigated promptly so that appropriate disciplinary action can be taken, as well as ensuring that civil or criminal proceedings are also pursued where admissible evidence is found.

4.11 Since 1 April 2018 corporate investigation work has included:

- Falsely claimed business rates refund – A member of the public had intercepted post intended for a company due a refund and made a false application. Full repayment received following CAFS interview. Suspect prosecuted and received suspended prison sentence and order to carry out unpaid work.
- Dissemination of a Financial Risk Fraud Alert regarding revenue collection refund fraud. The alert helped to prevent a fraud against the City Council when vigilant officers identified an individual, who was named on the alert, trying to falsely create a business rate liability and promptly placed a hold on the account.
- Former employee in Adult Social Care who was found to be have provided false work history and employment references when applying to join Westminster. Prosecution resulted in another suspended prison sentence and an order to carry out unpaid work.
- Dissemination of a Fraud Alert to schools highlighting the risks of counterfeit cheques and cheque theft.
- Personal Budget misuse investigation identified over £2,000 misused by client's family, advised on recovery and introduced controls to prevent future loss.
- Council Tax: Single Person Discount - £2,550 removed and bills revised

Housing/Tenancy Fraud

4.7 CAFS provides an investigative service to all aspects of housing, including the verification applications for housing support, as well as applications for the succession or assignment of tenancies. CAFS also investigate allegations of subletting or other forms of tenancy breaches as well as the checking of all right to buys.

4.8 For the period 1 April 2018 to 31 March 2019, CAFS has successfully prevented six false successions/assignments, recovering twenty-four properties that can now be allocated to a family in genuine need of assistance. Four cases concluded in criminal convictions due to unlawful subletting.

4.9 Referrals from Housing Solutions Service has been low but engagement work including further fraud awareness training has been agreed.

4.10. Additionally, twelve recoveries involved the return of keys and vacant possession without the need for lengthy and costly legal action and ensuring properties can be promptly reallocated.

4.11 Full details of successful investigation activity regarding social housing are detailed in the table below, and noteworthy cases are reported in Appendix 1.

Landlord	Location	Postcode	Size (bedrooms)	Reason for recovery	Outcome
Octavia	Bravington Rd	W9	1	Non-residency	Property surrendered
Council	Dalton House	SW1W	3	Non-residency	Court possession
Council	Scott Ellis Gardens	NW8	1	Subletting	Property surrendered
Octavia	Siddons Lane	NW1	1	Non-residency	Property surrendered
Council	Fitzrovia Court	W1W	Studio	Non-residency	Property surrendered
Council	Fitzrovia Court	W1W	Studio	Non-residency	Property surrendered
Council	Scott Ellis Gardens	NW8	1	Subletting	Criminal prosecution
Council	Russell House	SW1	3	False claim	Succession stopped
Council	Coleridge House	SW1	3	Non-residency	Property surrendered
Council	Downland Street	W10	3	Subletting	Court possession
Peabody	Harvey House	SW1V	2	False claim	Succession stopped
Council	Oliphant Street	W10	2	False claim	Succession stopped
Soho	Berwick Street	W1	1	Not resident	Property surrendered
Council	Missenden House	NW8	1	False claim	Succession stopped
Council	Porchester Square	W2	2	False claim	Succession stopped
Council	Heather Walk	W10	1	False claim	Succession stopped
Council	Verney House	NW8	1	Subletting	Criminal prosecution
Council	Missenden House	NW8	1	Subletting	Court possession
Peabody	Faraday House	WC2	2	Subletting	Property surrendered
Soho	John Broadwood House	W1	2	Subletting	Property surrendered
Peabody	Malcolmson House	SW1V	1	Subletting	Property surrendered
Peabody	Malcolmson House	SW1V	2	Subletting	Criminal prosecution
Peabody	Charing Cross Road	WC2	2	Subletting	Court possession
Peabody	Harvey House	SW1V	3	Non-residency	Court possession

Right to Buy (RTB)

4.12 CAFS apply an enhanced fraud prevention process to all new RTB applications, including anti-money laundering questionnaires as well as financial and residential verification.

4.13 For the period 1 April 2018 to 31 March 2019, CAFS have successfully prevented 38 Right to Buys from completion, where suspicion was raised as to the tenant's eligibility or financial status. In many instances, these have been as a result of the tenant voluntarily withdrawing their application once checking commenced.

4.14 The prevention work undertaken by CAFS in respect of RTB continues to protect valuable Council stock.

Parking investigations

- 4.15 CAFS continue to investigate the misuse of disabled parking badges, and for the period 1 April 2018 to 31 March 2019 have successfully prosecuted 96 offenders. A further fourteen cases are currently lodged with the Council's solicitors awaiting court dates.
- 4.16 From the successful prosecutions secured to date, fines totalling £20,551 were imposed, and defendants ordered to pay the Council a total of £32,196 in costs and victim surcharges. The table below identifies the wards where offenders were unlawfully parking when apprehended.

WARD	Prosecutions
West End	41
Marylebone High Street	37
Bryanston & Dorset	6
Hyde Park	6
St James	4
Knightsbridge & Belgravia	2

- 4.17 In addition to stopping misuse by driver, CAFS also cancelled 18 blue badges where the badge holder was not eligible to have received the badge and removed three personalised disabled bays that were no longer required.
- 4.18 CAFS also investigate the misuse of residents parking permits and any suspicious applications. For the period 1 April 2018 to 31 March 2019 the team have successfully detected and taken appropriate action against 32 offenders.

(iii) PURSUE

Deterrence

- 4.19 Stopping fraud and corruption from happening in the first place must be our primary aim. However, those who keep on trying may still succeed. It is, therefore, essential that a robust enforcement response is available to pursue fraudsters and deter others.

Sanctions

- 4.20 Criminal prosecutions are one of the strongest fraud deterrents due to the powers and sanctions of the criminal court, including confiscation, the threat of a custodial sentence and a criminal record.
- 4.21 For the period 1 April 2018 to 31 March 2019, CAFS has successfully prosecuted 100 offenders, including four housing frauds linked to illegal

subletting. Currently, CAFS have a further seventeen cases lodged with the Council's solicitor for prosecution activity.

4.22 Details of noteworthy cases are reported in Appendix 1.

Proceeds of crime

4.23 To deter fraud, it is important that the Council publicise the successful outcomes of their investigations. CAFS record a positive result each time a story is published by the national or local media because positive publicity about the successful detection, prosecution or prevention of fraud may help to deter others.

5. LOCAL GOVERNMENT TRANSPARENCY CODE

5.1 The Local Government Transparency Code sets out key principles for local authorities in creating greater transparency through the publication of public data.

5.2 The Government believes that in principle all data held and managed by local authorities should be made available to local people. The Government believes that local people are interested in how their authority tackles fraud and have introduced a mandatory requirement in respect of fraud data.

5.3 The table below shows current activity in respect of the required data for the financial year ending 31st March 2019.

Information	17/18	18/19
Number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers	59	57
Total number (absolute and full-time equivalent) of employees undertaking investigations and prosecutions of fraud	6	6.5
Total number (absolute and full-time equivalent) of professionally accredited counter fraud specialists	6	6.5
Total amount spent by the authority on the investigation and prosecution of fraud, and	£405,000	£418,000
Total number of fraud cases investigated	309	578

6. FORWARD PLANNING

Resource allocation

6.1 Each year CAFS complete a workplan of anticipated reactive and proactive work to direct resources to achieve key objectives.

6.2 The quantity of reactive referrals will vary each year causing fluctuations, however, by tracking these changes CAFS can identify areas of growing risk and diverting resources as required.

6.3 The table below shows the planned number of days allocated to counter fraud activity for the financial year 2019/20, the actual number of days resourced, as well as the resource variance, the number of cases concluded and the outputs achieved.

Reactive (days)	Anticipated days	Actuals days	Variance	Total cases actioned	On-going @ 1/4/19	Positive Outputs
Tenancy	280	445	165 ↑	254	81	24
Right to Buy	80	104	24 ↑	78	15	38
Housing	120	35	85 ↓	17	5	-
Insider	40	62	22 ↑	8	4	2
Corporate	140	47	93 ↓	26	11	8
Parking	80	255	175 ↑	91	46	52
Total	740	948	208 ↑	474	162	124
Proactive (days)						
Risk reviews	120	34	86 ↓	3	-	3
Fraud operations	50	14	36 ↓	1	-	1
Parking inspections	150	126	24 ↓	96	-	96
Total	320	174	146 ↓	474	162	124
Data analytics (days)						
Data matching	50	2	48 ↓			
Additional activity						
POCA						6
Press releases						1
Totals	1,110	1124	14 ↑	574	162	231

6.4 Based on the resource variations in 2018/19, the table below shows the 2019/20 resource allocation along with the expected levels of output.

Reactive	Anticipated days	Estimated outputs
Tenancy	480	27
Right to Buy	80	30
Housing	60	10
Insider	40	3
Corporate	50	14
Parking	100	25
Proactive		
Risk reviews	100	10
Fraud operations	40	3
Parking inspections	120	100
Data analytics		
Data matching	40	10
Additional activity		
POCA	-	5
Press releases	-	3
Total days allocated	1,110	240

Proactive work

- 6.5 CAFS proactive work for 2019/20 is aligned with the Council's anti-fraud strategy and aims to enhance the Council's overall fraud resilience. It is a risk-based programme of work that supports the assurance framework by focusing counter-fraud activity in areas of high fraud risk and on newly or emerging fraud risks.
- 6.6 By introducing pro-active work with reactive capability improves fraud prevention, helps to identify fraud risks, and increases the chances of fraud detection.
- 6.7 The proactive work for 2019/20 is briefly described in the table below.

Risk ref	LA	Fraud risk	Current Score	Activity
G4	Bi-Borough	Bribery and Corruption – Review of risk across the Council including a survey by head of service	12	Q1 – 4
		Gifts & hospitality – Quarterly reviews of register		
G5	wcc	Procurement – review of suppliers on Capital e Sourcing and data cleansing.	12	Q1 - 2
G9	Bi-Borough	Mandate Fraud and Fake Invoices - A third party tries to change a direct debit, standing order or bank transfer mandate, by purporting to be an organisation that the Council uses.	12	Q2 - 4
S2	Bi-Borough	Human Resources – Review of controls regarding qualifications or right to work.	12	Q1 – 3
S4	wcc	Housing Fraud – pro-active exercises focusing on temporary accommodation	12	Q2 - 4
S5	wcc	Tenancy Fraud - Risk of Council properties being misused, sub-let or abandoned - including false applications for succession and assignment	12	Q1 – 4
		Voids & sign-up process – Risk of voids being misused and not processed correctly, risk of property being let to those who are not eligible for support.	12	Q1 - 2
		Anti-money laundering & anti-bribery awareness - bespoke to housing	12	Q2 - 3
S6	Bi-Borough	Schools – Recruitment, procurement and control of assets (including cash)	12	Q3 – 4
S11	Bi-Borough	Resident's Parking - Risk of false applications tendered to fraudulently obtain a permit and avoid parking charges	9	Q2 – 4
S16	Bi-Borough	Adult Social Care: Direct Payments/Personal Budgets - Review of payment process	9	Q2 – 3
S19	Bi-Borough	Family & Childrens Services - Section 17 of the Children Act 1989 & foster care and adoption.	9	Q3 – 4
S21	Bi-Borough	Libraries – review of fraud risks	9	Q3 - 4

National Fraud Initiative (NFI)

- 6.8 A vital component of the of the anti-fraud and corruption strategy is making better use of information and technology. To this effect, CAFS participate in the

National Fraud Initiative (NFI) which is a data matching exercise carried out by the Cabinet Office.

6.9 The national exercise is run every two years, and work has already begun on the 2019/20 report using the data extracted in 2018.

6.10 The tables below highlight the number of referral received from the NFI exercise, and the progress made to date.

Report Type	Westminster City Council	
	Number of Reports	Number of Matches
Blue Badges	3	218
Creditors History	7	4100
Creditors Standing	4	715
Council Tax Reduction Scheme	30	560
Deferred Pensions	1	32
Housing Tenants	18	318
Personal Budgets	5	29
Procurement	2	21
Pensions	3	186
Payroll	9	236
Right to Buy	3	25
Private Residential Care Homes	1	30
Parking Permits	2	50
Waiting List	13	199
TOTALS	101	6719
Under Examination	40	38
Examination Complete	19	5089
Active Investigations	N/A	18
Positive Results	N/A	34

6.11 The tables below highlight a selection of early successes generated from the NFI exercises. Full details will be reported in the half year progress report, that will be presented to the Audit and Performance Committee later in the year.

Report Name	Match ID	Comments	Financial saving/recovery
Personal Budgets to deceased person records	4	Report highlighted an overpayment of Direct Payments – recovery in progress	£3,661.26
Duplicate invoices	3	Reported identified duplicate payment to a Family Services supplier. Recovery action taken.	£1,259.88
Duplicate invoices	5	Reported identified duplicate payment to a Family Services supplier. Credit note issued.	£1,243.66

Duplicate invoices	Multiple	Reported identified 28 duplicate payments, with a total value of £82,541.03 which had been made to Westminster City Council suppliers. Action taken to recover payments.	£82,541.03
Blue badge to blue badge between local authorities	1	Report revealed a processing error. A blue badge had been issued to a person who was only entitled to a local disabled parking permit. Badge cancelled.	n/a
CTRS to DWP records	2	CTRS paid to an individual that was not entitled.	£3,707.33
Waiting List to Housing Benefit Claimants	48	Report revealed that person on the Council's waiting list had found accommodation but not been removed from list. Individual now removed.	n/a
Total			£92,413.16

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Local Government Access to Information Act – background papers used:
Case Management Information

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PRO-ACTIVE OPERATIONS

Source	Fraud Review	Details	Risk
<p>Risk Review</p>	<p>Westminster Housing Options Service - allocations</p> <p>A referral from Westminster police via an anonymous source. Referral uncorroborated but risk reviewed undertaken.</p>	<p>A referral from Westminster police via an anonymous source suggested a housing employee was receiving bribes in return for housing allocations in Sheldon Square.</p> <p>The subsequent investigation was unable to identify any employees matching the description provided in the referral, and there are no 'Council housing' managed in Sheldon Square which provided added assurance that the referral was false and could not be corroborated.</p> <p>During the enquiries, a risk review of the Housing Register revealed an effective range of controls designed to minimise the risk of insider fraud. These controls included;</p> <ul style="list-style-type: none"> • supervisory and management controls at application acceptance stage – dual control, • verification that units are only let through the transparent Choice Based Lettings process, and • additional verification as part of the shortlisting process, ahead of any placement, as an additional safeguard for the allocation process. 	<p>Fraud risk register</p> <p>MEDIUM – 12</p> <p>Impact = High 4 [High political risk with potential national media coverage; reputational risk; Reports to external auditors]</p> <p>Likelihood = Possible 3 [Fraud reported but unproven; known occurrences in other local authorities]</p>

<p>Risk Review</p>	<p>Direct Payments – Adult Social Care</p> <p>Direct Payments are payments made by Westminster City Council for adults who have been assessed as needing help from Social Services and who would like to arrange and pay for their own care and support services instead of receiving them directly from the respective council.</p>	<p>The review identified a number of fraud risks which included the following;</p> <ul style="list-style-type: none"> • Misspent funds – payments not being used as per the care agreement • False documents – timesheets, payslips, etc. • Financials - Financial abuse by third party • Multiple claims – multiple care packages for same assessed need • Falsifying worksheets - Provider claiming for work not carried out <p>The risk review revealed verification controls conducted by the social care team and finance departments, designed to minimise the risk of fraud. These controls included;</p> <ul style="list-style-type: none"> • Social care Team initial assessment are review annually. These reviews include evidence of care provision and financial evidence of payments including bank statements and receipts. • Corporate Finance – every three months reviews are conducted of the service users bank statements to verify spend and usage. <p>Controls were reliant upon officers' fraud awareness and competency at identifying concerns. CAFS identified and agreed an action plan to improve awareness and further reduce the risk of fraud. This will include;</p> <ul style="list-style-type: none"> • Redesigned declaration form to detail service users' obligations and responsibilities • Introduction of a bespoke fraud referral form • Design and rollout of bespoke fraud awareness eLearning 	<p>Fraud risk register</p> <p>MEDIUM – 12</p> <p>Impact = Medium 3 [Minor risk of vulnerable adults not receiving care; Financial loss]</p> <p>Likelihood = Likely 4 [Fraud in this area recently reported and proven]</p>
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<p>Risk Review</p>	<p>Whistleblowing Policy – Maintained Schools</p> <p>Local authorities have a statutory duty to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain.</p> <p>The Department for Education (DfE) provide guidance which lists the provisions the published scheme should include.</p> <p>Under the heading “whistleblowing” the DfE guidance states;</p> <p>“Schemes should contain a provision requiring authorities to set out in the scheme the procedure to be followed by persons working at a school or school governors who wish to complain about financial management or financial propriety at the school, and how such complaints will be dealt with.”</p>	<p>Review: A review was undertaken to obtain assurance that maintained schools were adhering to the DfE guidance. The review checked whether whistleblowing guidance was available to all school staff, were accurate and up to date, and that they were regularly reviewed.</p> <p>The review examined the public facing internet sites of all maintained schools in WCC to see whether there was a section for school policies and whether this included a whistleblowing policy. Where websites featured a search facility, this was also used to interrogate the site.</p> <p>Following the web-based review, a sample of schools was contacted to identify the person responsible for maintaining the whistleblowing policy and to obtain details of how the system was maintained.</p> <p>Findings: The sample found evidence to indicate that while all schools had a relevant policy to guide staff and governors, most had not been reviewed regularly and therefore they contained inaccurate or redundant information.</p> <p>Recommendation: The Head of Fraud attended the Bi-Borough School Business Managers Network Meeting and presented these findings. The Council’s whistleblowing policy was circulated to all schools along with details of additional support provided by CAFS to underpin the policy: factsheets and eLearning.</p>	<p>Assurance framework</p> <p>Whistleblowing policy updated across all 38 maintained schools</p>
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<p>Fraud Drive</p>	<p>Parking Services – Resident’s Disabled Parking Bays</p> <p>Severely disabled residents can apply to the Council for a supported parking space near their home, not at any other location such as at the house of a friend or family member.</p> <p>The Council cannot guarantee the space will be right outside the resident’s home, but it will be placed in the vicinity.</p>	<p>Review: During recent inspection regimes, officers noticed a number of individual bays not being used and therefore CAFS undertook a desk based review of all assigned bays across the Council. A total of 81 personal resident disabled bays were in place, each allocated to a resident blue badge holder.</p> <p>Methodology: Interrogation of Council systems identified ten bays where data suggested the resident’s circumstances had changed but the Council not informed of the change.</p> <p>Findings: Further enquiries established that seven bays were no longer required due to the individual leaving the borough or passing away. These have since been burnt off, and where appropriate the bays restored to resident’s permit-controlled parking zones.</p>	<p>Assurance framework</p> <p>No cases of fraud identified but bays removed where not required and returned (where appropriate) to resident permit-controlled parking zones.</p>
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NOTEWORTHY INVESTIGATIONS

	Case Description
1	<p>TENANCY FRAUD – A case was referred to CAFS by Peabody Housing Association due to suspicions regarding their property at Malcolmson House, Pimlico, SW1V. During a residency check their housing officer found a male tenant who claimed to be the tenant's partner. The tenant was not at home, but the vigilant officer realised there were no toys in the property even though two young children were meant to be part of the household composition.</p> <p>CAFS accepted the referral and soon discovered that Peabody's tenant was a CityWest Homes employee. Furthermore, the male who claimed to be the tenant's partner was also a CityWest Homes employee.</p> <p>The subsequent investigation, which included the use of powers under the Prevention of Social Housing Fraud Act 2013 (PoSHFA), established the tenant vacated the property in 2015 and then entered into a commercial agreement with the man to sublet the address to him.</p> <p>Bank statements showed the male paying £750 per month, but they also revealed that he, had in turn, also been subletting the property to three individuals for £450 per month, per person. The timeline showed that the man first sublet from the tenant in May 2015, and then he sublet with the three subtenants taking up occupancy in August 2015, October 2016 and November 2016.</p> <p>In May 2017, officers of the Metropolitan Police attended CityWest Homes offices, the work premises of the female tenant and the male tenant. They were arrested and taken to Belgravia Police station for interview.</p> <p>The tenant fully admitted subletting the property to her male work colleague, but claimed she was unaware he had utilised this opportunity to derive an income from further sublets. The male denied the allegations and refuted the fact he had ever claimed to be the tenant's partner.</p> <p>At Westminster Magistrates Court, the tenant pleaded guilty the single offence under PoSHFA, S2(1) of subletting the Peabody property to her male work colleague from May 2015.</p>

	<p>At Southwark Crown Court, the male defendant pleaded guilty to the single offence under Fraud Act 2006, S2 of making a false representation since November 2016.</p> <p>In sentencing the pair, the tenant was fined £120 and ordered to pay £12,316.58 (Fees and victim surcharge £3,530; Compensation £8,666.58) while her work colleague was also fined £120 and ordered to pay the £8,370 (Fees and victim surcharge £3,530; Compensation £4,720).</p> <p>The two-bedroom property at Malcolmson House was recovered with vacant possession and Peabody offered it directly to the Council to house a family in genuine need of assistance.</p>
2	<p>PROCEEDS OF CRIME - The tenant of a property at Scott Ellis Gardens submitted a Right to Buy application and as standard practice it was referred to CAFS in order to undertake some checks to verify the tenant's eligibility to the right to buy. The subsequent checks established that the tenant was subletting the property for £1,175 per calendar month while she was living in Swansea.</p> <p>The tenant was successfully prosecuted at Southwark Crown Court, and found guilty of four charges in respect of the Fraud Act 2006, with two counts of fraud by false representation and two counts of fraud by failing to disclose information.</p> <p>On each of the two counts of fraud by false representation, the tenant was sentenced to 18 months' imprisonment suspended for two years. On each of the two counts of fraud by failing to disclose information, she was sentenced to 12 months' imprisonment suspended for two years. She was additionally ordered to complete 180 hours of unpaid work and to comply with 10 days of a Rehabilitation Activity Requirement.</p> <p>Using Proceeds of Crime legislation, CAFS submitted a confiscation order for £24,465 which the tenant received as rent from the subtenants, plus £2,539 being unexplained credits in the fraudsters bank account. The submission confirmed that assets of £18,257 had been identified and frozen.</p> <p>In November 2018 at Southwark Crown Court, the judge agreed a confiscation order for £18,257 allowing the defendant three months to pay, with a default twelve-month sentence of imprisonment if this order is not fulfilled.</p>

3.	<p>TENANCY FRAUD - Soho Housing referred a potential tenancy fraud to CAFS when information was received that suggested the tenant wasn't living in his one-bedroom Berwick Street flat. A building contractor, employed by Soho Housing to carry out repairs on the property, raised concerns. The operative expected to find the tenant, a 60-year old man at the property, but the only person he found in residency was a young man.</p> <p>Background enquiries corroborated the suspicions, and when the investigating officer reviewed the financial records of the tenant, they found credits to the account that suggested possible rent receipts.</p> <p>The tenant was called to attend a voluntary interview under caution but refused saying he had never done anything wrong in his life. However, the following day he sent a letter to the investigating officer relinquishing the property and returned the keys.</p> <p>Property was recovered forthwith and has now been allocated to someone in genuine need of support from the Council's housing register.</p>
4.	<p>TENANCY FRAUD – A positive match from the National Fraud Initiative data matching campaign linked a Council tenant from Verney House, NW8 to a claim for welfare benefit in Liverpool. The record confirmed that full name, date of birth and national insurance number were all a match.</p> <p>Checks were made with Liverpool City Council and investigators discovered that the tenant had a live benefit claim while a check of financial records linked the tenant's brother to the Westminster property. Evidence was amassed further linking our tenant to Liverpool and he was invited to an interview under caution. He voluntarily attended the interview but gave a "no comment" response refusing to answer any questions put to him.</p> <p>Civil proceedings commenced while criminal action began in parallel. In October 2018 the tenant's brother returned the keys to the flat, whilst in November 2018, having pleaded not guilty, a criminal trial commenced at Southwark Crown Court where he was eventually found guilty of fraud.</p> <p>Following a probation report he was sentenced to a 12-month community order with a three-month curfew requirement (9pm-midnight).</p>

<p>5.</p>	<p>TENANCY FRAUD (Succession) – Following the death of a Porchester Square tenant, the tenant’s daughter made an application to succeed to the tenancy. Within this and subsequent emails she portrayed the Council property to be her main home for longer than the statutory period required, thereby asserting her eligibility.</p> <p>However, when investigators undertook enquiries to verify her UK residency, they revealed overseas travel that suggested she lived abroad and only returned to the UK for a few days per year, possibly to visit her mother. There was no evidence of her residency in Portchester Square.</p> <p>Further enquiries with the Greek Embassy confirmed that she had been living in Crete, Greece. The embassy also confirmed an address held for her, and that she was known in her local village as a permanent resident. When challenged she conceded that her understanding of “main residency” may have not matched the criteria required to succeed the tenancy and returned vacant possession forthwith.</p>
<p>6.</p>	<p>TENANCY FRAUD (Succession) – The tenant of a Missenden House property in NW8 passed away and his grandson sought to succeed to the tenancy under the discretionary succession scheme where the criteria requires evidence that the applicant had resided at the property for the last five years prior to the tenant’s death.</p> <p>The initial checks undertaken by CAFS to verify the applicant’s eligibility found discrepancies in the evidence provided included possible residency elsewhere in London.</p> <p>The applicant was interviewed where he confirmed he had lived with his sister and admitted that he did not fulfil the five-year criteria, and as such his application was false. He continued to fully cooperate with the investigators and agreed voluntary surrender. He demonstrated genuine remorse for his actions explaining that he had been caring for his sick grandfather and may have got some of the dates wrong.</p>

7.	<p>TENANCY FRAUD (Succession) - The son of an Ashford House tenant sought to succeed the tenancy of his late mother. The criteria for a statutory succession is one-year's residency prior to the date of death, and the son's application was made under this criteria, and he provided supporting documents with his application.</p> <p>A subsequent investigation by CAFS identified several discrepancies, but the main findings were that the son spent the majority of the year in Egypt. Additionally, evidence, which included overseas travel information and financial records, all suggested that an address in? Cairo was his main and principal home.</p> <p>The son was invited to an informal interview to explain his application and travel, however he refused to attend claiming it would not make a difference and chose not to make any further contact.</p> <p>CityWest Homes made a repossession claim, and the court ordered outright possession to CityWest Homes. The property was secured in December 2018 and has since been allocated to someone in genuine need of assistance.</p>
8.	<p>TENANCY FRAUD - CAFS was asked to support Soho Housing with an investigation into a two-bedroom property in John Broadwood House, Bridle Lane, which may have been sublet. Neighbours had also suggested that the tenant was now living abroad.</p> <p>Credit searches showed that the tenant was not on the electoral roll and other individuals had financial links to the address. UK travel enquiries also linked the tenant with regular movements to and from Sweden.</p> <p>Financial checks were unsuccessful, however, investigators found a suspected subtenant when they attended the property during an unannounced visit. The person claimed to be a family friend but admitted paying the tenant £300 per month to stay at the flat, he also confirmed the tenant was out of the UK but returned regularly.</p> <p>In view the findings and the regular overseas travel, Soho Housing served notices on the property. A third party contacted Soho Housing claiming to be acting on behalf of the tenant and denying the allegations. But despite this denial, the tenant voluntarily returned the property to Soho without the need for expensive court action.</p> <p>This two-bedroom property has now been made available to WCC to let to a family in need of support and assistance.</p>

9. **BLUE BADGE FRAUD** - While on duty in Old Cavendish Street, a CAFS investigator observed a driver park her Honda CRV in one of the designated bays and place a blue badge on display.

As she left the car and proceeded towards House of Fraser, the investigator intercepted her and asked to see the badge she had left on display. As this badge had been issued to a male – and there apparently wasn't one in the car – he asked the driver where the badge holder was.

In response, the driver, who appeared to be very nervous, stated that the badge had been issued to her father and she was supposed to pick him up from shops nearby. She then admitted, however, that it was entirely possible another member of the family had already collected him.

Faced with this explanation, our investigator decided to phone the badge holder. Although the badge holder himself never answered, our investigator did manage to speak to his wife (i.e. the driver's mother), who confirmed that the badge holder was upstairs at home. She further stated that the only place the badge holder had been to that day was Edgware.

At Westminster Magistrates Court the driver defendant entered a guilty plea.

The Magistrates said “this offence is aggravated because you told untruths to the officers at the scene, they had to make phone calls to your father, which were ultimately fruitless as your father told the truth. Mr Haslam (the driver's solicitor) has made some points on your behalf, which he made to the Local Authority. There is little we can give you credit for in terms of mitigation, and in our view, the aggravating factors level the mitigation, so we are going to deal with this by way of a fine and not a discharge”.

She was fined £80 with £410 Costs and a £30 Victim Surcharge awarded.

10. BLUE BADGE FRAUD - A CAFS investigator was patrolling in Portman Mews South, when he spotted a Lexus RX450 parked and unattended in one of the designated disabled bays.

A short while later two females returned to the vehicle. Our investigator asked the driver if he could inspect the badge that she had displayed on the windscreen. However, the driver ignored him and made to drive off. Fortunately, given that the CAFS investigator was at this point standing in front of the vehicle, the driver changed her mind.

After much to-ing and fro-ing, the driver handed over the blue badge for inspection, which showed to have been issued to a male. The driver explained it the badge belonged to her father, who was at home as he was very ill. She and her mother were doing food shopping for him as he had a specialist diet.

At Westminster Magistrates Court on Wednesday the driver was in attendance and legally represented. Before the hearing her representative questioned why this matter was proceeding. He informed our barrister that his understanding of the legislation meant that the badge could be used as the badge holder was on his way. He was duly informed that this is a strict liability offence and that as soon as his client had parked and gone to do some of her shopping, the offence had been committed. Regardless of this, he said his client would be entering a Not Guilty plea. However, after speaking with the defendant advised that she 'just wanted it over with' as her dad is so unwell and the matter was causing her anxiety.

In court, the defendant entered a guilty plea. The District Judge said he accepted there was exceptional mitigation in this case and would therefore not impose a financial penalty. He imposed a 6-month Conditional Discharge and awarded costs of £150 and £20 Victim Surcharge.

11. **BLUE BADGE FRAUD** - While undertaking a routine patrol of Old Cavendish to check Blue Badges, our investigator observed a female park BMW 520 motor vehicle, in one of the designated disabled bays, display a blue badge, and then leave the car in the direction of House of Fraser. As our officer was dealing with another matter at the time, he was unable to confront the driver immediately.

As soon as he was able to our officer went over to inspect the badge on display in the BMW, and duly noted it had been issued to a child. He conducted a systems check and located the phone number for the badge holder's mother. When he then called this person, she advised him she was in Oxford Street with her son. When our investigator explained that he would have to verify that and offered to meet her, she quickly changed her story and said that her son was with his father in Oxford Street (and that she was in House of Fraser).

Upon the drivers return to the car our investigator identified her as the person he had just spoken to on the phone. He again asked about the whereabouts of the badge holder. In reply, he was told that his father had taken him back to school.

When challenged further the driver admitted that she had parked there because she couldn't find any parking. She said Eid was coming up and she needed to do some shopping.

At Westminster Magistrates Court the driver wasn't in attendance but had already entered a guilty plea by post. She was fined £250, with Costs and Victim Support awarded at £200 and £30 respectively.



City of Westminster

Audit & Performance Committee Report

Date:	10 July 2019
Classification:	General Release
Title:	Work Programme
Wards Affected:	N/A
Financial Summary:	There are no direct financial implications arising from this report
Report of:	Acting Head of Committee & Governance Services
Report Author:	Andrew Palmer, Senior Committee & Governance Officer. Tel: 020 7641 2802 or email: apalmer@westminster.gov.uk

1. Executive Summary

- 1.1 The Committee is invited to review the draft work programme for the 2019/20 municipal year attached at Appendix 1, and to confirm the agenda items for its next meeting in September.
- 1.2 The Committee is asked to note the actions which arose from the meeting on the 2 May 2019 and the work undertaken in response, as detailed in Appendix 3.

2. Recommendations

- 2.1 That the Committee agrees the agenda items for its next meeting on 17 June as set out in **Appendix 1** to the report.
- 2.2 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; and
- 2.3 That at the end of the 2019-20 municipal year, the Committee prepare an Annual Report on its work and performance for publication and submitting to Full Council.

3. Choosing items for the Work Programme

- 3.1 The draft Work Programme for 2019/20 is attached at Appendix 1 to the report.
- 3.2 Members' attention is drawn to the Terms of Reference for the Audit & Performance Committee (attached as Appendix 2) which may assist the Committee in identifying issues to be included in the Work Programme.
- 3.3 The Work Programme will be reviewed at each meeting of the Committee and items can be removed or added as necessary.

4. Annual Report

- 4.1 At its meeting on 2 May 2019, the Committee received a report which detailed the outcome of reviews undertaken by the City Council which had focused on the effectiveness of the roles of the Chief Financial Officer and Head of Internal Audit; and on compliance with the Public Sector Internal Audits Standards. The reviews had also included the management of public funds; and role of the Audit & Performance Committee.
- 4.2 In addition to the reviews, the report had referred to Chartered Institute of Public Finance & Accountancy (CIPFA) best practice, which suggested that the Audit & Performance Committees provide an Annual Report on their work and performance. The Committee agreed that consideration would be given to submitting an Annual Report to Full Council, which would include a review of Westminster's Pension Fund. It is accordingly proposed that the Annual Report should be drawn up at the end of the 2019-20 municipal year for approval by the Committee, prior to being published and presented to Full Council for information with Members having the opportunity to ask questions.

5. Task Groups

- 5.1 There are no Task Groups operating at present.

6. Monitoring Actions

- 6.1 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.

7. Resources

- 7.1 There is no specific budget allocation for the Audit & Performance Committee.

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

Andrew Palmer, Senior Committee Officer

Tel: 020 7641 2802 or email: apalmer@westminster.gov.uk

APPENDICES:

Appendix 1 – Work Programme 2019/20

Appendix 2 – Terms of Reference

Appendix 3 – Committee Action Tracker

BACKGROUND PAPERS: None

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Work Programme 2019/20

Audit and Performance Committee

19 September 2019

Agenda Item	Reasons & objective for item	Lead Officer
Finance & Performance Business Plan Monitoring Report	<p>To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.</p> <p>To monitor the performance of the Police Basic Command Unit for Westminster 6 months after implementation.</p> <p>To monitor Quarter 1 performance results against the 2019/20 business plans</p>	<p>Gerald Almeroth (Finance)</p> <p>Mo Rahman/ Damian Highwood (Performance)</p>
Annual Contracts Review 2018/19 and Procurement Update	<p>To review of the City Council's contracts, including details of contracts awarded, waivers and performance.</p> <p>To also review progress and key performance indicators for the new operating model; together with contracts for SEN Transport - to include how the money was being spent and how the service was operating.</p>	<p>Kevin Goad (Procurement)</p> <p>Annabel Saunders (Commissioning)</p>
Update on HRA Capital Programme	<p>To consider a report on the HRA Capital Programme outturn against forecast and mitigation measures to address any underspend.</p>	<p>Gerald Almeroth (Finance)</p> <p>Barbara Brownlee (Housing)</p>
Internal Audit Monitoring Report	<p>To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.</p>	<p>David Hughes (Internal Audit)</p>

Internal Audit Charter	To review the Council's Internal Audit Charter which is maintained by the Shared Services Director for Internal Audit, Fraud, Risk and Insurance in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS)	David Hughes (Internal Audit)
CityWest Homes Performance	To receive a report from the Council's Housing Directorate and CWH on CWH operational performance following the transition to a new operating model and the procurement of new repairs and maintenance services.	Barbara Brownlee/ Tom McGregor (CWH)
Managed Services Update	To receive an update on the transition to Hampshire County Council.	Dave Hodgkinson (Finance) Jeremy Beresford (LCF Manager)
Work Programme 2019/20	The Committee is invited to review its work programme for the 2019/20 municipal year.	Andrew Palmer

27 November 2019

Agenda Item	Reasons & objective for item	Lead Officer
Grant Thornton Annual Audit Letter 2018/19	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Paul Jacklin Paul Dossett (Grant Thornton)
Progress and Update on 2019-2020 Audit	To consider an update on the 2019 - 2020 Audit and key information on accounting changes and emerging issues for local government	Paul Jacklin Paul Dossett (Grant Thornton)
Corporate Complaints 2018/19	To report on the volume and details of complaints received by the Council and CityWest Homes in 2018/19.	Sue Howell (Complaints)

Finance Monitoring Report	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.	Gerald Almeroth (Finance) Dave Hodgkinson (Finance)
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.	David Hughes (Internal Audit)
Mid-Year Counter Fraud Monitoring Report	To oversee and monitor the success of the Counter Fraud Service.	Andy Hyatt (Anti-Fraud)
Review of Anti-Fraud Policies	To review and approve the following which are maintained by the Corporate Anti-fraud Service: <ul style="list-style-type: none"> • Whistleblowing Policy • Fraud Response Plan • Anti-bribery Policy • Anti-money Laundering Policy (including procedures) 	Andy Hyatt (Anti-Fraud)
Review of Effectiveness	To consider the outcomes of the following reviews: <ul style="list-style-type: none"> • The CIPFA Took Kit on Effective Audit Committees; • The CIPFA Statement on the Role of the Head of Internal Audit • The CIPFA Statement on the Role of the Chief Financial Officer; • The Public Sector Internal Audit Standards (PSIAS) Self-Assessment 	David Hughes (Internal Audit)
Work Programme 2019/20	The Committee is invited to review its work programme for the 2019/20 municipal year.	Andrew Palmer

5 February 2020

Agenda Item	Reasons & objective for item	Lead Officer
Grant Thornton Certification of Claims and Returns Annual Report (Audit 2018/19)	To report the findings from the certification of 2018/19 claims and the messages arising from the assessment of the Council's arrangements for preparing claims and returns and information on claims that were amended or qualified.	Paul Jacklin Paul Dossett (Grant Thornton) Martin Hinckley
Grant Thornton Annual Audit Plan 2019/20	To set out the audit work that Grant Thornton proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2019/20.	Paul Jacklin Paul Dossett (Grant Thornton)
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.	Tasnim Shawkat (Monitoring Officer)
Finance & Performance Business Plan Monitoring Report	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves. To monitor Quarter 2 performance results against the 2019/20 business plans.	Gerald Almaroth (Finance) Mo Rahman/ Damian Highwood (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.	David Hughes (Internal Audit)
Internal Audit Plan 2020/21	To review and comment on the draft audit plan for 2020/21	David Hughes (Internal Audit)
Managed Services Update	To receive an update on the arrangements with Hampshire County Council.	Dave Hodgkinson (Finance) Jeremy Beresford (LCF Manager)

CityWest Homes Performance	To receive a report from the Council's Housing Directorate and CWH on CWH operational performance following the transition to a new operating model and the procurement of new repairs and maintenance services.	Barbara Brownlee/ Jonathan Cowie (CWH)
Work Programme 2019/20	The Committee is invited to review its Work Programme.	Andrew Palmer

30 April 2020

Agenda Item	Reasons & objective for item	Lead Officer
Draft Annual Statement of Accounts and Outturn 2019/20	To review the draft 2019-20 Annual Statement of Accounts and outturn.	Gerald Almeroth (Finance)
Draft Audit Findings Report 2019/20	To review the reports from the Council's external auditors on the key findings arising from their audit of the councils 2019-20 financial statements (Council and Pension Fund)	Paul Dossett Paul Jacklin (Grant Thornton)
Finance & Performance Business Plan Monitoring Report	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves. To monitor Quarter 3 performance results against the 2019/20 business plans	Gerald Almeroth (Finance) Mo Rahman/ Damian Highwood (Performance)

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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.

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COMMITTEE ACTION TRACKER
ACTIONS: 2 May 2019

ACTION	OUTCOME	LEAD OFFICER
2018-2019 ANNUAL STATEMENT OF ACCOUNTS AND OUTTURN		
1. That details be given of any penalty payment that may be incurred from the re-profiled retrofitting of the waste fleet to meet the requirements of London's Ultra Low Emissions Zone.	This information was circulated on 12 June	Dave Hodgkinson - Director of Corporate Finance & Property
2. The more detail be provide on the £1.5m gained following a dispute with a contractor.	This information was circulated on 2 July	Dave Hodgkinson - Director of Corporate Finance & Property
PERFORMANCE BUSINESS PLAN (QUARTER 3) MONITORING REPORT		
1. That the review of the Housing Service following the transition of CityWest Homes, which is to be submitted to the Committee later in the year, captures issues around Anti-Social Behaviour.	This information was circulated on 12 June	Ian Clark and Susan Barber – Performance Managers
2. That more detail be provided in the drop in City Survey results for the proportion of households who use sports and leisure facilities.	This information was circulated on 12 June	Twila Grower – CMC Business & Performance Manager
3. That the Westminster Employment Service provide details of the issues that prevent long-term tracking of residents that had been supported into work.	This information was circulated on 12 June	John O'Sullivan – Head of Children's Business Intelligence & Strategy
4. That clarity be provided on the plans for the wider roll-out of the City for All 20 mph zone to 39 new sites.	This information was circulated on 12 June	Twila Grower – CMC Business & Performance Manager
5. That more detail be provided on the current challenges in the market for Adult Social Care and Public Health, including where the main risks are.	This information was circulated on 12 June	Gary Hamilton – Head of Programme Management, Adult Social Care
6. That a profile be provided of Unaccompanied Asylum Seeking Children in Westminster, including details of where they were from; whether there was any evidence that there was some form of trafficking involved; and what the City Council was doing to seek financial support.	This information was circulated on 12 June	John O'Sullivan – Head of Business Intelligence & Strategy, Children's Operations
7. That detail be given of which Wards will be receiving the 3,000 trees that are to be planted by 2020.	This information was circulated on 12 June	Ian Clarke – Performance Manager

8. That a briefing be provided on whether the Parking deficit is structural or cyclical.	This information was circulated on 12 June	Twila Grower – CMC Business & Performance Manager
9. That further detail be given on the media platforms targeted by the Media Monitor dashboard to track both proactive and reactive stories.	This information was circulated on 12 June	Damian Highwood – Evaluation & Performance
REVIEW OF EFFECTIVENESS		
The recommendation that an annual report on the work of the Audit & Performance Committee be submitted to Full Council to be taken forward.	An update has been included in the Work Programme report included in the agenda papers for 10 July.	Andrew Palmer – Senior Committee & Governance Officer