



City of Westminster

# Committee Agenda

Title: **Audit & Performance Committee**

Meeting Date: **Thursday 19th September, 2019**

Time: **6.30 pm**

Venue: **Rooms 18.04 and 18.5, 18<sup>th</sup> Floor, Westminster City Hall,  
64 Victoria Street, London SW1E 6QP**

Members: **Councillors:**

Ian Rowley (Chairman)  
Elizabeth Hitchcock  
Jacqui Wilkinson  
David Boothroyd

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

**Admission to the public gallery is by ticket, issued from the ground floor reception from 6.00pm. 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 and Governance Officer.**

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**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 meeting on 10 July 2019.

**(Pages 5 - 12)**

**4. 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 also monitor Quarter 1 performance results against the 2019/20 business plans.

**(Pages 13 - 90)**

**5. WESTMINSTER HOUSING SERVICE UPDATE**

To receive a report from the City Council's Housing Directorate on operational performance following the transition of CityWest Homes to a new operating model; and on the procurement of new repairs and maintenance services.

**(Pages 91 - 100)**

**6. HRA CAPITAL PROGRAMME UPDATE**

To consider a report on the Housing Revenue Account (HRA) Capital Programme outturn against forecast and mitigation measures to address any underspend.

**(Pages 101 - 108)**

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|--|---------------------------------|
| <p><b>7. ANNUAL CONTRACTS REVIEW AND PROCUREMENT UPDATE</b></p> <p>To provide an overview of contracts performance for the period 2018/19 and an update on the future of Procurement Services.</p>   | <p><b>(Pages 109 - 126)</b></p> |
| <p><b>8. INTERNAL AUDIT PROGRESS REPORT (APRIL TO JULY 2019/20)</b></p> <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><b>(Pages 127 - 140)</b></p> |
| <p><b>9. INTERNAL AUDIT CHARTER</b></p> <p>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).</p> | <p><b>(Pages 141 - 152)</b></p> |
| <p><b>10. INTEGRATED BUSINESS CENTRE (IBC) UPDATE</b></p> <p>To receive an update on the transition of managed services to Hampshire County Council.</p>   | <p><b>(Pages 153 - 160)</b></p> |
| <p><b>11. WORK PROGRAMME 2019/20</b></p> <p>The Committee is invited to review its work programme, and to note the action taken in response to issues raised at the last meeting.</p>  | <p><b>(Pages 161 - 172)</b></p> |
| <p><b>12. ANY OTHER BUSINESS</b></p> <p>To consider any other business which the Chairman considers urgent.</p>  |                                 |

**Stuart Love**  
**Chief Executive**  
**11 September 2019**

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CITY OF WESTMINSTER

## DRAFT MINUTES

### Audit & Performance Committee

#### MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit & Performance Committee** held at 6.30pm on Wednesday 10<sup>th</sup> July 2019, Rooms 18.4/18.5, 18<sup>th</sup> 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), Ian Farrow (WestCo Manager), Damian Highwood (Evaluation & Performance Manager), Gary Hamilton (Consultant Programme Manager, ASC), David Hughes (Shared Services Director for Audit, Fraud, Risk & Insurance), Andy Hyatt (Tri-Borough Head of Fraud), Stuart Love (Chief Executive), Moira Mackie (Senior Internal Audit Manager), Andrew Palmer (Senior Committee Officer), Jim Paterson (Director of Property Services), Mo Rahman (Planning & Performance Manager), Stuart Reilly (Head of Service Development), Sara Sutton (Executive Director of City Management & Communities), Jenny Travassos (Head of Prevention, Housing) and Lee Witham (Director of People Services).

#### 1 MEMBERSHIP

1.1 There were no changes to Membership.

#### 2 DECLARATIONS OF INTEREST

2.1 No declarations were made.

#### 3 MINUTES

3.1 **RESOLVED:** That the Minutes of the meetings held on 2 May 2019 and 17 June 2019 be agreed by the Committee as a correct record of proceedings.

#### 3.2 Matters Arising

##### 3.2.1 Minute 4.3 - 17 June 2019

The Committee noted that since the last meeting on 17 June, the Supreme Court had refused leave for the Government to appeal against the McCloud judgement on Pension Funds. The Executive Director of Finance & Resources confirmed that the implications of the Supreme Court's ruling had been

assessed and that the Local Government Pension Scheme needed to be amended. It had been agreed that the City Council's auditors would add a note to the accounts as a contingent liability, which would increase Westminster's liability estimate by approximately £9m which represented 0.7%.

#### **4. 2018/19 END OF YEAR PERFORMANCE REPORT**

- 4.1 Ian Farrow (WestCo Manager) introduced a year-end report that presented detailed performance results for the year April 2018 to March 2019 against the 2018/19 business plans. The report set out how the Council performed against City for All priorities and included progress towards achieving the deliverables and targets within the business plans. The information presented was reported by exception and focused on those areas of notable achievement or concern where action or intervention was likely to be required. The report also provided early views into the challenges that were anticipated during 2019/20.
- 4.2 The Committee considered the overall performance of the City Council and submitted questions to individual members of the Executive Leadership Team on performance within their directorates. This included queries about key performance indicators critical to the Council's performance which had either missed the ideal target at year end, or had only met the minimum standard.
- 4.3 The Committee discussed the increase in the number of rough sleepers over the past year, and noted that the rise could be associated with wider knowledge of the StreetLink campaign which enabled members of the public to connect people sleeping rough with local services; with the possibility that the same person could be reported more than once. Members also discussed the effectiveness of the engagement between rough sleepers and the City Council, and commented on the enforcement that was available. Jenny Travassos (Head of Prevention, Housing) confirmed that the 'no second night out' scheme had resulted in 83% of rough sleepers not being on the streets for a second night; and that police could only become involved when there was anti-social behaviour or begging. The Committee noted that the rough sleepers in and around the Cathedral Plaza tended to be a transient group with a high proportion of foreign nationals, and that people were reluctant to engage in schemes that took them away from London.
- 4.4 The Head of Prevention, Housing reported that the City Council had the best outcomes for assessment relocation in Greater London, and that 167 people had been sustainably resettled into their home area at Quarter 3. The Committee noted that following relocation from Greater London, people were tracked for 6 to 12 months with only three having returned to Westminster.
- 4.5 The Committee discussed the increase in the number of Looked After Children in Westminster, which had risen by 10 in one quarter. Members noted that the pan London and national approaches to Asylum Seeking Children had ended, and that the Leader of the City Council was leading on this issue for London Councils and had suggested a short-term solution. Westminster was second to Croydon in the number of Asylum Seeking Children it accommodated, and the London Councils were lobbying the Government for a sustainable solution with sustainable funding for local authorities. The Committee noted that if projections

continued, placement costs would increase from £4.5m in 2019/20 to £9.4m in 2021/22; and that the number of social workers required to look after the cases would also rise.

- 4.6 Committee Members commented on the Ofsted ratings given to Westminster's schools, and noted that being rated as 'outstanding' affected the timing of subsequent inspections which could highlight any issues which may have arisen. Members acknowledged that falling school rolls could result in reduced funding for pupils and increase the risk of schools developing budget deficits, and Gerald Almeroth (Executive Director of Finance & Resources) confirmed that the schools formula provided for money to be put aside to help schools through difficult periods.
- 4.7 The Committee discussed the fragility of the market for adult social care, and suggested that possible outcomes, direct costs and effect on other Council departments needed to be quantified. The Executive Director of Finance & Resources acknowledged that the risk needed to be built into the City Council's business contingency plans and procurement, and agreed to provide some analysis of what the direct risk could be to Westminster.
- 4.8 Jim Paterson (Director of Property Services) updated the Committee on progress in integrating CityWest Homes into the Westminster Housing Service, which had been well managed with former CityWest staff receiving Westminster Way training. Key Performance Indicators following the first 100 days of the new service had been positive, and the increased visibility of the housing service in estates had contributed to a significant improvement in residents' satisfaction. Consideration was now being given to improving the delivery of building repairs and the support available for vulnerable residents. A more detailed report on the housing service would be provided at the next meeting of the Committee.
- 4.9 Sara Sutton (Executive Director of City Management & Communities) updated the Committee on the preparations that were being made to mitigate the strategic risk of Brexit. The Executive Director was co-ordinating the City Council's Strategic Board for Brexit, which was a regular cross-departmental forum that included partners and would step up to become pan-London for contingency planning. The main risks associated with Brexit related to economic management which could affect the workforce and income levels from construction. Other risks related to the care market; the protests and demonstrations that would take place in Westminster; and the impact on community cohesion and hate crime. In addition to the overarching strategy, each directorate had its own plan to mitigate risk
- 4.10 The Committee discussed the Oxford Street Project, and sought clarification of how much of the project was dependent of co-funding with other partners, which may not be guaranteed. Stuart Love (Chief Executive) confirmed that the private sector were keen to invest in the £230m project, but wanted to see the finalised plans before making a formal commitment. The business case had been set out in a report to Cabinet, which would be circulated to the Committee. Members highlighted the need for the Committee to monitor progress in the Oxford Street project.

- 4.11 Committee Members sought clarification of the expansion policy for electric vehicle charging points, as uptake had continued to rise. The Executive Director of City Management & Communities confirmed that there were currently 165 electric vehicle charging points in Westminster, and that all options and available technology for expansion were being considered.
- 4.12 The Committee noted that the Metropolitan Police Basic Command Unit (BCU) for Westminster was currently being scrutinised by the City Management & Public Protection Policy & Scrutiny Committee. The Executive Director of City Management & Communities suggested that a review of the performance of the BCU by the Audit & Performance Committee would be more beneficial after the current review had been completed.
- 4.13 The Committee asked for further information on a range of key service updates within the 2017/18 performance business plans. Other issues discussed included sundry debtors; benchmarking in the Staff Survey; the scheme to plant 3,000 trees by 2020; and the London in Bloom awards.
- 4.14 **RESOLVED:** That the End of Year Performance Report for 2018/19 be noted.

**ACTIONS:**

1. More detail and numbers to be provided of rough sleepers in the City during 2018-19. **(Action for Jenny Travassos - Head of Prevention, Housing)**
2. Details be provided of the costs associated with the City Council's Looked After Children – including placements, accommodation and education. **(Action for Gary Hamilton - Consultant Programme Manager, ASC)**
3. More detail be provided on the fragility of the market for Adult Social Care, together with the current challenges in the market place and main risks. **(Action for Gerald Almeroth - Executive Director of Finance & Resources)**
4. Committee Members to receive that Cabinet report which provided details of funding mechanisms for Oxford Street. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
5. Committee Members to receive details of the expansion strategy and targets for electric vehicle charging points. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
6. Committee Members to receive the report on Borough Command Unit performance submitted to the Scrutiny Committee, prior to consideration of Key Performance Indicators by the Audit & Performance Committee. **(Action for Sara Sutton - Executive Director of City Management & Communities)**

7. More detail to be provided on the figures provided for Sundry Debtors. **(Action for Gerald Almeroth - Executive Director of Finance & Resources)**
8. Benchmark numbers to be provided for the Staff Survey result, if available. **(Action for Lee Witham - Director of People Services)**
9. Further information to be provided on the City for All pledge to plant 3000 trees, which currently appears to be off track. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
10. Details to be provided of the Wards and parks which contributed towards the London in Bloom awards. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
11. An update to be given on the number of drinking fountains installed in Westminster by Ward. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
12. Details to be provided of Parking Permit changes between 2017 and 2018. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
13. Details to be provided of streets being surveyed and hotspots where litter is a concern. **(Action for Sara Sutton - Executive Director of City Management & Communities)**
14. More detail to be provided on the City Survey results which indicated an apparent drop in the proportion of households who use sports and leisure facilities. **(Action for Sara Sutton - Executive Director of City Management & Communities)**

## 5. FINANCE PERIOD 2 MONITORING REPORT

- 5.1 Gerald Almeroth (Executive Director of Finance & Resources) presented the Period 2 finance report, which provided details of the forecast outturn in respect of revenue and capital and projected revenue and capital expenditure by Cabinet Portfolio. The report included key risks and opportunities, together with details of revenue and capital expenditure for the Housing Revenue Account.
- 5.2 The report projected a nil variance compared to budget with net risks of £3.540m; which compromised £4.874m of risks and £1.307m of opportunities. Although the majority of Cabinet Portfolios were forecasting to budget, it was noted that this would change as monitoring continued over the coming months. The monthly Capital Monitoring report projected a gross expenditure overspend of £7.895m by year end; and income was forecast to over recover by £10.673m resulting in a net underspend of £2.778m. The HRA revenue forecast as at period 2 was an overall net surplus of £10.159m, which represented a favourable variance of £0.366m compared to budget. The forecast gross capital expenditure outturn for the HRA was £146.387m, resulting in a total variance of £3.466m compared to the budget of £149.853m.

- 5.3 The Committee discussed the report, and highlighted the additional risk of CityWest Homes returning to Westminster's Housing Service. Committee Members also discussed progress in lobbying for legislative support in the City Council's 'Don't be Idle' campaign; and noted that although parking income remained volatile, it was likely that the risk would be downgraded during the current quarter.
- 5.4 **RESOLVED:** That the Period 2 Monitoring Report be noted.

**ACTIONS:**

That details be given of the financial link between the Westmead development and Wilberforce School. **(Action for Dave Gerald Almeroth - Executive Director of Finance & Resources)**

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

- 6.1 Moira Mackie (Senior Internal Audit Manager) and David Hughes (Shared Services Director for Audit, Fraud, Risk & Insurance) presented a report that summarised the work of Internal Audit and Internal Control in 2018/19. The report also provided context for the opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control environment. The opinion was provided for the use of the City Council and would support its Annual Governance Statement.
- 6.2 The Committee noted that from the work carried out by the Internal Audit Service, reasonable assurance could be provided that systems of internal controls in place during the financial year were effective, with 91% of the audits undertaken receiving a positive assurance opinion.
- 6.3 There had been a few areas where the review had been rated 'limited' and required improvements to control and compliance, which had related to leaving care in Children's Services; IT procurement and contract management; Members' IT; and Freedom of Information (FOI) requests. Each case had been reported to the Audit & Performance Committee, with action plans being put in place to remedy the weaknesses that had been identified. The Committee noted that many of the areas that had been audited had been rated 'satisfactory', which was a positive assessment that recognised scope for improvement and needed follow-up actions and recommendations. In 85% of cases, the recommendations were being implemented, and the Shared Services Director confirmed that the City Council was now considering how the ratings of more auditable areas could be raised to 'substantial'. In most areas, the Council was found to be effective at implementing recommendations where concerns in respect of controls had been identified. Audits that were in progress would be reported later in the year.
- 6.4 The Committee discussed FOI requests, and noted that the Campaign for Freedom of Information had undertaken a benchmarking exercise of all London Boroughs in which Westminster had been in the bottom third. It was

acknowledged that some requests were complicated and could take longer to process, and that the Cabinet Member for Customer Services & Digital was currently considering how the service could be improved. The Committee noted that Westminster's FOI policy had last been reviewed in 2011, and agreed that it should be reviewed more regularly. Committee Members also suggested that more clarity was needed on who to contact in particular departments.

- 6.5 The Committee expressed concern that only 2 of the 6 recommendations concerning the Leaving Care service had been implemented, and noted that the response was taking longer due to consistency of approach and problems in recording. Other issues discussed included deferred audits; and the audits undertaken by Hampshire Services during 2018/19 for the integrated business centre (IBC).
- 6.6 **RESOLVED:** That the annual report of Internal Audit and Internal Control for 2018/19 be noted.

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

- 7.1 Andy Hyatt (Tri-Borough Head of Fraud) presented a report that provided an account of fraud related activity undertaken by the Corporate Anti-Fraud Service (CAFS) from April 2018 to March 2019. Since April 2018, CAFS had identified 231 positive outcomes including 100 prosecutions and 24 recovered attendances. For the financial year ending 31<sup>st</sup> March 2017, fraud identified by CAFS had a value of over £629,548.
- 7.2 The Committee suggested that some narrative was needed to support the data given on fraud proved and notional values. The Tri-Borough Head of Fraud commented that changes in service had led to a reduction in referrals for housing fraud; and that detection was improving and was more positive, due to better quality reporting and more triage to focus limited resources on areas that would give good outcomes. Members also commented on the rise in fraud relating to disabled parking.
- 7.3 The Committee discussed organised crime in City Council housing lets; and the Tri-Borough Head of Fraud agreed to investigate the distribution of estate agents' cards which were inducing tenants to sub-let their properties.
- 7.4 Other issues discussed included the need to publicise success stories; the need to engage with Ward Members in cases of blue badge, residents parking and housing fraud; and the annual review of the City Council's whistle blowing policy.
- 7.5 **RESOLVED:** That the end of year report for Counter Fraud 2018/19 be noted.

### **ACTION:**

That details be provided by Ward of the 93 recorded cases of fraud relating to disabled parking. (Action by Andy Hyatt - Tri-Borough Head of Fraud)

**8. WORK PROGRAMME AND ACTION TRACKER**

8.1 The Committee noted the items that were on its Work Programme for the next meeting on 19<sup>th</sup> September.

8.2 **RESOLVED:** That

1. The Work Programme including the agenda items for the next meeting on 19<sup>th</sup> September 2019 be noted; and
2. The review of the performance of the Metropolitan Police Basic Command Unit for Westminster be kept on the Committee's Work Programme and allocated to a meeting when appropriate.

Meeting ended at 8.18 pm.

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

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



## Audit and Performance Committee Report

<b>Meeting or Decision Maker:</b>	Audit and Performance Committee
<b>Date:</b>	19 <sup>th</sup> September 2019
<b>Title:</b>	<b>Period 4 Finance Report 2019/20</b>
<b>Classification:</b>	General Release
<b>Key Decision:</b>	Review and challenge officers on the contents of the report
<b>Report of:</b>	Gerald Almeroth, Executive Director – Finance & Resources

### 1. Executive Summary

- 1.1 The period 4 Performance Report presents detailed results for the period to July 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 4 monthly monitoring report projects £0.133m overspend. The projected variance including net risks increases the period forecast to a £0.632m overspend – if all risks and opportunities were realised.
- 5.2 The period 4 capital monitoring report projects an expenditure variance of £52.338m by year end and income variance of £8.616m resulting in a net variance of £43.722m.
- 5.3 The HRA revenue forecast as at period 4 is an overall net surplus of £9.252m, however this is a shortfall of £0.541m against budget.
- 5.4 At the end of period 4, the forecast gross capital expenditure outturn for the HRA is £148.524m resulting in a total variance of £1.331m compared to the budget of £149.854m.

## **6. Revenue – Forecast Outturn**

- 6.1 As at July 2019, period 4. Cabinet Portfolio areas are projecting the following variances, risks and opportunities. These continue to be monitored closely as the year progresses.
- 6.2 The summary for the General Fund is as follows:

**TABLE 1 – Revenue, Period 4 2019/20**

<b>Cabinet Portfolio</b>	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	8.799	8.764	(0.035)	0.000	(0.030)	(0.065)
Deputy Leader, Environment and City Management	(16.574)	(15.374)	1.200	0.950	(1.350)	0.800
Customer Services and Digital	11.535	11.380	(0.155)	0.050	0.000	(0.105)
Economic Development, Education and Skills	6.778	6.902	0.124	0.609	0.000	0.733
	79.181	78.890	(0.291)	0.835	(0.835)	(0.291)
Family Services and Public Health						
Finance, Property and Regeneration	50.514	49.600	(0.914)	0.100	0.000	(0.814)
Housing Services	23.284	23.284	0.000	0.000	0.000	0.000
Place Shaping and Planning	1.411	1.411	0.000	0.000	0.000	0.000
Public Protection and Licensing	9.218	9.218	0.000	0.000	0.000	0.000
Sports, Culture and Community	7.839	8.043	0.204	0.170	0.000	0.374
<b>NET CONTROLLABLE BUDGET</b>	<b>181.984</b>	<b>182.117</b>	<b>0.133</b>	<b>2.714</b>	<b>(2.215)</b>	<b>0.632</b>
Council Tax*	56.674	56.674	-			
Business Rates - Net of Tariff*	125.310	125.310	-			
<b>CORPORATE FINANCING</b>	<b>181.984</b>	<b>181.984</b>	<b>0.000</b>			
<b>NET (SURPLUS) / DEFICIT</b>	<b>-</b>	<b>0.133</b>	<b>0.133</b>			

\*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.

**TABLE 2 – HRA Revenue, Period 4 2019/20**

<b>Housing Services</b> (Housing Revenue Account)	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)
(Housing Revenue Account)	(9.793)	(9.252)	0.541	-	-	0.541

6.3 Further commentary on all risks and opportunities comprising this net position are set out by each Cabinet Member's area presented over the following pages

## 7. Period 4 Forecast Outturn by Cabinet Portfolio

### Leader of the Council (Councillor Nickie Aiken)

7.1 At the end of period 4, the portfolio is reporting an underspend of £0.035m.

- 7.2 An opportunity of £0.030m is being reported relating to demand led legal fee charges.
- 7.3 No risks are reported within this portfolio at period 4.

**Deputy Leader, Environment and City Management** (*Councillor Tim Mitchell*)

- 7.4 At the end of period 4, the portfolio is reporting an overspend of £1.200m. This relates to Parking income under recovery, driven by continued reduction in demand.
- 7.5 There is a reported risk of £0.950m. Risks identified are the potential for a downturn in Parking Suspensions income (£0.500m); a potential decline in Roads Management income (£0.200m); an increase in utility costs arising from climate change levies (£0.150m); an increase in Highways contract costs (£0.100m).
- 7.6 There is an opportunity of £1.350m relating to a potential Parking MTFP options (£0.500m); an opportunity (£0.400m) arising from earlier implementation of roads management fees and charges; opportunities to reduce energy costs through smart lights implementation (£0.150m), and capitalisation / use of commuted sums (£0.100m). Also (£0.200m) related to over-recovery of commercial waste income in Waste and Parks service.

**Economic Development, Education and Skills** (*Councillor Timothy Barnes*)

- 7.7 At the end of period 4, the portfolio is forecasting an overspend of £0.124m to the annual budget of £6.778m.
- 7.8 There is a risk of £0.609m in the Education service owing to short breaks and respite placement activity pressures and also salary pressures.
- 7.9 No opportunities reported at period 4.

**Customer Service and Digital** (*Councillor Paul Swaddle OBE*)

- 7.10 At the end of period 4, the portfolio is now forecasting an underspend of £0.155m to a budget of £11.535m.
- 7.11 There are £0.050m reported risks
- 7.12 No reported opportunities at period 4.

### Family Services and Public Health (Councillor Heather Acton)

- 7.13 At the end of period 4, the portfolio is now forecasting an underspend of £0.291m to a budget of £79.181m.
- 7.14 Adults Social Care is forecasting the £0.291m underspend mentioned above due to the level of placements being lower than anticipated. It is currently expected that seasonal and demographic pressures and increasing complexity of service users will be met within existing resources.
- 7.15 The full allocation of the Improved Better Care Fund (iBCF) of £15.807m for 2019/20 has been made. There is ongoing work with the CCG to confirm and finalise funding arrangements for 2019/20.
- 7.16 Public Health (PH) service is reporting an overall nil variance. The service is fully-funded by a Department of Health (DoH) 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 DoH grant of £30.425m plus £1.425m from the PH earmarked reserves. As at period 4, the amount required from the reserve has been forecast at £0.127m less than budgeted due to underspend in commissioned services.
- 7.17 The majority of the budgeted expenditure is commissioned from third party providers on block and activity driven contracts. The department regularly review & update contract performances and spending patterns to identify current trends as and when more activity information is received.
- 7.18 There are reported risks of £0.835m within Family Services arising from placement pressures, increased referrals from the Emergency Duty Team and costs associated with recruitment issues in the Access and Assessment Team.
- 7.19 There are £0.835m of opportunities reported in period 4 from the one-off Social Care Support Grant for 2019/20. 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, £0.835m of the SCSG has been freed up as a fund to mitigate these risks.

### Finance, Property and Regeneration (Councillor Rachel Robathan)

- 7.20 At the end of period 4, the portfolio is reporting an underspend of £0.914m against a budget of £50.514m. This is due to higher than forecast treasury income resulting from higher interest earnings as cash balances are higher than originally anticipated at this point of the year.
- 7.21 There are £0.100m reported risks.

7.22 No opportunities identified in period 4.

Housing Services – General Fund (Councillor Andrew Smith)

7.23 At the end of period 4, the portfolio is forecasting to a budget of £23.284m with a nil variance.

7.24 There are no risks or opportunities identified in period 4.

Place Shaping and Planning (Councillor Richard Beddoe)

7.25 At the end of period 4, the portfolio is forecasting to a budget of £1.411m with a nil variance.

7.26 There are no risks or opportunities identified in period 4.

Public Protection and Licensing (Councillor Ian Adams)

7.27 At the end of period 4, the portfolio is forecasting to a budget of £9.218m with a nil variance.

7.28 There are no risks or opportunities identified in period 4.

Sports, Culture and Community (Councillor Ian Bott)

7.29 At the end of period 4, the portfolio is reporting an overspend of £0.204m against a budget of £7.839m.

7.30 There are reported risks of £0.170m.

7.31 No opportunities identified in period 4.

**8. Capital – Forecast Outturn**

8.1 The Council's General Fund capital projects are currently reporting a forecast gross expenditure of £262.055m and gross income of £91.826m against a revised gross expenditure budget of £314.393m and gross income budget of £100.442m, including slippage from 2018/19. This equates to a net variance of £43.722m comprising a variance of £52.338m on expenditure and a variance of income of £8.616m.

8.2 The table below summarises the capital programme by directorate.

**TABLE 3 – Capital Forecast, Period 4 2019/20**

**Cabinet Member**

**General Fund Summary**

	Revised Expenditure Budget (£,000's)	Revised Income (£,000's)	Expenditure Forecast (£,000's)	Income Forecast (£,000's)	Expenditure Variance (£,000's)	Income Variance (£,000's)	Previous Expenditure Forecast (£,000's)	Expenditure to Date (£,000's)
Economic Development, Education and Skills	15,006	(14,353)	9,860	(7,521)	(5,146)	6,832	11,563	2,905
Customer Services and Digital	1,503	-	1,053	-	(450)	-	1,053	1,306
Deputy Leader, Environment and City Management	34,297	(8,809)	31,344	(6,747)	(2,953)	2,062	33,120	3,044
Family Services and Public Health	4,557	(2,787)	3,674	(2,104)	(883)	683	4,036	175
Finance, Property and Regeneration	117,081	(7,950)	109,069	(12,337)	(8,012)	(4,387)	120,208	7,552
Housing Services	27,411	(18,849)	39,561	(31,001)	12,150	(12,152)	39,563	16,911
Place Shaping and Planning	35,394	(1,541)	12,632	(851)	(22,762)	690	31,974	488
Deputy Leader, Environment and City Management/Place Shaping and Planning	51,875	(44,110)	33,871	(29,232)	(18,004)	14,878	41,483	4,224
Public Protection and Licensing	1,759	(1,162)	1,759	(1,162)	-	-	1,759	365
Sports, Culture and Community	8,979	(881)	5,724	(871)	(3,255)	10	7,719	189
<b>Service Area Total</b>	<b>297,862</b>	<b>(100,442)</b>	<b>248,547</b>	<b>(91,826)</b>	<b>(49,315)</b>	<b>8,616</b>	<b>292,478</b>	<b>37,159</b>
Projects Funded from Flexible use of Capital Receipts	16,531	-	13,508	-	(3,023)	-	14,208	4
<b>Grand Total</b>	<b>314,393</b>	<b>(100,442)</b>	<b>262,055</b>	<b>(91,826)</b>	<b>(52,338)</b>	<b>8,616</b>	<b>306,686</b>	<b>37,163</b>

**Funding**

	Revised Funding Budget (£,000's)	Funding Forecast (£,000's)	Variance (£,000's)
Grants	(100,442)	(91,826)	8,616
Contributions			-
Revenue Account			-
<b>External Funding Total</b>	<b>(100,442)</b>	<b>(91,826)</b>	<b>8,616</b>
Internal Funding*	(213,951)	(170,229)	43,722
<b>Grand Total</b>	<b>(314,393)</b>	<b>(262,055)</b>	<b>52,338</b>

\* This is by capital receipts or borrowing

**Generation of Capital Receipts**

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

**TABLE 4 – Capital Forecast by Project Categorisation, Period 4 2019/20**

Project Categorisation	Expenditure Budget	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)
Development	99,030	(33,557)	83,533	(44,783)	(15,497)	(11,226)	(26,723)
Efficiency	16,531	-	13,508	-	(3,023)	-	(3,023)
Investment	20,000	-	20,000	-	-	-	-
Operational	178,832	(66,885)	145,014	(47,043)	(33,818)	19,842	(13,976)
<b>Grand Total</b>	<b>314,393</b>	<b>(100,442)</b>	<b>262,055</b>	<b>(91,826)</b>	<b>(52,338)</b>	<b>8,616</b>	<b>(43,722)</b>

8.3 The key capital variances include the Oxford Street District, projects in relation to the Housing Subsidiary Company and contingency budgets that will not need to be utilised in this financial year.

**Leader of the Council** (*Councillor Nickie Aiken*)

8.4 The portfolio has no capital schemes and therefore a nil budget.

**Deputy Leader, Environment and City Management** (*Councillor Tim Mitchell*)

8.5 Deputy Leader, Environment and City Management is forecasting £2.953m variance to budget at period 4 and is outlined below.

8.6 Cycle Schemes have reported a total variance of £1.435m partly due to TFL LIP allocation being lower than anticipated (£0.535m). In addition, Cycle Superhighway Route 11 is declared as underspend of £0.900m as this scheme is no longer going ahead after legal challenges ruled in WCC favour.

8.7 Local Safety and Traffic Management Schemes is reprofiling £0.800m. The project in relation to Trial 20mph Zone is not envisaged to start until Spring 2020.

8.8 The remaining variance of £0.718m is related to various other projects.

**Economic Development, Education and Community** (*Councillor Timothy Barnes*)

8.9 As at Period 4, the capital programme is forecasting a variance of £5.146m.

8.10 This is due to St Marylebone Bridge Special School being substantially reprofiled (£4.936m) to 2020/21.

- 8.11 The works at King Solomon School Expansion has reprofiled £0.800m into 2020/21 due to delays in construction, as works can only carry out during school holidays in order to minimise safeguarding risk.
- 8.12 Hallfied Site Improvements budget has been reprofiled forward by £0.476m.
- 8.13 There is a forecast overspend for St George's School Expansion, which is fully funded by Basic Needs Grant. There are items of expenditure relating to the Windows 10 roll out project and other works received in May and June. The expected costs for these works are as per period 3 forecast of £0.949m and currently causes an overspend of £0.853m.
- 8.14 Westminster Connect - Broadband has reprofiled £0.834m to 2020/21 reflecting expected uptake in vouchers.
- 8.15 The remaining variance of £0.245 is related to other various projects.

Customer Services and Digital (Councillor Paul Swaddle OBE)

- 8.16 At period 4, the projected expenditure outturn is an underspend of £0.450m against the gross budget of £1.503m.
- 8.17 This main underspend of £0.400m 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 the challenge of its deployment of Housing staff. The project is now expected to be completed by November 2019. Actuals are currently higher than forecast as the cost of roll out of devices is currently managed by WCC on behalf of RBKC and RBKC's share of costs will subsequently be recouped.
- 8.18 The remaining underspend is due to Corporate Software Licenses (£0.050m), which is not forecast to spend.

Family Services and Public Health (Councillor Heather Acton)

- 8.19 At period 4, the Family Services and Public Health is forecasting a £0.883m variance to budget.
- 8.20 The main variance contributor is Lupus Street. As part of the strategic review, the housing and health partners will inform decisions on the use of the property. The review is being led through Central North West London (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.

- 8.21 In addition, the remaining variances (£0.436m) are linked to the IT system projects. The Framework I Upgrade to Mosaic project requires a significant reprofile (£0.166m) following the decision to extend the current contract to 2021/22 resulting from a delay in procurement of a digital platform system, which will align with the new social care system. The Health integration (£0.200m) and Mobile working (£0.070m) require further review, therefore the profile of expenditure is currently uncertain.
- 8.22 Social Care System Procurement has reprofiled £0.200m to 2020/21 due to direct award extension on current system.

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

- 8.23 At period 4, the Finance, Property and Regeneration is projecting a variance of £8.012m.
- 8.24 The key driver relates to the reprofile of £9.590m Capital Contingency budget. The capital contingency is budgeted for major projects and general programme contingency, which is held centrally. Additionally, reprofiling of £1.290m of the refurbishment of the Coroners Court is due to delays in procurement.
- 8.25 The budgets held by the Westminster Housing Investments Limited (WHIL) are for exemplar schemes and enable the company to have the flexibility to substitute schemes as required. The variance relates to the addition to the business plan of the scheme at Luton Street, which is closer to commencing on site than the scheme it replaced, leading to a reprofiling of expenditure into 2019/20 from future years (£10.147m). This is offset by variances on the other three projects: Acquisitions (£2.974m), Pimlico (£3.077m) and Warwick (£2.874m). The Pimlico scheme is not anticipated to commence in 2019/20.
- 8.26 Westmead is forecast an overspend of £1.786m owing to the inclusion of additional development costs at Wilberforce School. This will satisfy the Secretary of State requirements regarding school provision and thereby unlock the Westmead site for development.
- 8.27 Dudley House has reprofiled £1.406m from 2020/21 due to a retention payment cost within the scheme.
- 8.28 Beachcroft (£1.263m) has been extended following an extension of time claim by the developer.
- 8.29 Other movements on a number of schemes contribute to the remaining reduction of £0.283m.

Housing Services (Councillor Andrew Smith)

- 8.30 At period 4, Housing Services is forecasting a variance of £12.150m. This relates to £12.152m in the Affordable Housing Fund Budget, following a recent approval of an additional £15.000m budget to Westminster Community Homes to acquire studio and 1-bedroom properties. This expenditure is fully funded through Affordable Housing Fund grant. £2.848m of the additional budget has been reprofiled into 2020/21.

Place, Shaping and Planning (Councillor Richard Beddoe)

- 8.31 At period 4, Place Shaping and Planning is forecasting a variance of £22.762m.
- 8.32 Oxford Street District accounts for the majority of the variance (£17.495m). Reflecting a revised programme following delays in procurement of the design and building contract and external delays from TFL in traffic modelling, the variance has been reprofiled into 2020/21.
- 8.33 Further budgets have been reprofiled to future years include Strand Aldwych (£2.968m) following delays in identifying the best procurement route, Soho Area Public Realm Improvement (£1.450m) resulting from the development of a new place plan.
- 8.34 The remaining variance of £0.849m relates to various other projects.

Deputy Leader, Environment and City Management (Councillor Tim Mitchell) /  
Place Shaping and Planning (Councillor Richard Beddoe)

- 8.35 At period 4, Environment and City Management/Place Shaping and Planning jointly monitor projects, which have a £18.004m variance to budget.
- 8.36 Ceremonial Streetscape is reprofiling £5.803m due to a delay in securing the appropriate permissions from external bodies who have provided the funding for the scheme, which has had an impact on the start dates on the scheme.
- 8.37 Hanover Square is reprofiling £2.168m due to delays in relation to the wider London wide Crossrail scheme which has impacted on the delivery of scheme.
- 8.38 East Mayfair has reprofiled £2.111m. A new project against this budget has not been commissioned due to a lack of third-party interest.
- 8.39 Queensway Streetscape is reprofiling £1.470m as phases 3, 4 & 5 will be delivered across this and next financial year which is later than originally planned. The delay in the delivery is due to an extended stakeholder engagement process with project funders.

- 8.40 St James Palace Forecourt is reprofiling £1.450m as developer funding is only available for one side of the street. Therefore, the scheme is currently on hold until a decision on how to progress has been agreed.
- 8.41 Covent Garden Streetscape is reprofiling £1.190m. The project is still awaiting a decision as to whether the scheme will go ahead from Capco - the project's funder, the decision is due shortly.
- 8.42 Jermyn Street is forecasting a £1.000m underspend due to change of scope in project materials requested by the developer which has reduced the overall costs of the scheme.
- 8.43 The remaining variance of £2.812m relates to further reprofiling across the portfolio.

#### Public Protection and Licensing (Councillor Ian Adams)

- 8.44 At period 4, Public Protection and Licensing is forecasting as per budget.
- 8.45 At period 4, Sports, Culture and Community is forecasting a variance of £3.255m.
- 8.46 Leisure Review Maintenance is reprofiling £2.950m as an updated spend profile has been received with the vast majority of the work now being expected to proceed in future years.
- 8.47 The £0.350m reprofiling relates to the libraries capital programme.
- 8.48 The remaining variance of £0.045m relates to various other projects.

*Please see appendix 1 and 2 for a further breakdown of the general fund capital programme.*

## **9. HRA**

### **REVENUE EXPENDITURE – 2019/20 Budgets and Projected Expenditure**

- 9.1 The HRA revenue forecast at period 4 is an overall net deficit £0.541m, an adverse variance compared to budget. This represents a negative movement of £0.372m, compared to period 3. This forecast overspend is due to under-recovery of income relating to non-dwelling properties and additional fire risk assessment costs. This is a variance of 0.42% of the gross expenditure budget.

### **CAPITAL EXPENDITURE – 2019/20 Budgets and Projected Expenditure**

- 9.2 At the end of period 4, the forecast gross capital expenditure outturn for the HRA is £148.524m resulting in a total variance of £1.331m compared to the budget of £149.854m. This reflects the expenditure forecast for Major Works of £49.304m, Housing Regeneration of £64.579m and Other Projects of £34.641m.

**TABLE 5 - HRA Capital Expenditure Forecast – Period 4**

Description	Full Year Budget	Forecast P4	Variance
	(£'000's)	(£'000's)	(£'000's)
Major Works	49,353	49,304	(49)
Housing Regeneration	66,187	64,579	(1,608)
Other Projects	34,314	34,641	327
<b>Total Capital Expenditure</b>	<b>149,854</b>	<b>148,524</b>	<b>(1,331)</b>

## 10. SCHOOLS BALANCES

### OVERVIEW

- 10.1 The Bi-Borough Schools' Finance team provides support to 40 maintained schools and nurseries in the borough of Westminster with total delegated budgets of £44.5m funded from the Schools Block of the Dedicated School's Grant (DSG). In addition there are 18 academies which have total budgets of £67.6m
- 10.2 The 2019/20 pupil headcount reduced by a net of 204 pupils as per the October 2018 census. Primary school numbers fell by 460, and conversely secondary schools increased by 256. 76% of school funding is based on pupil numbers. Per pupil funding increased by an average of 1%.

### SCHOOLS WITH DEFICITS

- 10.3 Schools in Westminster face a number of challenges this year – particularly primary schools with falling rolls. There are now eleven schools (including one maintained nursery) who ended 2018/19 in deficit. This compares with eight schools at the end of 2017/18.
- 10.4 All of the eleven schools with deficits at the end of 2018/19 have received support to develop deficit recovery plans to bring their budgets back to a balanced position within an agreed timescale. Collectively, these schools had an aggregate (revised) deficit of £1.066m at 31<sup>st</sup> March 2019. See table 6 and 7 below. The total of all school balances is net £3.289m, within that the total of surplus balances in schools is £4.355m
- 10.5 Of the eleven schools, the five below have licensed deficit recovery plans in place or a plan in progress (as is the case with Portman). Monthly reporting to the Council is compulsory for schools with recovery plans in place and monitoring reports are being actively pursued.

**TABLE 6 – Settings with Licensed Deficit Recovery Plans**

School Name	Deficit	Deficit Recovery Plan Received
Essendine	87,417	Yes
Portman Early Childhood Centre	167,425	Work in Progress
St Luke's	397,456	Yes
Westminster Cathedral	188,835	Yes
All Souls	75,479	Yes
Total	916,612	

10.6 The six remaining schools with deficits at the end of 2018/19 are listed below. Each school plans to eliminate its deficit by reducing 2019/20 in-year expenditure accordingly.

**TABLE 7 – Settings managing deficits in-year**

School Name	Deficit
St George's Hanover Square	27,376
St Mary of Angels	52,262
Robinsfield	28,724
St Augustine's	26,648
St Mary Bryanston Square	14,000
St Vincent de Paul	62,577
Total	149,010

### SCHOOLS AT RISK

- 10.7 Of the eleven schools with a deficit at the end of 2018/19, five expect to still be in deficit at the end of 2019/20 – and this is in line with those schools' recovery plans in place this year.
- 10.8 To support schools we regularly review monthly monitoring returns, provide training sessions to Governors and headteachers and work closely with Schools Standards and Governor Services to ensure that all schools develop a sustainable medium term budget.
- 10.9 Additional support is provided to all schools to implement staffing restructures and maximise income opportunities and ensure value for money in the receipt of services. We also liaise with both dioceses on school pupil projections, budget forecasting and explore opportunities for joint working between schools.

## Appendix 1 Capital Budget Analysis

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)
<b>Operational</b>							
Customer Services and Digital	1,503	-	1,053	-	(450)	-	(450)
Deputy Leader, Environment and City Management	31,753	(7,486)	28,913	(5,424)	(2,840)	2,062	(778)
Deputy Leader, Environment and City Management/Place Shaping and Planning	27,629	(24,082)	18,835	(14,517)	(8,794)	9,565	771
Economic Development, Education and Skills	15,006	(14,353)	9,860	(7,521)	(5,146)	6,832	1,686
Family Services and Public Health	4,557	(2,787)	3,674	(2,104)	(883)	683	(200)
Finance, Property and Regeneration	63,244	(2,925)	53,095	(2,925)	(10,149)	-	(10,149)
Housing Services	20,421	(11,859)	20,419	(11,859)	(2)	-	(2)
Place Shaping and Planning	3,981	(1,350)	1,682	(660)	(2,299)	690	(1,609)
Public Protection and Licensing	1,759	(1,162)	1,759	(1,162)	-	-	-
Sports, Culture and Community	8,979	(881)	5,724	(871)	(3,255)	10	(3,245)
<b>Operational Total</b>	<b>178,832</b>	<b>(66,885)</b>	<b>145,014</b>	<b>(47,043)</b>	<b>(33,818)</b>	<b>19,842</b>	<b>(13,976)</b>
<b>Development</b>							
Deputy Leader, Environment and City Management	2,544	(1,323)	2,431	(1,323)	(113)	-	(113)
Deputy Leader, Environment and City Management/Place Shaping and Planning	24,246	(20,028)	15,036	(14,715)	(9,210)	5,313	(3,897)
Finance, Property and Regeneration	33,837	(5,025)	35,974	(9,412)	2,137	(4,387)	(2,250)
Housing Services	6,990	(6,990)	19,142	(19,142)	12,152	(12,152)	-
Place Shaping and Planning	31,413	(191)	10,950	(191)	(20,463)	-	(20,463)
<b>Development Total</b>	<b>99,030</b>	<b>(33,557)</b>	<b>83,533</b>	<b>(44,783)</b>	<b>(15,497)</b>	<b>(11,226)</b>	<b>(26,723)</b>
<b>Investment</b>							
Finance, Property and Regeneration	20,000	-	20,000	-	-	-	-
<b>Investment Total</b>	<b>20,000</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Efficiency</b>							
FCR	16,531	-	13,508	-	(3,023)	-	(3,023)
<b>Efficiency Total</b>	<b>16,531</b>	<b>-</b>	<b>13,508</b>	<b>-</b>	<b>(3,023)</b>	<b>-</b>	<b>(3,023)</b>
<b>Grand Total</b>	<b>314,393</b>	<b>(100,442)</b>	<b>262,055</b>	<b>(91,826)</b>	<b>(52,339)</b>	<b>8,617</b>	<b>(43,722)</b>

Project Categorisation	Expenditure Budget	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)
Development	99,030	(33,557)	83,533	(44,783)	(15,497)	(11,226)	(26,723)
Efficiency	16,531	-	13,508	-	(3,023)	-	(3,023)
Investment	20,000	-	20,000	-	-	-	-
Operational	178,832	(66,885)	145,014	(47,043)	(33,818)	19,842	(13,976)
<b>Grand Total</b>	<b>314,393</b>	<b>(100,442)</b>	<b>262,055</b>	<b>(91,826)</b>	<b>(52,338)</b>	<b>8,616</b>	<b>(43,722)</b>

## Appendix 2 Capital Budget Analysis by Project

Project Categorisation	Project	Revised Expenditure Budget (£,000's)	Revised Funding Budget (£,000's)	Expenditure Forecast (£,000's)	Funding Forecast (£,000's)	Expenditure Variance (£,000's)	Funding Variance (£,000's)	Net Variance (£,000's)
<b>Development</b>	WESTMEAD	215	-	2,001	-	1,786	-	1,786
	WEP - THE STRAND-ALDWYCH	3,918	(191)	950	(191)	(2,968)	-	(2,968)
	STRUTTON GROUND	2,550	(1,323)	2,300	(1,323)	(250)	-	(250)
	STRATEGIC ACQUISITN-HUGUENOT HSE	3,999	-	3,999	-	-	-	-
	STRATEGIC ACQUISITIONS LEISURE	(7)	-	-	-	7	-	7
	ST JAMES'S PALACE FORECOURT	1,500	(1,000)	50	(50)	(1,450)	950	(500)
	SIR SIMON MILTON UNIVERSITY TEC	383	-	462	-	79	-	79
	SEYMOUR LEISURE CENTRE	3,609	-	3,609	-	-	-	-
	QUEENSWAY STREETScape	4,470	(2,800)	3,000	(2,800)	(1,470)	-	(1,470)
	OXFORD STREET WEST (WEP)	27,495	-	10,000	-	(17,495)	-	(17,495)
	MOBERLY SPORTS CENTRE REDEVELOP	(6)	-	131	-	137	-	137
	LUXBOROUGH DEVELOPMENT	357	-	463	-	106	-	106
	LISSON GROVE PROGRAMME	1,705	-	1,595	-	(110)	-	(110)
	LEISURE REVIEW - DEVELOPMENT	93	-	93	-	-	-	-
	JERMYN STREET	3,683	(3,683)	2,683	(2,683)	(1,000)	1,000	-
	HUGUENOT HOUSE REDEVELOPMENT	1,029	-	1,029	-	-	-	-
	HANOVER SQUARE	6,168	(4,168)	4,000	(4,000)	(2,168)	168	(2,000)
	FARM STREET	(69)	-	9	-	78	-	78
	EAST MAYFAIR PUBLIC REALM SCHEME	2,961	(3,034)	500	(500)	(2,461)	2,534	73
	DUKE STREET PUBLIC REALM	90	(90)	90	(90)	-	-	-
	DUDLEY HOUSE	2,309	(2,573)	3,715	(2,573)	1,406	-	1,406
	CHURCHST GREEN SPINE PUBLICREALM	2,389	(2,452)	2,389	(2,389)	-	63	63
	CARLTON DENE	852	-	900	-	48	-	48
	BOND STREET WESTERN TICKET HALL	970	(970)	970	(970)	-	-	-
	BOND STREET	1,289	(1,168)	1,289	(1,168)	-	-	-
	BERKELEY SQUARE NORTH	3,115	(3,115)	2,454	(2,454)	(661)	661	-
	BEACHCROFT	16,973	-	15,710	(4,450)	(1,263)	(4,450)	(5,713)
	AFFORDABLE HOUSING FUND BUDGET	6,990	(6,990)	19,142	(19,142)	12,152	(12,152)	-
<b>Development Total</b>		<b>99,030</b>	<b>(33,557)</b>	<b>83,533</b>	<b>(44,783)</b>	<b>(15,497)</b>	<b>(11,226)</b>	<b>(26,723)</b>
<b>Efficiency</b>	TECHNOLOGY REFRESH	750	-	50	-	(700)	-	(700)
	NETWORK&TELEPHONY TRANSFORMATION	850	-	850	-	-	-	-
	DIGITAL TRANSFORMATION REV COSTS	334	-	-	-	(334)	-	(334)
	CITY HALL REVENUE COSTS	4,597	-	2,608	-	(1,989)	-	(1,989)
	CAPITALISATION PENSION CONTRIB	10,000	-	10,000	-	-	-	-
<b>Efficiency Total</b>		<b>16,531</b>	<b>-</b>	<b>13,508</b>	<b>-</b>	<b>(3,023)</b>	<b>-</b>	<b>(3,023)</b>
<b>Operational</b>	WM CITY SCH ACADEMY EXPANSIO	-	-	71	(71)	71	(71)	-
	WESTMINSTER ACADEMY	(89)	-	-	-	89	-	89
	WEP - FREIGHT	675	(50)	175	(60)	(500)	(10)	(510)
	WEP - CONNECT WMINSTER-BROADBAND	1,934	(967)	1,100	(550)	(834)	417	(417)
	WECH OPEN SPACE	100	(100)	100	-	-	100	100
	WATERLOO AND GOLDEN JUBILEE BRIDGE	1,308	209	1,308	209	-	-	-
	WASTE FLEET	712	222	712	-	-	(222)	(222)
	WASTE CONTAINERS	110	-	110	-	-	-	-
	WARWICK	4,150	-	1,276	-	(2,874)	-	(2,874)
	VILLIERS STREET PUBLIC REALM	1,063	(1,069)	100	(100)	(963)	969	6
	VICTORIA EMBANKMENT STURGEONS	343	-	343	-	-	-	-
	VICTORIA EMBANKMENT MOORING RINGS	1,213	(297)	1,213	(297)	-	-	-
	THAYER/MANDEVILLE STREET	310	-	310	-	-	-	-
	TEMP ACCOMMODATION ACQUISITIONS	4,562	-	4,560	-	(2)	-	(2)
	TA PURCHASE IBB	11,859	(11,859)	11,859	(11,859)	-	-	-
	STREET TREES	94	-	94	-	-	-	-
	ST MARYLEBONE BRIDGE SPECIAL SCH	5,536	(5,772)	600	(600)	(4,936)	5,172	236
	ST GEORGE'S SCHOOL EXPANSION	96	(1,926)	949	(949)	853	977	1,830
	ST GEORGE'S DRIVE / WARWICK WAY JUNCTION	400	(400)	400	(400)	-	-	-
	ST AUGUSTINE'S FIRE DOORS	300	(300)	300	(300)	-	-	-
	SOHO AREA PUBLIC REALM IMPROVEME	1,950	(250)	500	-	(1,450)	250	(1,200)
	SOCIAL CARE SYSTEM REPROCUREMENT	200	-	-	-	(200)	-	(200)
	SHERWOOD STREET FOOTWAY WIDENING	570	(570)	500	(500)	(70)	70	-
	SEN CASE MANAGEMENT SYSTEM PROJECT	208	-	183	-	(25)	-	(25)
	SCHOOLS MINOR WORKS PROJECTS	209	(209)	271	(209)	62	-	62
	SAFE AND SECURE RENOVATION	304	-	304	-	-	-	-
	REMODELLINGOFEARLYHELP/CHILDREN	223	-	223	-	-	-	-
	REACTIVE CAPITALISED MAINTENANCE WORKS	500	-	500	-	-	-	-
	PUBLIC REALM IMPROVEMENT SCHEMES	7,439	(5,896)	7,239	(5,696)	(200)	200	-
	PORTMAN SQUARE	900	-	900	-	-	-	-
	PORTMAN - BOILER&DISTRIBUTION	2,951	(1,604)	2,951	(1,604)	-	-	-
	PLANNED PREVENTATIVE MAINTENANCE - LIGHTING	4,649	-	4,549	-	(100)	-	(100)
	PLANNED PREVENTATIVE MAINTENANCE - HIGHWAYS	5,787	(2)	5,787	-	-	2	2
	PLANNED PREVENTATIVE MAINTENANCE - BRIDGES AND S	1,255	(250)	1,255	-	-	250	250
	PIMLICO	3,077	-	-	-	(3,077)	-	(3,077)
	PICCADILLY UNDERPASS	3,705	-	3,705	-	-	-	-

operational (Continued)	PEOPLE FIRST WEBSITE	100	(100)	100	(100)	-	-	-	-
	PARLIAMENTARY ESTATES DUCTING	(159)	159	(159)	159	-	-	-	-
	PARKING&INTEGRATED ST MANAGEMT	65	-	165	-	100	-	100	-
	PADDINGTON RECREATION GROUND SYNTHETIC PITCH RE	387	-	387	-	-	-	-	-
	PADDINGTON RECREATION GROUND CAPITAL IMPROVEME	873	(630)	873	(630)	-	-	-	-
	OXFORD STREET PHASE ONE	1,616	-	1,616	-	-	-	-	-
	OPEN SPACES STRATEGY AND PARKS CAPITAL WORKS	532	(238)	447	(127)	(85)	111	26	-
	OPEN SPACES AND GREENER PLACES	210	195	210	-	-	(195)	(195)	-
	NORTH AUDLEY STREET	256	(256)	256	(256)	-	-	-	-
	NHB PLACES OF WORK	150	(150)	-	-	(150)	150	-	-
	NEWPORT PLACE	718	(496)	718	(496)	-	-	-	-
	NEAT STREETS	150	(150)	150	(150)	-	-	-	-
	MULTI USE GAMES AREAS AND OUTDOOR FITNESS FACILT	299	(150)	299	(150)	-	-	-	-
	MOTCOMB STREET PUBLIC REALM	205	(205)	30	(30)	(175)	175	-	-
	MOBILE WORKING	70	(70)	-	-	(70)	70	-	-
	MIN ENERGY EFFICIENCY STD (MEES)	174	-	174	-	-	-	-	-
	MEETING ROOMS REFURBISHMENT	250	-	250	-	-	-	-	-
	MARYLEBONE LEN	500	(500)	500	(500)	-	-	-	-
	MARYLEBONE FLYOVER	102	(53)	150	(100)	48	(47)	1	-
	MANDELA WAY UPGRADE	398	-	398	-	-	-	-	-
	LUTON STREET	3,086	-	13,233	-	10,147	-	10,147	-
	LUPUS STREET	327	(327)	80	(80)	(247)	247	-	-
	LOCAL SAFETY AND TRAFFIC MANAGEMENT SCHEMES	2,651	(235)	1,851	-	(800)	235	(565)	-
	LISSON GROVE REFURBISHMENT	6,403	-	6,403	-	-	-	-	-
	LISSON GROVE IMPROVEMENT-INFRA	190	-	190	-	-	-	-	-
	LIBRARIES CAPITAL IMPROVEMENTS	1,850	-	1,500	-	(350)	-	(350)	-
	LEISURE REVIEW MAINTENANCE	3,500	-	550	-	(2,950)	-	(2,950)	-
	LEISURE FACILITIES CAPITAL INVESTMENT PROGRAMME	1,070	(101)	1,015	(91)	(55)	10	(45)	-
	LED LIGHTING ROLLOUT	1,469	(200)	1,469	(200)	-	-	-	-
	LANDLORD RESPONS-MAYFAIRLIBRAR	168	-	168	-	-	-	-	-
	LANDLORD RESPONSIBIL-REGENCYCAFE	140	-	140	-	-	-	-	-
	LANDLORD RESPONSIBILITIES	1,303	-	1,303	-	-	-	-	-
	KING SOLOMON SCHOOL EXPANSION	4,363	(4,363)	3,563	(3,563)	(800)	800	-	-
	JOHN SNOW HANDPUMP BROADWICK STREET	-	(262)	-	-	-	262	262	-
	Isolated Pitches Electricis	500	-	50	-	(450)	-	(450)	-
	INVESTMENT PORTFOLIO ASSET MANAGEMENT	400	-	400	-	-	-	-	-
	HSING INVESTMT IN DISHARGE DUTY	4,000	-	4,000	-	-	-	-	-
	HOUSING SUBSIDIARY COMPANIES ACQUISITION	4,090	(1,435)	1,116	(1,435)	(2,974)	-	(2,974)	-
	HEALTH INTEGRATION	200	(200)	-	-	(200)	200	-	-
	HARROW ROAD/LADBROKE GROVE	457	(300)	457	-	-	300	300	-
	HARROW ROAD PLACE SHAPING SCHEME	1,154	(897)	757	(500)	(397)	397	-	-
	HARROW ROAD BRIDGE CATHODIC PROTECTION	797	-	797	-	-	-	-	-
	HALLFIELD SITE IMPROVEMENTS	459	(459)	935	(935)	476	(476)	-	-
	HALLFIELD HEATING & DISTRIBUTION	177	(177)	213	(213)	36	(36)	-	-
	GLASSHOUSE STREET	84	(84)	20	(20)	(64)	64	-	-
	FRAMEWORKI- UPGRADE TO MOSAIC	243	(243)	77	(77)	(166)	166	-	-
	FORWARD MANAGEMENT PLAN	1,153	-	1,009	-	(144)	-	(144)	-
	ENTERPRISE	1,044	-	1,044	-	-	-	-	-
	ENERGY MONITOR & TARGET	838	-	838	-	-	-	-	-
	END-USER COMPUTING REFRESH	831	-	431	-	(400)	-	(400)	-
	ELECTRIC VEHICLE CHARGING INFRASTRUCTURE	150	(150)	150	(150)	-	-	-	-
	EAST MAYFAIR PUBLIC REALM SCHEME	(350)	423	-	-	350	(423)	(73)	-
	DISTRIC HEATING PROJECTS	1,224	(1,490)	1,318	(1,490)	94	-	94	-
	DISABLED FACILITIES GRANT PROGRAMME	1,297	(1,162)	1,297	(1,162)	-	-	-	-
	DATA NETWORK REFRESH	165	-	165	-	-	-	-	-
	DATA CENTRE REFRESH	142	-	142	-	-	-	-	-
	CYCLE SCHEMES	5,029	(5,105)	3,594	(3,594)	(1,435)	1,511	76	-
	CUSTOMER SELFSERVICE DIGITAL	61	(61)	61	(61)	-	-	-	-
	COVENT GARDEN STREETScape	1,990	(1,990)	800	(800)	(1,190)	1,190	-	-
	COUNCILHSE-FITOUTFORREGISTRARSA	(32)	-	-	-	32	-	32	-
	COUNCIL HSE-LEASE DISPOSAL COSTS	311	-	279	-	(32)	-	(32)	-
	COSWAY STREET	500	-	500	-	-	-	-	-
	CORPORATE SOFTWARE LICENCES	50	-	-	-	(50)	-	(50)	-
	CORONERS COURT IMPROVEMENTS	1,540	-	250	-	(1,290)	-	(1,290)	-
	COLLEGE PARK AND QE2 – REPLACEMENT OF FI	30	(30)	131	(131)	101	(101)	-	-
	CLEVELAND ROW PUBLIC REALM	120	(120)	120	(120)	-	-	-	-
	CITY HALL - MAJOR REFURBISHMENT	1,000	-	1,000	-	-	-	-	-
	CIL LONDON CYCLE HIRE	(58)	58	(58)	58	-	-	-	-
	CHURCH STREET ACQUISITIONS	12,000	-	12,000	-	-	-	-	-
	CHURCH ST REGENERATION HUB	350	-	350	-	-	-	-	-
	CHURCH ST GOOD GROWTH FUND	150	-	150	-	-	-	-	-
	CHRISTCHURCH GARDENS	28	(250)	28	(28)	-	222	222	-
	CEREMONIAL STREETScape	10,803	(11,257)	5,000	(5,000)	(5,803)	6,257	454	-
	CEMETERIES IMPROVEMENTS	46	-	46	-	-	-	-	-
	CCTV CRIME AND DISORDER ESTATE	158	-	158	-	-	-	-	-
	CAPITALISED SALARY COSTS	1,130	-	600	-	(530)	-	(530)	-
	CAPITAL CONTINGENCY	19,590	-	10,000	-	(9,590)	-	(9,590)	-
	BARNEY & FLOREY	182	(182)	182	(182)	-	-	-	-
	BAKER STREET TWO WAY	1,608	(1,380)	1,608	(1,380)	-	-	-	-
	ABELL AND CLELAND PUBLIC REALM	949	(949)	300	(300)	(649)	649	-	-
	20 GROSVENOR SQUARE	223	(223)	223	(223)	-	-	-	-
		178,832	(66,885)	145,014	(47,043)	(33,818)	19,842	(13,976)	-
Operational Total	PROPERTY INVESTMENT ACQUISITIONS	20,000	-	20,000	-	-	-	-	-
Investment		20,000	-	20,000	-	-	-	-	-
Investment Total		20,000	-	20,000	-	-	-	-	-
Grand Total		314,393	(100,442)	262,055	(91,826)	(52,338)	8,616	(43,722)	-

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<b>Meeting or Decision Maker:</b>	Audit and Performance Committee
<b>Date:</b>	19 <sup>th</sup> September 2019
<b>Classification:</b>	General Release
<b>Title:</b>	Quarter 1 Performance Report
<b>Key Decision:</b>	Review and challenge officers on the contents of the report
<b>Report of:</b>	Julia Corkey, Director of Policy, Performance and Communications

## 1. Executive Summary

The Quarterly performance report summarises the Council's performance at the end of the first quarter of the 2019/20 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

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

## 3. Reasons for Decision

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

## 4. Background, including Policy Context

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

# Quarter 1 Performance Report – 2019/20

## 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 Bond Street project recently won the Public Spaces Award at the New London Awards (NLA) 2019-20. In addition to this, the Bond Street project was also recently shortlisted for both the Planning Excellence Award on behalf of the Royal Town Planning Institute (RTPI) and for the Creating Better Places Award by the Chartered Institute of Highways and Transportation (CIHT).
- At Quarter 1, 100% of band 4 roles had a BAME (Black, Asian and minority ethnic,) candidate on the shortlist, supporting Westminster's Positive Action strategy. This is meeting Westminster's aspirational target of 100%.
- The Council is on track to deliver over 1,850 new affordable homes. A significant number of these will be delivered during 2019/20 – highlights include 197 new intermediate homes for rent at Dudley House, plus 86 new social and intermediate homes at Tollgate Gardens Estate.
- Clubs for young people, training courses and sports activities are in line for a major funding boost as Westminster City Council reintroduces direct funding for youth services. In a speech to celebrate the 40th anniversary of The Avenues – a voluntary organisation providing activities outside of school hours for young people living in North Westminster – Cllr Nickie Aiken, Leader of Westminster City Council committed the Council to providing £500,000 each year for youth services.

### 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.

- 99% of streets in Westminster passed the street score survey for litter. 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.
- 88% of licensed premises were found to be well managed following a single inspection from the licensing team, ahead of the ideal target of 70%. This ensures that Westminster residents and the public have access to safe bars and restaurants across the city.
- At Quarter 1, 83.2% of HR transactions were made via self-service, which is a significant increase from the 2018/19 Year End figure of 71% and in excess of the aspirational target of 80%. This will support Westminster's digital first contact centre strategy.
- The City Council has successfully transitioned all City West Homes staff and operations without any major service disruptions to our residents. Westminster's new housing management service is now fully operational and our new colleagues are settling in well.

## Caring and Fairer City

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

- Westminster's Home Improvement Agency offers housing related services to help vulnerable residents live independently. At Quarter 1 in the 2019/20 reporting year, 272 vulnerable residents were supported to continue living in their homes.
- At Quarter 1, 123 hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety. The English Housing Survey 2016-17 estimated that 15% of private rented dwellings contained at least 1 Category 1 hazard.
- On 24th June, The Executive Director of Children's Services and the Senior Leadership team (SLT) provided HM inspectors with a comprehensive review of Westminster and Kensington and Chelsea's Family Services, including social care performance data, the support that we provide to Children missing from home and care, and progress made by the directorate since the last inspection visit ('focused visit') in August 2018. We were able to show Ofsted strong performance across education and family services, how we work with and learn from others and how we are looking to innovate to improve outcomes for children and young people.
- An Education, Health and Care (EHC) needs assessment is an assessment of a child or young person's education, health and care needs. At Quarter 1, 100% of EHC assessments were completed within 20 weeks, exceeding the aspirational target of 75% for the service.
- The council's social care services continue to support people to retain their independence and live at home for as long as possible. Reduce avoidable admissions to care homes is a good indicator if this. At end of June, there were 9 new permanent admissions to residential/nursing care, which is projected to be lower than the ideal target of 95 by year end.
- In a joint operation with the Metropolitan Police, Westminster City Council supported a crackdown on knife crime with a dedicated action day on 27th June. Latest figures from the Metropolitan Police showed that knife crime increased by 16 percent in London year-on-year in 2018. A detailed analysis of knife in Westminster is provided in section 5 below.
- The redevelopment of Beachcroft, a former sheltered housing property in the heart of Maida Vale, reached a key milestone on the 17<sup>th</sup> July when a 'topping out' ceremony was held on the roof of the new development. Attended by Cllr Robathan, Cabinet Member for Finance, Property and Regeneration and Cllr Acton, Cabinet Member for Family Services and Public Health, the ceremony took place in recognition of the completion of the roof and water tightness of the building's shell. This is an important milestone for the project which is on-track to complete in June 2020, delivering a new state of the art elderly care home with 84 residences and an additional 31 private apartments.
- On 5 June we launched the 2019-2022 Early Help Strategy – 'From Surviving to Thriving, it starts with us'. The strategy has been agreed by the council and our partners – with each agency pledging their contribution to meet the needs of children at the earliest opportunity.

### **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.

- The Westminster Mile broke the world record for number of participants running at a mass organised mile event with 9,198 completing the event. There is increased awareness of the high-profile Vitality Westminster Mile Olympic Legacy event from 1,975 participants in the first year.
- In the 2018 City Survey, 92% of residents were satisfied with Council sports facilities and in Quarter 1, 781,848 people participated in Council physical activity, leisure and sport activities.
- In Quarter 1, the Council is set to exceed its aspirational year-end target of 4,000 with 2,092 sexual health screenings undertaken through the new online Sexual Health London service.

### **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.

- London Pride was attended by approx. 1.5m people, with a successful clean-up plan based on 'lessons learned' review of 2018 clean-up. Also, The Soho Angels, a team of volunteers giving up their time to help people end the night right, were out in force during Pride in London celebrations on 6<sup>th</sup> and 7<sup>th</sup> July.
- Just over 3,000 residents came down to enjoy MyWestminster day, which took place on Sunday 30<sup>th</sup> June. Families and residents enjoyed free family activities, sport, live music, entertainment, dancing and arts and crafts.

# Performance challenges

## Top emerging and current risks

- The increased demand in Unaccompanied Asylum-Seeking Children (UASC) placements creates a financial pressure on the council as well as a pressure on our capacity to manage this demand. Currently, UASC numbers are projected to increase by a net 44 per annum. Without mitigations this will lead to financial overspend. Whilst the government recently announced an increase in the funding per UASC child, this does not cover the cost of additional social work support required. The average caseload for UASC social workers is 15 and so the impact of the projected increase in numbers would amount to 3 additional posts and a pressure of £152k per annum. The Pan London rota continues to operate however capacity across the whole of London has been impacted.
- Incidents of fixed-term exclusions in our secondary schools have increased year on year since 2015/16. There were 846 incidents reported in 2015/16, 1083 in 2016/17 and 1,267 in 2017/18. If rates of fixed-term exclusions in secondary schools continue to rise this would disrupt the progression in the learning of young people, their educational and life outcomes and increase their risk of being criminally exploited. This carry's a risk of schools potentially getting a negative Ofsted inspection rating.
- Westminster City Council seem to be having difficulty securing access to the Integrated Business Centre (IBC) reports it needs in order to analyse its staffing. Work was started some months ago to identify and secure access to the reports that the council needs as a baseline. IBC appear currently to steer the council towards a daily data download which is provided for the purpose of informing business intelligence software, rather than it being an accessible reporting tool.
- Some economists suggest that the Brexit outcome could have a detrimental effect on equity valuations, global trade and future inflation levels and that this could take upwards of five years to recover from. Inflation accounting for all reserves and the MTP would affect all sources of funding due to an increase in prices which may not be met by an increase in funding. Furthermore, if the economy were to contract as a result of the current market uncertainty this may have an impact on the council's commercial income. Analysis is currently underway to assess the susceptibility of income streams to such a risk, with the main areas of vulnerability being treasury interest income (if bank base rates were cut), parking income and Commercial Waste. Possible impact of up to £10m.

## 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 Quarter 1 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 Quarter 1 or only met the minimum standard. Further detail can be found in appendix 1.

Key performance indicator [Statutory]	2018/19 position	2019/20 ideal target	Position at Q1	Target assessment
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## Public Health

Percentage of children who receive a 2-2.5-year development review	70%	80% by year end	<b>70%</b> (1,642/2,323)	<b>Off track</b>
<p><b>Mitigation:</b> The appointment booking process is being reviewed to ensure all children are sent an appointment for their development review. The service redesign work in Westminster and Kensington and Chelsea with Transformation colleagues combined with the Early intervention Foundation Academy should provide opportunities to deliver this development review in different ways using experience from 5 other local Authorities.</p>				

## City Management and Communities

2% increase in real and virtual visits to libraries	1.96m	2% by year end	<b>-3.1%</b> (475,359 visitors)	<b>Off Track</b>
<p><b>Mitigation:</b> There has been a downward trend since 2017/18. The numbers of real and virtual visitors continue to fall year on year. Direct communication with our online eNews Provider has been carried out to ensure that accurate figures will be accessible for Q2. We have also emphasised the importance of collecting the information regularly to ensure that our customers are utilising the service available to them and the impact it has on our digital offer. New gate counters have been implemented at the affected sites to prevent a reoccurrence in Q2.</p>				

## Growth, Planning and Housing

1,000 businesses significantly engaged (including vouchers issued, Corporate Social Responsibility activity)	1,108	1,000 by year end	<b>69</b>	<b>Minimum standard met</b>
<p><b>Mitigation:</b> Performance will pick up significantly from quarter 2 due to a number of Pop-up business schools taking place then.</p>				

Reduction in rough sleepers spending more than one night out	83%	85% by year end	<b>77%</b>	<b>Minimum standard met</b>
<p><b>Mitigation:</b> Quarter one saw very high levels of new people to the street, predominantly Romanian nationals. Of those Romanian nationals there was a large amount of people identifying as Roma, a client group that traditionally do not accept offers of support away from the street as they are here for specific reasons. Teams continue to meet and assess anyone who is new to the street regardless of entitlement to welfare support or motivations for street sleeping.</p>				

400 Westminster residents into jobs through our Westminster Employment Service (WES) (New KPI)	305	400 by year end	<b>71</b>	<b>Off Track</b>
<p><b>Mitigation:</b> Various recruitment issues will be resolved by Q2 and we anticipate being back on track then.</p>				

Housing Resident's satisfaction with Anti-Social Behaviour case handling	74%	74%	<b>63%</b>	<b>Off track</b>
<p><b>Mitigation:</b> As part of the transformation of service from CityWest Homes to the Council, staffing levels in this area have been increasing and performance is now improving. (June performance 75%)</p>				

## Finance and resources

Percentage sundry debtors (more than 1 year old) of total gross sundry debtors	11.35%	5% by year end	<b>24%</b> (£4.273m)	<b>Off track</b>
<p><b>Mitigation:</b> There has been a delay to the quarter 1 billing to the NHS for Adults Social Care for approx. £5M, which will now be billed with the Q2 invoices due in P4. Additional performance measures will be introduced to provide further insight into the debt position.</p>				

## Policy, Performance and Communications

Less than 4% of calls abandoned (Agilisys)	2.97%	<4%	<b>13.43%</b>	<b>Off track</b>
<p><b>Mitigation:</b> 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.</p>				

## 2. Council's Risks

The section presents information taken from the council's corporate [risk registers](#).

### Strategic Risks

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

There is an ongoing work between Adults and Children Safeguarding boards and Community Safety Partnerships regarding with the promotion of the Referral Pathway for Victims of Modern Slavery. This initiative is a result of the council priorities to publish a clear referral pathway in response to the Modern Slavery Act 2015. Using the Human Trafficking Foundation's protocol for local authorities and following discussions between directorates and partners, a referral pathway for adult victims of modern slavery has been developed and is being followed when victims are identified. Training and guidance for teams is also available, explaining the indicators of modern slavery, the duty of the local authority and how the National Referral Mechanism works.

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

A number of plans are in place to ensure business continuity and respond to major incidents. Weather reports are regularly monitored and there is joint working with the police and partners to take actions against potential terrorist threats. Similarly, the ongoing Counter Terrorism (CONTEST) programme ensures preparedness to respond to and recover from a terrorist attack. A 6 weekly CONTEST meeting is also chaired by the Chief Executive.

#### The impact of Brexit on Council services and communities across Westminster

Following the change in Prime Minister, the likelihood of a no deal scenario remains high in the political agenda. The WCC Brexit Strategic Board through regular meetings with key stakeholders from each directorate is monitoring the potential impact on Council services and Westminster. After risk analysis and assessment, key anticipated areas to be impacted are: economic output, EU workforce changes, housing targets, supply chains and contractual agreements. Regarding those, the WCC Brexit Strategic Board has established a series of KPIs and mitigating actions to provide assurance and minimise any potential disruption. There is also an ongoing work with partners such as London Resilience Forum, Ministry of Housing, Communities and Local Government (MHCLG) and London Councils to provide joint solutions against a no deal scenario.

In terms of impact to our workforce, if more EU nationals leave the country or fewer arrive, then it could result in skills losses/shortages in areas more dependent on EU workers e.g. social care, nurses, healthcare, environmental services and construction. Recruitment and retention could be an issue for the council, our workforce supply chain, with foster carers and the economy more widely. It is estimated that 41% of Veolia's workforce are EEA nationals.

#### Loss of IT systems or data

IT teams continue to focus on improving system availability and reducing the risk of data loss. During quarter one, core Council systems were stable, although brief outages were experienced with legacy fileshares and the data network, these issues have been addressed through our outsource partners and will be further improved through future full migration to Office365 and transition to a new network contract. A Cybersecurity initiative is underway to strengthen both technical controls and staff awareness, and a review of corporate FOI/Data Protection processes to reduce the risk of data breach.

### Financial pressures resulting in an inability to fund services for resident, businesses and visitors

The upcoming review of the funding allocation formulas used by Central Government (currently delayed until 2020) could mean that Council's share of funding is proportionately reduced in favour of other Local Authorities. The Council would expect to receive an allocation of c£8.4m for the New Homes grant, and c£15m in Improved Better Care Fund (iBCF) grant during 2019/20. The delay of publishing the Social Care Green Paper by the Government also increases reliance on short term funding mechanisms. Two sources of funding from central Government of total £17.696m have been allocated to the Council for 2019/20. Saving 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

Business continuity plans are in place for all high value/high risk contracts. Enhanced procurement and due diligence processes are also in place prior to appointment and contractors are regularly monitored to ensure contracts do not fail. The annual review of the City Council's contracts, including details of contracts awarded, waivers and overall performance has been scheduled for September 2019.

# Top Departmental Risks

Risk Description & Impact	Risk Assessment	Current & Future Controls
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## Movements in the assessment of risks since the last quarter

Risk likelihood reduced from "high" to "significant" changing the total risk score to 12 (from 16 in Year End).								
<p><b>CMC: The reduction of policing resources following the Basic Command Unit (BCU) merger</b> could reduce the policing support and responsiveness in Westminster particularly given the high volume of crime associated with the West End and Evening and Night Time Economy.</p>	<table border="1"> <tr> <td>Likelihood of occurring:</td> <td><b>SIGNIFICANT</b></td> </tr> <tr> <td>Impact if risk materialises:</td> <td><b>CRITICAL</b></td> </tr> <tr> <td>Risk score out of 25</td> <td><b>12</b></td> </tr> </table>	Likelihood of occurring:	<b>SIGNIFICANT</b>	Impact if risk materialises:	<b>CRITICAL</b>	Risk score out of 25	<b>12</b>	<p>Ongoing discussions with the Metropolitan Police Services over current concerns and monitoring through Policy &amp; Scrutiny (and Audit &amp; Performance Committee). Continued working at a local level.</p>
Likelihood of occurring:	<b>SIGNIFICANT</b>							
Impact if risk materialises:	<b>CRITICAL</b>							
Risk score out of 25	<b>12</b>							

## Standing Risks - no changes since the last quarter

<p><b>Adults: Financial Pressures and increased demand in Adult Social Care</b> could have an impact on service costs could lead to potential overspends and inability to meet savings targets.</p>	<table border="1"> <tr> <td>Likelihood of occurring:</td> <td><b>VERY HIGH</b></td> </tr> <tr> <td>Impact if risk materialises:</td> <td><b>CRITICAL</b></td> </tr> <tr> <td>Risk score out of 25</td> <td><b>20</b></td> </tr> </table>	Likelihood of occurring:	<b>VERY HIGH</b>	Impact if risk materialises:	<b>CRITICAL</b>	Risk score out of 25	<b>20</b>	<p>Savings plans, improvement activity and effective utilisation of the budget is in place. Joint plans developed with the Clinical Commissioning Group to achieve efficiencies / savings across the system.</p>
Likelihood of occurring:	<b>VERY HIGH</b>							
Impact if risk materialises:	<b>CRITICAL</b>							
Risk score out of 25	<b>20</b>							

<p><b>Children's: Schools with a reduced number of pupils are at risk of developing budget deficits.</b> This can have a financial and reputational impact for the council.</p>	<table border="1"> <tr> <td>Likelihood of occurring:</td> <td><b>HIGH</b></td> </tr> <tr> <td>Impact if risk materialises:</td> <td><b>CRITICAL</b></td> </tr> <tr> <td>Risk score out of 25</td> <td><b>16</b></td> </tr> </table>	Likelihood of occurring:	<b>HIGH</b>	Impact if risk materialises:	<b>CRITICAL</b>	Risk score out of 25	<b>16</b>	<p>The number of schools with deficits increased by 3 in 2018/19 to 11 out of 40 schools in Westminster. Of the 11 schools, 6 of them plan to eliminate their deficit by 31<sup>st</sup> March 2020, 4 have approved deficit recovery plans with the deficit eliminated over 3 years and 1 is a work in progress with support from the Council. Schools with deficit recovery plans are required to submit monthly returns so that their position can be monitored against their plan.</p> <p>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. An action plan timetable was also agreed for schools in deficit and those at risk of going into deficit.</p>
Likelihood of occurring:	<b>HIGH</b>							
Impact if risk materialises:	<b>CRITICAL</b>							
Risk score out of 25	<b>16</b>							

<p><b>Finance: Some economists suggest that the Brexit outcome could have a detrimental effect on equity valuations, global trade and future inflation levels.</b> This could take upwards of five years to recover from. Inflation accounting for all reserves and the MTP would affect all sources of funding due to an increase in prices this may not be met by an increase in funding.</p>	<table border="1"> <tr> <td>Likelihood of occurring:</td> <td><b>HIGH</b></td> </tr> <tr> <td>Impact if risk materialises:</td> <td><b>CRITICAL</b></td> </tr> <tr> <td>Risk score out of 25</td> <td><b>16</b></td> </tr> </table>	Likelihood of occurring:	<b>HIGH</b>	Impact if risk materialises:	<b>CRITICAL</b>	Risk score out of 25	<b>16</b>	<p>The Pension Fund Committee is considering a move from UK Equities to Global to cushion the effect of a shock on the UK within a specific UK sub-fund. Residential housing also to be considered. The change to a global portfolio will be considered at the September 2019 pension committee.</p>
Likelihood of occurring:	<b>HIGH</b>							
Impact if risk materialises:	<b>CRITICAL</b>							
Risk score out of 25	<b>16</b>							

### 3. Featured analysis – Tackling knife crime in Westminster

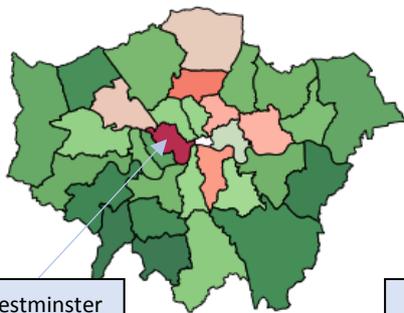
#### Introduction

According to latest data taken from the Mayor’s Office for Policing and Crime (MOPAC), there were 1,098 knife crime offences in Westminster in the year to 30 June 2019. This is up from 704 offences in the year to June 2018. This is the highest figure in Greater London, with Haringey second in the list with 831 offences. Westminster has taken several steps to tackle knife crime and violence among young people, further detail of which is included below and in the appendices of the report.

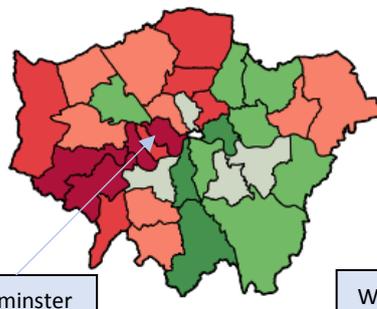
#### Maps – Knife crime offences by borough and ward, year to June 2019

Key  High volume     Low volume

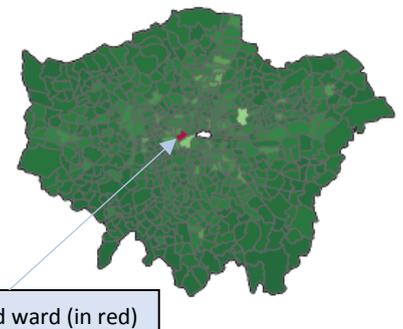
Volume of weapon-enabled crime



Offending above borough average



Ward Volume



#### Key insights

The key areas of interest in Westminster’s data include:

- The latest data taken from The Mayor's Office for Policing and Crime (MOPAC) indicates there were 1,098 knife crime offences in Westminster in the year to 30 June 2019. This is up from 704 offences in the year to June 2018. The borough with the next highest number of offences in Inner London is Southwark with 745.
- The ward with the highest number of offences in London is West End (seen in red in the top right image) with 332 (2.3% of all offences in London and 30% of offences in Westminster). The next highest ward figure is St James’s with 129. Other wards in Westminster have knife crime figures below 71.
- Westminster has been above the average number of knife crime offences in 7 of the last 7 months.

Chart 1 – Rolling 12-month tracker of knife crime offences, Westminster

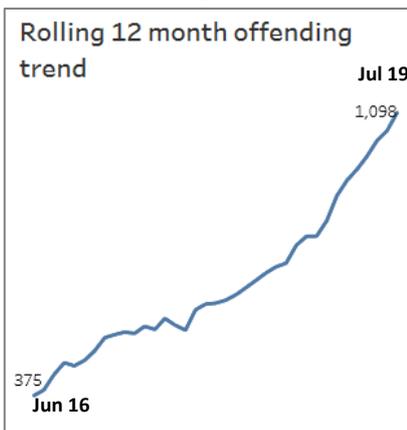


Chart 2 – number of knife crime offences per month, Westminster

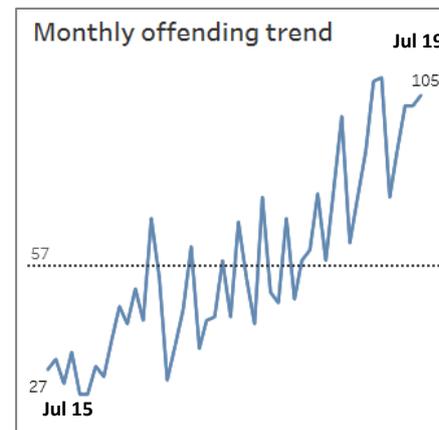
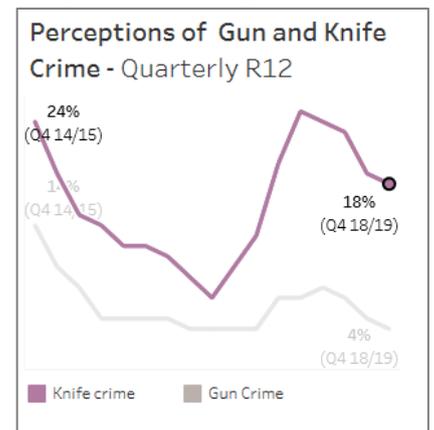


Chart 3 - % of Westminster residents surveyed – knife crime is a problem



- The Greater London Assembly’s knife crime strategy indicates that “the majority of research conducted into weapon carrying has pointed to self-defence and protection as a key reason why young people carry knives”.
- The strategy states that “for people surveyed, protecting themselves from others carrying weapons was considered to outweigh the risk of being caught by police. However, we also recognise that the decision to carry or use weapons is often more complex – in many cases knives are carried not for protection but to intimidate others, to facilitate robbery, to deliberately injure or kill or simply for the perceived power and status that the carrying of a weapon provides”.

**Table 1 - Knife crime offences by ward – top 5**

Ward	Knife crime offences
1. West End	332
2. St. James's	129
3. Knightsbridge and Belgravia	71
4. Marylebone High Street	66
5. Bryanston and Dorset Square	64
5. Hyde Park	64

### Perception by residents

- The latest perception data from MOPAC indicates that residents that perceive knife crime to be a problem has fallen from 25% in the year to Quarter 4 17/18 to 18% in the year to Quarter 4 18/19.
- In the 2018 City Survey (sample size 2,603), 18% of respondents viewed violence between young people as a problem. One fifth (21%) of residents interviewed in the survey stated that their quality of life is affected by the fear of crime.

### Actions by Westminster

Westminster has taken both direct and indirect action to tackle this increase, further detail of which can be found in this report:

- On 27th June, Westminster Council with the MPS ran **Operation Poniard, a day of action to tackle knife crime** and to specifically promote social responsibility amongst retail premises selling knives, reducing opportunities to steal knives and reduce the availability of knives to young people. Visits made by Trading Standards officers to 100 retailers across the city checking they are aware of the restrictions around selling knives. Assisted by Westminster City Inspectors, police officers conducted weapons sweeps in several sites.
- The City council recently **refreshed the joint Knife Crime Action Plan** as part of the London Knife Crime Strategy launched in 2017. This document captures activity to combat knife crime across London Boroughs and allows for sharing of good practice to inform local knife crime prevention planning. The latest refresh reflects the shift within the Integrated Gangs and Exploitation Unit (IGXU) to include exploitation, such as the new GMACE (Gangs Multi-Agency Child Exploitation) meeting which takes place every six weeks and its purpose is to identify, monitor and disrupt high risk gang members and identify young people at risk of exploitation in order to identify the links and to develop common themes in order to provide an adequate partnership response. The plan also reflects the changes in responsibilities following the BCU merger.
- Following the **tri-borough merger of the Police BCU** in February, Westminster Council has kept regular touch with the Met to ensure the 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. The BCU continue to work 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 has launched a **Priority Crime Team (PCT)** that consists of forty-six Detectives and Uniformed officers working to a Detective Inspector in response to significant increases in robbery offences (specifically knife crime related).
- **Integrated Street Engagement Unit police officers** will combine with a neighbourhood team to provide 20 police officers dedicated to tackling crime and anti-social behaviour in Westminster.
- **Westminster City Council's Integrated Gangs Unit** works with schools, agencies and community groups to engage young people who are at risk of serious youth violence and weapon use. The unit helps teenagers find employment, hosts group and one-to-one sessions and conducts school awareness programmes to help young people learn how to solve their problems in a safe and constructive way. Earlier this year Westminster City Council launched the #MyWestminster Stay Safe project, which aims to break the cycle of violence among the minority of young people in our city who are continually impacted by crime. We will do this through providing targeted skills training, safety workshops and one-on-one support to young people who are most at risk to help ensure they won't be victimised again.
- **A Serious Youth Violence Task Group** has been established to place a greater emphasis on how we can work together across Council departments, the MPS and with partner agencies to adapt to the changing nature of violence in Westminster. Early Help is a part of the Serious Youth Violence Task Group. The group has been exploring what a 'Public Health' approach to serious youth violence looks like in Westminster (where violence is treated as a disease). An action plan across a number of themes (schools, mental health, community engagement, parenting and consultation) has been developed and Early Help will play a key role in helping to support this approach.

# Appendix 1

# 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 commitments

## ELT Directorate sections:

1.1	Adult Social Care and Public Health	Page 14
1.2	Children's Services	Page 20
1.3	City Management and Communities	Page 27
1.4	Growth, Planning and Housing	Page 35
1.5	People Services	Page 44
1.6	Legal Services	Page 47
1.7	Finance & Resources	Page 49
1.8	Policy, Performance and Communications	Page 54

## 1.1 Adult Social Care and Public Health

### Achievements

#### Mental Health and Wellbeing Joint Strategic Needs Assessment (JSNA)

The Joint Strategic Needs Assessment (JSNA) is a document that provides a detailed picture of health needs of the local population, usually focusing on a specific topic. This topic chosen was Mental Health and Wellbeing and has been co-produced with colleagues from across the Council, as well as the Clinical Commissioning Groups, Healthwatch, MIND, Central and North West London NHS Foundation Trust, and the Community and Voluntary Sector.

#### **Outputs delivered**

Based upon the findings of the final report, and in collaboration with local stakeholders, the JSNA has identified seven themes which are being considered at a strategic level in order to further develop the local mental health and wellbeing system:

1. mobilising local assets, services and communities;
2. prevention and early intervention;
3. pathways;
4. recovery;
5. funding;
6. primary care;
7. innovation.

The JSNA recommended the development of a multi-agency partnership to provide assurance to the Health and Wellbeing Board that these themes are being addressed in a coordinated manner, and to promote collaboration and coproduction across the mental health and wellbeing economy.

#### **Outcomes achieved**

The summary report and full JSNA was published on the JSNA website as part of Mental Health Awareness Week (13-19 May). Other activities taking place during this awareness raising period include targeted campaigns focused on body image across key locations in the City of Westminster. A multi-agency partnership group involving key stakeholders has been initiated to address the findings of the JSNA and met for the first time on 18 July 2019.

#### Dementia Action Week

Adult Social Care and Public Health worked to support the Dementia Action Alliance deliver a highly successful Dementia Action Week campaign.

#### **Outputs delivered**

The focus of the week in Westminster was the production and display of some beautiful crocheted "scarves on statues" in Westminster as a vehicle to promote the work of the local Dementia Action Alliance and increase awareness about dementia as an issue. The scarves featured the forget me not flower which is the symbol of the Alzheimer's Society. Public Health worked with City Management and Communities colleagues and Royal Palaces to organise for the scarves to be displayed and installed as well as making some of the scarves themselves. Scarves were installed on the following statues:

- The Allies (Winston Churchill and President Franklin Roosevelt) in Bond Street
- Sherlock Holmes in Baker Street
- The Ballet Dancer in Covent Garden
- Woman of Samaria, aka the Water Carrier, in Berkeley Square, Mayfair
- Mozart in Ebury Street, Belgravia
- King Charles I in Whitehall

## **Outcomes achieved**

Adult Social Care and Public Health helped the Dementia Action Alliance with the drafting their communications plan and worked with Council colleagues to publicise Dementia Action Week, the scarves and other activities happening in the borough. A successful twitter campaign was delivered and the initiative was taken up in My London News. The Dementia Programme Lead and Public Health will be working to support the DAA increase its membership over the coming year so that more organisations take action so that those living with dementia are enabled to live well.

## **Bi-Borough Adult Social Care and Public Health Staff Conference**

The Adult Social Care and Public Health staff conference was held in May and involved over 450 staff from across the Bi-Borough services. The “With Health in Mind” conference topic was initiated and attended by Local Account Group, made up of residents who use our services. The session focused on increasing mental health awareness for self, residents, teams and the Council as a whole. The Lead Member from both authorities attended the conference and saw a range of interactive sessions during the afternoon.

## **Outputs delivered**

Staff and residents shared powerful, personal stories on their own challenges with their Mental Health. There was an energetic Zumba session which most of the conference attendees joined in, demonstrating the benefits of exercise to improve both physical and mental health. A mental health choir encouraged the audience to join in singing and a Dementia Friends information session successfully recruited across the service.

## **Outcomes achieved**

The conference gave staff across the Bi-Borough services the opportunity to understand the need for the greater emphasis on prevention and how we need to build resilience in communities so that individuals can help to manage to their own health, with the right support. Networking and sharing of good practice and resources can help to reduce stigma, increase wellness and improve workplace psychological health and safety.

## **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. If the average cost of placements and packages rose by 5% as a result of increased market pressure and demand (complexity/volume), this would translate into an increase in the annual cost of circa £3.5m.

### **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 – such as care homes and homecare so that officers are appraised of their current financial standing. Our intelligence to date does not indicate any of our Business Critical providers (those deemed hard to replace) are at medium or high risk of financial failure.

### **Timeframe for improvement**

April 2020

### **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**

April 2020

### **Ongoing delays in the government publishing the Social Care Green Paper, increasing 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 is to publish the green paper in autumn 2019.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator <i>[S] - Statutory indicator</i>	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	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	9	Exceeding target	<b>Benchmarking:</b> In 2017/18, the number of admissions per 100,000 was 315.2, below the average for all London boroughs.
2. Delayed transfers of care, acute days attributed to social care (cumulative)	848	1,213	→	1,103	→	1,047	43 (Apr 2019)	Exceeding target	
3. Percentage of carers (caring for an adult) who have received an assessment of review of their needs	90.6%	80%	→	90%	→	95%	27.7% (212/765)	Exceeding target	<b>Insight:</b> The data shown in the numerator is cumulative. 27.7% of performance has been achieved in the first quarter which is well above the expected position for the year to date.
4. Percentage of service users receiving an assessment/review	85.8%	80%	→	90%	→	95%	26.3% (673/2,560)	Exceeding target	<b>Insight:</b> The data shown in the numerator is cumulative. 26.3% of performance has been achieved in the first quarter which is well above the expected position for the year to date.

Key performance indicator [S] - Statutory indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→	Ideal			

**Public Health** – data reported a quarter in arrears. YE data reported below.

5. Percentage of children who receive a 2-2.5-year development review	70%	75%	→	80%	→	85%	<b>70%</b> (1,642/2,323)	<b>Off track</b>	
<ul style="list-style-type: none"> <li>• <b>Service commentary:</b> Issues in staff vacancies couple with processes has led to performance falling below the stretch target of 75%. Recruitment is underway along with a work plan.</li> <li>• <b>Mitigation:</b> The appointment booking process is being reviewed to ensure all children are sent an appointment for their development review. The service redesign work in Westminster and Kensington and Chelsea with Transformation colleagues combined with the Early intervention Foundation Academy should provide opportunities to deliver this development review in different ways using experience from 5 other local Authorities.</li> <li>• <b>Timeframe for improvement:</b> 75% target currently projected to be reached by end of 19/20, with improvement shown quarter on quarter.</li> </ul>									
6. Proportion of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months	36.96%	25%	→	30%	→	35%	<b>37.62%</b> (190/505)	<b>Exceeding target</b>	
7. Community Champions - Number of residents reached through activity	16,962	2,500	→	3,000	→	3,500	<b>16,962</b>	<b>Exceeding target</b>	<b>Insight:</b> 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	7.09%	Mid Percentile	→	7%	→	7.37%	<b>7.07%</b> (39/552)	<b>Meeting target</b>	<b>Benchmarking:</b> 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	1,020	820 (quarterly target)	→	920 (quarterly target)	→	1,020 (quarterly target)	<b>196</b>	<b>Exceeding target</b>	<b>Insight:</b> Although current number puts it at below minimum target level, this is due to nature of tracking information (two-month lag) and this is estimated to end up at the very least green and potentially blue. (Latest provisional figures show this will be at least 315)
10. Total Sexual Health Screens Undertaken through E-services	5,862	2,400	→	3,200	→	4,000	<b>2,092</b>	<b>Exceeding target</b>	
11. Screening Positivity rate (% screens resulting in diagnosis)	1.93%	TBC	→	TBC	→	TBC	<b>2.52%</b> (182/7,228)	N/A	Target ranges for KPI to be confirmed form Q2.

## 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
<b>Caring and fairer city</b>		
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.	On Track	<ul style="list-style-type: none"> <li>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 &amp; Westmead will begin.</li> </ul>
<b>Healthier and greener city</b>		
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.	On Track	<ul style="list-style-type: none"> <li>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.</li> <li>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 and healthy communities service model.</li> </ul>

## 1.2 Children's Services

### Achievements:

#### Youth providers engagement and £500,000 of investment in Youth Services across Westminster

A Youth Providers Roundtable event took place on 4 April with representatives from a variety of organisations, including youth clubs, other council departments (Public Health, Economy, Policy, the Integrated Gangs Unit and Public Protection) and the army. The roundtable discussed issues including safeguarding, early intervention, identifying vulnerable young people and improved partnership working.

#### **Outputs delivered**

A roundtable event was held with youth providers sharing existing approaches to working with young people at risk. The Council has also recently announced £500,000 of investment in Youth Services across Westminster. This funding is likely to be directly awarded to existing local providers as a pilot in the first year to ensure services are available from September 2019. Officers are working with youth organisations to think creatively about how we can reach as many young people as possible and spend this on creative projects.

#### **Outcomes achieved**

There has been improved partnership working with key stakeholders. As part of this initiative, providers will be expected to work closely with local schools to promote their service offer and ensure they are reaching as many local young people as possible. There will be a distinct focus on early intervention with Westminster Children's Services running an Inclusion Pilot in seven primary schools. In this pilot, a family therapist examines the cause of behaviours by working with parents and children using the ARC (Attachment, Regulation and Competency) framework, developed for children and adolescents who have experienced complex trauma. This intervention will be combined with a mentoring service led by the Young Westminster Foundation. Following positive feedback from service users and Queen's Park Primary, other schools have expressed an interest in implementing the programme. Children's Services have put a bid to the Youth Endowment fund for £856,381 to expand the pilot geographically and across more schools in Westminster.

#### Launch of the Early Help Strategy

On 5 June we launched the 2019-2022 Early Help Strategy – 'From Surviving to Thriving, it starts with us'. The strategy has been agreed by the council and our partners – with each agency pledging their contribution to meet the needs of children at the earliest opportunity.

#### **Outputs to be delivered**

Working in an integrated framework is central to our strategy. We are designing a new framework for Early Help, which is one of networked collaboration, in which we reduce duplication and maximise the use of all partner resources across local areas. The process of the implementation of the strategy will be overseen by Westminster's Early Help Partnership Board which will monitor whether organisations are fulfilling their pledges against each priority. We have also developed a Whole System Action plan which details the success measures and the timeframe for delivery against the agreed priorities. To ensure our staff are supported in delivering this ambitious strategy we developed a workforce development plan with a selection of courses, trainings and 'lunch and learns.'

#### **Outcomes to be achieved**

Early Help aims to achieve the following outcomes for children and families

- Keeping children safe from harm;
- Enabling more children to live within their families;
- Healthy children who enjoy and achieve;
- Keeping children safe from crime and serious youth violence

By focusing on the following priority areas: (some examples of the agreed measures can be found against each priority)

- Ensuring the youngest (0-5) children in our communities get off to the best start e.g. EH plans reflect the needs of each family member.
- Promoting emotional well-being and build resilience for all ages e.g. direct work with families and families' feedback.
- Promoting speech, language and reading e.g. Improved communication skills.
- Developing an earlier and more targeted response to domestic violence and abuse. e.g. more fathers engaged in the work we undertake with families.
- Improving family relationships, with focus on helping parents who are in conflict to work better together e.g. Number of staff who successfully completed a parenting programme.
- Promoting healthy eating to prevent and reduce childhood obesity and improve oral health. E.g. attendance to clinics, actions agreed through family plans.
- Strengthening parents' and young people's resilience in managing their behaviour and the wider risks to children's wellbeing within their communities. e.g. Increase take up of CAMHS interventions.
- Improving school attendance, developing inclusive alternatives to school exclusion and enabling successful progressions into training or employment for both young people and their parents e.g. Reduction in number of pupils with attendance under 70%.

### **Annual engagement meeting with Ofsted**

Ofsted's annual social care engagement visit took place on 24 June 2019. The intelligence gathered by Ofsted from the meeting will inform any plans for future inspection activity.

### **Outputs delivered**

The Executive Director of Children's Services and the Senior Leadership team (SLT) provided HM inspectors with a comprehensive review of Westminster and Kensington and Chelsea's Family Services, including social care performance data, the support that we provide to Children missing from home and care, and progress made by the directorate since the last inspection visit ('focused visit') in August 2018. The meeting was positively received by HM Inspectors. We were able to show Ofsted strong performance across education and family services, how we work with and learn from others and how we are looking to innovate to improve outcomes for children and young people. Ofsted were clear that we should expect a one-week inspection of children's services soon due to the time elapsed since the last full inspection in January 2016. We anticipate this will happen before the end of the calendar year and more likely sometime in the early autumn.

### **Outcomes achieved**

Ofsted will write to the Director of Children's Services within a month of the meeting. The letter will not be published nor contain any judgements about practice. It will set out a factual summary of the items discussed, the possible scope of future inspections and any next steps agreed by us or the Department for Education.

## Risks and issues:

### An increase in Look after Children

If Looked after Children numbers start to rise, due to an increase in Unaccompanied Asylum Seekers (UASC) (89 in Q1, 2019/20 up from 71 in Q4, 2018/18) there will be an increasing demand for placements.

### **Impacts and consequences**

The increased demand in placements creates a financial pressure on the council as well as a pressure on our capacity to manage this demand. Without mitigations this will lead to financial overspend. The Pan London rota continues to operate however capacity across the whole of London has been impacted. 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 potential number of UASCs coming into the authorities (especially for Westminster) may increase dramatically in the forthcoming financial years. The numbers of UASC arriving in Westminster are likely to remain the responsibility of 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.

### **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. As part of the placement strategy and transformation review we will be recommissioning our semi-independent supported housing provision.
- In addition, we will be exploring both a capital bid and invest to save option to manage the demand of the increasing unaccompanied minor population.
- There are a number of negotiations taking place with providers to reduce the cost of longer-term placements which have already resulted in some small unit cost reductions. The Lead Member is kept informed on a regular basis as to the current position and potential financial implications with 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 lobbying of government regarding this issue including 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. Local authorities have continued to lobby government in light of the lack of success of the National Transfer Scheme and are collectively working on a proposal for a national rota however this is still in the development stage.
- The recently announced increase of funding rates does cover the cost of a USAC placement under 18 however does not cover the cost of additional social work and rates for USAC placements for over 18s are still inadequate.

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

#### **Impacts and consequences**

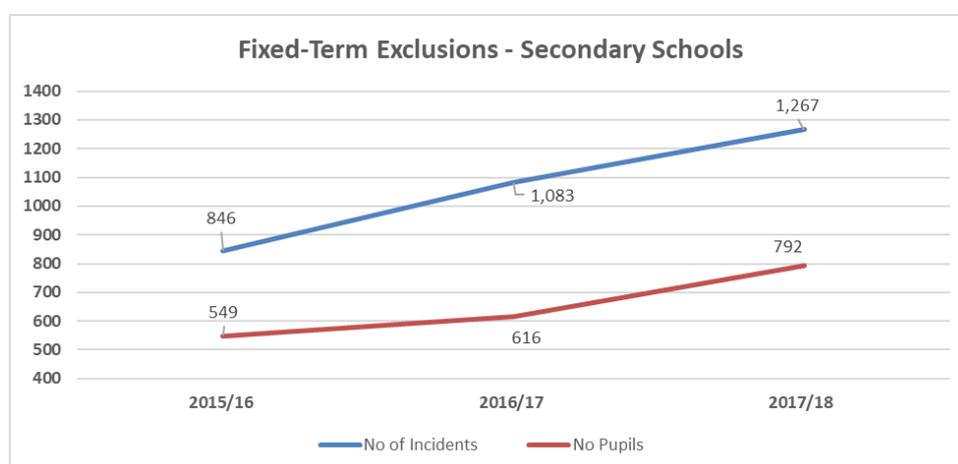
There is an adverse impact for the child, the implications of the incident as well as the associated emotional impact for anyone else involved. There is also the potential for significant reputational impact if the Council and/or partner agencies were at fault/seen to be at fault.

### Mitigation and progress

There are ongoing safety, reliability and quality assurance processes in place to ensure practice is safe and risk to children and young people is managed effectively in all cases. Intense examination of the quality of case work is undertaken in Practice Week and throughout the year with focused audits of work with children. Partnership activities are monitored by the Local Safeguarding Children’s Board to ensure lessons are learnt from case reviews and 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. The Local Safeguarding Children Board has not published a Serious Case Review for Westminster since 2016. The Local Safeguarding Children Board has also recently completed two Local Safeguarding Children Boards (LSCB) Rapid Reviews for Westminster children – a new statutory process under Working Together to Safeguard Children 2018.

### If rates of fixed-term exclusions in secondary schools continue to rise

Incidents of fixed-term exclusions in our secondary schools have increased year on year since 2015/16. There were 846 incidents reported in 2015/16, 1,083 in 2016/17 and 1,267 in 2017/18.



### Impacts and consequences

Disruption to the progression in the learning of young people, their educational and life outcomes and increased risk of being criminally exploited. A risk of schools getting a negative Ofsted inspection rating.

### Mitigation and progress

There is targeted multi-agency work with those schools where exclusions are an issue, including meetings with heads over the next few weeks involving School Standards, Early Help and alternative provision behaviour outreach support is already in place and we are piloting inclusion work with a small number of schools in encompassing more than 20 pupils. Our intention is to expand this to more schools and to more than three times the number of young people – subject to a successful outcome of an external funding bid to the Home Office’s Youth Endowment Fund submitted on 23 July.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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
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<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator <i>[S] - Statutory indicator</i>	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			

1. Percentage of Westminster schools judged to be outstanding by Ofsted	34% (20/59)	27%	→ 32%	→ 37%	34%	Meeting target	<b>Insight:</b> 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"> <li><b>Service Commentary:</b> The value of 34% still 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.</li> <li><b>Target setting:</b> 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 as part of 2020/2021 Business planning process.</li> </ul>							

2. Percentage of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	74% (2018 academic year)	74%	→ 76%	→ 78%	74% (2018 academic year)	Minimum standard met	<b>Service Commentary:</b> The percentage is 74% in 2018 which is was above the 2017 national average of 59%, which matches the minimum target level for service continuity.
<ul style="list-style-type: none"> <li><b>Service Commentary:</b> 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%.</li> <li><b>Mitigation:</b> 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.</li> <li><b>Timeframe for improvement:</b> The target date for improvement is August 2019 in line with exam results publishing date.</li> </ul>							

Key performance indicator <i>[S] - Statutory indicator</i>	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			
3. To promote independence of young people by offering Independent Travel Training	2	2	→ 3	→ 4	2	Minimum standard met	
<ul style="list-style-type: none"> <li>• <b>Service Commentary:</b> 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'.</li> <li>• <b>Mitigation:</b> 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.</li> <li>• <b>Timeframe for improvement:</b> Subject to approval of the business case we would hope to have pupils start training in the Autumn term 2019.</li> </ul>							
4. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks [S]	89%	60%	→ 70%	→ 75%	100% (32/32)	Exceeding target	
5. Improve % of children who reach expected levels for reading, writing and maths at the end of primary school	72% (2018 academic year)	58%	→ 68%	→ 73%	72% (2018 academic year)	Meeting target	<p><b>Benchmark:</b> 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.</p> <p><b>Commentary:</b> 2019 results will be published August 2019 and reported in the next quarterly report.</p>
6. % care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)	63%	50%	→ 60%	→ 80%	72% (93/130)	Meeting target	<p><b>Service Commentary:</b> 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.</p>

# City for All Tracker

The table below provides a progress update at quarter 1 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
<b>City of opportunity</b>		
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.	On Track	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>City that offers excellent local services</b>		
We will continue to invest in and maintain the highest standards in our outstanding children's services as rated by Ofsted.	On Track	<ul style="list-style-type: none"> <li>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 hosted Ofsted for our annual conversation about social care in June we presented our recent work from the Outstanding Practice Group and our updated self-assessment for 2019-20. We expect an Ofsted Inspection of Children's Services in the Autumn and certainly before the end of the calendar year.</li> </ul>
<b>Caring and fairer city</b>		
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	On Track	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>At the end of Quarter 1, 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.</li> </ul>

## 1.3 City Management and Communities

### Achievements

#### Pride Operations - Event Preparation and Clean Up

The clean-up plan was prepared based on 'lessons learned' review of 2018 clean-up.

#### **Outputs delivered**

City Highways worked with FM Conway & Transport for London to prepare Westminster's streets with rainbow crossings at Regent Street. All roadworks were cleared or locked down prior and during the event. Route walked and cleared of unnecessary activities and any essential works were completed. Additional cleansing resources were also deployed to manage largest ever Pride crowds. Approximately 1.5m people attended Pride, about 500,000 more than previous year.

#### **Outcomes achieved**

Cleansing operations continued throughout the night ending at 8am Sunday morning. 55 tonnes of parade-related litter and an additional 100 tonnes of 'after party' litter and waste were cleared by operatives. Positive feedback was received from numerous event attendees including the Mayor of London.

#### Bond Street wins the Public Spaces Award at the New London Awards (NLA)

The final phase of the Bond Street Scheme commenced in May with completion due later this year. Due to the scheme being substantially complete it was submitted for several awards including, New London Architecture public spaces category, which Bond Street won and the judging panel said 'Our built winner was praised for its high-quality materials used to create a transformed public realm including expanded pedestrian spaces — a project of international relevance that connects well to existing streets.'. In addition to this, the Bond Street project was also shortlisted for both the Planning Excellence Award on behalf of the Royal Town Planning Institute (RTPI) and for the Creating Better Places Award by the Chartered Institute of Highways and Transportation (CIHT), for which it received a commendation.

#### **Outputs delivered**

Bond Street public realm improvement scheme was designed with the aim of delivering substantial improvements to the public realm in anticipation of the expected increase in pedestrian footfall due to the forthcoming opening of the new nearby Bond Street Crossrail station. The improvements are aimed at enhancing pedestrian access and reducing vehicular movement whilst maintaining and improving Bond Street's status as a world class, high quality retail destination.

#### **Outcomes achieved**

In April 2019, phase 2 of the project commenced on site which covers the area between Brook Street and Oxford Street. This followed the completion of phase 1 of the works which covered the area from Piccadilly to Brook Street.

#### Vitality Westminster Mile

The Vitality Westminster Mile is held on the most iconic mile in the world, starting on The Mall and finishing in front of Buckingham Palace. The 2019 event took place on Sunday 26 May. Organised by London Marathon Events Limited, in partnership with Westminster City Council, there were categories for all ages and abilities, so everyone could take part including Families; Adult & Vets; Juniors; Elite Athletes. There was also a series of races throughout the day and runners seeded according to predicted finish time, so entrants ran with people of a similar standard.

## **Outputs delivered**

Physical Activity Leisure and Sport (PALS) team works in partnership with London Marathon Events who deal with all of the event logistics, in fact the Westminster Mile utilises the infrastructure already in place for the following day's 10k event. The Mile broke the world record for number of participants running at a mass organised mile event with 9,198 completing the event. Target of 11,500 participant places/tickets sold was met.

## **Outcomes achieved**

There is increased awareness of the high-profile Vitality Westminster Mile Olympic Legacy event from 1,975 participants in the first year to a record breaking 9,198 in 2019. The Mile is now firmly established as a regular national sporting event on many elite athletes' calendar. It has encouraged successful strategic partnerships that have kept growing between the public sector, public health and the private sector and sponsors including Park Run, Our Parks, Special Olympics and this year the Ruth Strauss Foundation, which involved the current England Cricket team. Successful links between ongoing community physical activity programmes across Westminster such as the Daily Mile and the mini marathon 2019 saw over 100 past and present Olympians take part in the event. The event is now a regular fixture in many people's calendars whether it be families, fun runners or more serious performance or elite national athletes.

## **Risks and issues:**

### **A delayed delivery of a combined leisure centre and library project**

This project is in relation to the redevelopment of the pre-existing Seymour Leisure Centre, which will include a fundamental redesign to accommodate a brand new Library, utilising the existing building.

### **Impacts and consequences:**

Marylebone library is in a temporary location leased until 2022/23 with an expectation that a larger, more extensive facility will be provided to serve the Marylebone neighbourhood during this time. The existing leisure centre requires extensive modernisation within the confines of its Grade II listed building status. There is a potential failure to maximise identified project benefits of colocation including health and well-being, community and learning benefits. Significant reputational, financial and service delivery risks to Council.

### **Mitigation and progress**

The project team are developing a strategic outline case that will be presented to Cabinet Members, whilst working with both internal departments and external specialists to help overcome a number of challenges that come with redeveloping an ageing, Grade II facility into a modern, sustainable collocated services for the future.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum</b> <b>Ideal</b> <b>Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>				Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→	Ideal	→			

## City Highways

1. % of urgent lighting defects made safe within agreed timescale	97%	95%	→	98%	→	100%	<b>100%</b> (54/54)	<b>Exceeding target</b>	
2. % of carriageway and footway defects repaired or made safe within 24 hours	99%	95%	→	98%	→	100%	<b>98%</b> (654/670)	<b>Meeting target</b>	

## Public Protection and Licensing

3. Percentage of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	39%	70%	→	80%	→	90%	<b>81%</b> (12/14)	<b>Meeting target</b>	
4. Number of Houses of Multiple Occupation improved (buildings with more than one household including shared facilities)	54	50	→	65	→	75	<b>16</b>	<b>Meeting target</b>	<b>Insight:</b> An extensive recruitment campaign in early 2019 has restored the team to capacity now.
5. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people’s health or safety	436	400	→	500	→	600	<b>123</b>	<b>Meeting target</b>	<b>Insight:</b> 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.
6. Percentage of licensed premises that are safe and well managed following a single inspection.	82%	65%	→	70%	→	100%	<b>88%</b> (143/162)	<b>Meeting target</b>	<b>Insight:</b> This ensures that Westminster residents and the public have access to safe bars and restaurants across the city

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>				Position at Q1	Target assessment <sup>2</sup>	Other contextual insight	
		Minimum	→	Ideal	→				Aspirational
7. Number of vulnerable residents supported to continue living in their homes	1,065	600	→	800	→	1,000	272	Exceeding target	<b>Insight:</b> This is a programme run by the public protection team offers housing related services to help vulnerable residents live independently
8. Percentage of women accessing specialist domestic abuse services who report a reduction in abuse	95%	75%	→	75%	→	80%	Data available Q2		

### Physical Activity, Leisure & Sport (PALS)

9. Total participation in Council physical activity, leisure and sport activities	4.07m	3.5m	→	3.7m	→	3.8m	781,848	Meeting target	<b>Insight:</b> According to the monthly usage statistics provide by the Leisure Contractor, Everyone Active (EA) covering the 7 leisure centres in the City there is growth when compared to the previous year. Total Facility attendance was 2.78m with a further 1,16m, making a total of 3.94 million attendances in 18/19.
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### Parking

10. Ensuring parking compliance across the City is over 97%	98%	97%	→	98%	→	99%	98%	Meeting target	<b>2018 City Survey:</b> 82% of residents were satisfied with Council parking services
11. Ratio of residential permits issued against parking bays available on the street	99%	85%	→	90%	→	95%	90%	Meeting target	<b>Insight:</b> Recent analysis show that there has been an overall decrease in number of Resident Parking Permits issued throughout the borough between 2017 - 18, and that this trend will continue in 2019.

### Waste & Parks

12. % of streets in Westminster that pass the street score survey for litter	97%	98%	→	98%	→	98%	99%	Exceeding target	<b>Insight:</b> For each of the three annual audits, Keep Britain Tidy select 300 streets independently to determine the grade of that street. At present, the surveys are not highlighting significant areas of concern as there will always be a small proportion of streets that are inspected just prior to a visit by Veolia for carry out sweeping.
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			

## Libraries & Registration Services

13. 2% increase in real and virtual visits to libraries	-3.4% (1.96m visitors)	1%	→	2%	→	3%	-3.1% (475,359 visitors)	Off Track	<b>Service insight:</b> Three libraries were unable to collect accurate footfall data for Q1 19/20 due to faulty gate counters. Estimations were used for each site based on Q1 performance 2018/19, however if the actual data was available it would be more likely that the target of a 2% increase would have been achieved.
<ul style="list-style-type: none"> <li>• <b>Service commentary:</b> There has been a downward trend since 2017/18. The numbers of real and virtual visitors continue to fall year on year. Press-reader/eNews is one of the more popular eResources available to our customers. An estimation based on Q1 18/19 has been used, as the data was not accessible from the provider. Although the performance data for Virtual Visits as a whole proves that usage has increased since Q1 2018/19, actual figures would be able to give a true reflection of service usage.</li> <li>• <b>Mitigation:</b> Direct communication with our online eNews Provider has been carried out to ensure that accurate figures will be accessible for Q2. We have also emphasised the importance of collecting the information regularly to ensure/visibly track that our customers are utilising the service available to them and the impact it has on our digital offer. New gate counters have been implemented at the affected sites to prevent a reoccurrence in Q2.</li> <li>• <b>Timeframe for improvement:</b> As the feature has been removed by Press Reader rather than a system/application error, it will require identification as to whether the access can be reinstated for our use. Direct communication and tracking of responses from the provider has been carried out to ensure acquiring the access can be monitored and achieved. We are actively working to acquire the access before Q2 reporting.</li> </ul>									
14. % of appointments to register births available within 5 days of enquiry	95%	95%	→	95%	→	98%	97% (376/386)	Meeting target	
15. % of satisfied users across the Libraries Services	94%	85%	→	90%	→	95%	94%	Meeting target	<b>2018 City Survey:</b> 92% of residents were satisfied with Council Libraries Services

## City Management and Communities

16. Number of Emergency planning exercises completed	17	6	→	7	→	10	5	Meeting target	<b>Insight:</b> These are drills run within directorates to simulate emergency situations (e.g. terror attacks),
17. Reduction in offending by those who have engaged with our commissioned support services			→		→		data available at Q2	N/A	<b>Service insight:</b> Starting Over had an active caseload of 54 in Q1. There has been 1 successful completion who is now drug and alcohol free. The latest reoffending data shows that only 4 people offended in the twelve months after being on the Integrated offender management (IOM) cohort, 1 of these 4 worked with Starting Over. As numbers are small, the figures can be easily skewed. The binary reoffending rate was 15%.

# City for All Tracker

The table below provides a progress update at quarter 1 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
<b>City that offers excellent local services</b>		
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.	<ul style="list-style-type: none"> <li>On track</li> </ul>	<ul style="list-style-type: none"> <li>The project is being worked to a revised timeline.</li> </ul>
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.	<ul style="list-style-type: none"> <li>On track</li> </ul>	<ul style="list-style-type: none"> <li>Northbank BID has agreed to sign up to the Licensing Charter. As of 17<sup>th</sup> June 2019, Northbank has decided to create a Licensing Charter working group to determine the criteria that the premises will have to attain to achieve Licensing Charter status as the will not be using Best Bar None or any other industry standard. Conversations are continuing; however, our contact at Northbank has recently left so we are continuing with his replacement.</li> </ul>
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.	<ul style="list-style-type: none"> <li>On track</li> </ul>	<ul style="list-style-type: none"> <li>Commitments with individual statutory undertakers have been agreed and delivered. The overarching protocol is subject to the drafting of an exchange of letters which is being agreed.</li> </ul>
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.	<ul style="list-style-type: none"> <li>On track</li> </ul>	<ul style="list-style-type: none"> <li>We have discovered a number of unlicensed HMOs including six declared by a Guardian property company following enforcement action against them. A total of six Civil Penalty Notices have been served against different landlords with potential fines totalling £99,000. We are currently awaiting a decision on another case that was appealed to the First-Tier tribunal. The team has been without one of the two EHO's for the last quarter so results for the next quarter may be impacted.</li> </ul>
<b>Caring and fairer city</b>		
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.	<ul style="list-style-type: none"> <li>On Track</li> </ul>	<ul style="list-style-type: none"> <li>Gambling is on hold now pending a review of our new policy approach to Licensing which will be considered at the Licensing Committee in September 2019.</li> </ul>
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.	<ul style="list-style-type: none"> <li>Achieved</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>

City for all Pledge	Delivery Status	Progress update
<b>Healthier and greener city</b>		
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"> <li>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.</li> </ul>
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	On Track	<ul style="list-style-type: none"> <li>The #MyWestminster ActiveStreets programme is a key strategy commitment of our ActiveWestminster strategy - Activate Your City, Lives and Neighbourhoods, as well as being our Open Spaces and Biodiversity strategy.</li> <li>Our ActiveStreets programme consists of three types of ActiveStreet; <ul style="list-style-type: none"> <li>‘Play Streets’ a permanent designation which will provide priority over traffic to children and families to play in streets at specified times. This is underpinned by Department for Transport legislation (Section 29, Road Traffic Act 1984).</li> <li>‘Street Play’ facilitated by temporary road closures for children and families to play in streets at specified days, times and locations. We will shape a policy that makes applying for Street Play as simple and as affordable (ideally, free) as possible.</li> <li>‘School Streets’ provided either via permanent or temporary road closures for school children to play in the streets outside the school at specified days and times.</li> </ul> </li> <li>‘No Ball Games’ policy – draft policy being prepared</li> <li>OpenActive (open data) – a fundamental feature of the new ActiveWestminster Website is that it is built on Open Data and therefore provides a one-stop shop for finding physical activity, leisure and sport activities throughout Westminster.</li> <li>ActiveWestminster Open weekend – A weekend where all Westminster facilities open their doors to showcase the offer to local residents and the promote the refreshed ActiveWestminster Card.</li> <li>City Plan 2040 – Will feature a Playing Pitch Strategy &amp; Built Facilities Strategy that informs future developments and explores priority areas for enhanced facilities.</li> </ul>
We will expand our network of 165 electric charging points by 25%, making it as easy as possible for people to switch to EVs.	On Track	<ul style="list-style-type: none"> <li>343 charge points have been installed to date. The target is currently 800 charge point installed by 2024, although given we should do 487 by Christmas 2019 we should hit the target early but that really depends on access to funding and power availability. Given the speed of change in EV ownership and charging technologies the strategy is scheduled for a review Nov/Dec 2020. The Strategy is scheduled to be issued to Cllr Tim Mitchell in September when it can be shared widely.</li> </ul>
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"> <li>New web page added to the Council's website supporting the Street Waste Action Team (SWAT) project, including information on rubbish and recycling collections.</li> </ul>
We will launch a new Green for 18 campaign to raise awareness and make it easy to reduce our reliance on single use plastic. The Council has banned single use plastic containers in meetings.	On Track	<ul style="list-style-type: none"> <li>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.</li> </ul>

City for all Pledge	Delivery Status	Progress update
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.	On Track	<ul style="list-style-type: none"> <li>Leader has written to top 20 business organisations asking them to support campaign, and a number have pledged support, committing to train their drivers and displaying #Dontbeldle materials across their fleets. Letters and campaign materials have been distributed in hotspots across the City, leading to 200 shops and businesses displaying anti-idling materials. Letters and campaign materials are being sent to a further set of companies, resident and community organisations.</li> <li>Videos of children calling for companies to act have recently been released on social channels and have been watched over 3,500 times. The campaign has featured prominently in the media, including the front page of the Times. Since the start of the year we have held 9 anti-idling events, including one on National Clean Air Day and one including promo of the first electric ice cream van. Five upcoming action days are planned between July and September.</li> </ul>
We will plant 3,000 trees by 2020.	Off track	<ul style="list-style-type: none"> <li>A total of 327 trees have been planted in the financial year 2018/19. Surveying will take place over the 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. The trees team have recently moved into the City Management and Communities Directorate and performance is currently under review.</li> <li>No fountains installed for 2018/19-year or at the end of Q1. Crown Estates have installed one fountain however the service has had no requests yet.</li> </ul>

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 roll out in 2019.	On Track	<ul style="list-style-type: none"> <li>In April 2019 we applied the first phase of the increased fees following the review approved by the Licensing Committee in March. The second phase will be introduced in April 2019 next year. We have begun inviting applications for permanent licences for Strutton Ground Market. Application will be considered in August 2019.</li> </ul>
We will retain and support Westminster's libraries at the heart of our neighbourhoods.	On Track	<ul style="list-style-type: none"> <li>Cabinet received independent advisory board report.</li> <li>Staff and Member engagement undertaken. The initial engagement was to test the report's recommendations, identify any gaps and help prioritise before going out to public engagement in the autumn.</li> <li>Planned public engagement for autumn 2019.</li> <li>Following Cabinet receiving the report of the independent libraries advisory board, Connecting Libraries, in April 2019, the Council is now engaging with residents, stakeholders, library users and staff, to develop a long-term vision and immediate priorities for libraries and archives, developed from the board's recommendations.</li> </ul>
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"> <li>PPC has begun the process of scoping the project for delivery in 2021.</li> </ul>
We will introduce 20mph speed limits where residents tell us they want them.	Achieved	<ul style="list-style-type: none"> <li>A consultation will take place in September for 3 months. Subject to consultation implementation, delivery of the full scheme is earmarked for 2020/21.</li> </ul>

## 1.4 Growth, Planning and Housing

### Achievements:

#### Illegal Sub-Let

The Council has successfully prosecuted and evicted a tenant who was illegally sub-letting his flat through Airbnb.

#### **Outputs delivered**

Following an investigation by the Tri-borough Corporate Anti-Fraud Service, the individual was taken to court for unlawfully subletting his property with the judge making an Unlawful Profits Order (UPO) of £100,974.94 - the highest that has ever been awarded to the Council.

#### **Outcomes achieved**

Following a tip-off, the tenant was caught after an investigation found the property on Vauxhall Bridge Road had been advertised on Airbnb with over 300 reviews. Some of the reviews mentioned the tenant by name, thanking him for his advice and local restaurant recommendations. Bank statements obtained using special powers also proved he had been receiving payments from Airbnb for a number of years. The Cabinet Member for Housing Services, Councillor Andrew Smith, said: "Along with a six-figure unlawful profit order by getting a possession order, we can now reallocate the property to someone in genuine need of a home. We're also pressing Government to introduce a national registration scheme to make it far easier for us to take action against anyone who breaks the rules on short term letting". Last year, the Council successfully recovered 24 social housing properties from fraudsters and expects to exceed that figure this year. The recovery of these properties mean that they can now be allocated to residents in need of a new home.

#### Luton Street

Cabinet approval was granted on 8<sup>th</sup> July for Westminster Housing Investments Limited (WHIL) to enter into a Limited liability partnership (LLP) with the developer, Linkcity. This represents significant progress on the development vehicle and its funding.

#### **Outputs delivered**

To safeguard progression of the scheme, the focus of Quarter 1 has been to ensure the safe delivery of the scheme and to agree a package of works to get the project back on site, which is planned for early August. The lending term sheet has been agreed, with Westminster City Council chosen as the preferred funder, and the loan documents are currently being drafted. Progress is now moving positively towards reaching Financial Close currently scheduled at the end of September 2019.

#### **Outcomes achieved**

Luton Street is a mixed scheme with 171 units made up of 62 affordable units and 109 private units. The scheme also has a 3 court sports centre with a community room, which is providing a local need requested by the local community. It is the first major housing development scheme forming part of the Church Street Regeneration Programme.

#### Affordable Housing Programme

The Council has been successful in securing approximately £25m through the first round of the GLA's 'Affordable Homes Programme' (AHP).

#### **Outputs delivered**

The funding is expected to be received between 2019/20 – 2023/24 and will be used to fund relevant capital expenditure in those financial years.

## **Outcomes achieved**

This funding will improve capacity and enable delivery of circa 400 affordable homes, contributing to the overall 1,850 City for All target. Following our success in this bidding process, the Development team is now preparing to submit further schemes to support the delivery of care units at Bayswater and Carlton Dene.

## **Risks and issues:**

### **Delays to Farm St Development**

There is a risk to the timely delivery of Farm Street development as the developer is in dispute with their main contractor. The contractor (Chase) has failed to deliver the project within the timescales set out in the contract, works on site having been suspended as a result of the dispute.

### **Impacts and consequences**

Delayed delivery of 14 new affordable homes for rent and a new purpose-built street cleansing depot. The development was originally scheduled to complete in April 2019.

### **Mitigation and progress**

The developer (Caudwell) is continuing its efforts to resolve the dispute but is also preparing to procure a new contractor to complete the works. We are in regular, positive dialogue with the developer and we are closely monitoring its procurement programme.

### **Timeframe for improvement**

The revised completion date is likely to be April 2020.

### **Delays to Tollgate House Development**

There is also a risk to the timely delivery of the Tollgate Gardens development. The developer (Clarion) has advised the Council of a further delay to completion of the estate regeneration and the refurbishment of Tollgate House. In addition to the delays, the residents of Tollgate House have also expressed concerns regarding the impact of the works on the existing structure of that building.

### **Impacts and consequences**

Delayed delivery of 86 new affordable homes for the council, a new community centre and various other improvement works. The scheme was originally due to complete in September 2018.

### **Mitigation and progress**

A comprehensive programme for completion is due from Clarion in early August, which will be reviewed in detail and the risk profile around the project will be updated. With regards the residents concerns about the structure of Tollgate House, the Council appointed a consultant jointly with the residents to understand their concerns and investigate them fully. Overall, the consultant concluded that the works have not adversely affected the existing structure.

### **Timeframe for improvement**

The new revised completion date is currently December 2019. The consultant's report will be reviewed with the residents at a public Q&A session in August.

## Other Key Activities:

### Church Street – Sites A, B & C

In Quarter 1 we received Cabinet Member approval of the recommended ‘preferred way forward’ for the scheme. The approval followed an in-depth options appraisal process, which involved technical work from the development team and a range of professional consultants, and there was also a comprehensive consultation with the local community. Following the approval for partial redevelopment of the three sites, and improvements of the Street Market and public realm, further design work has been carried out. Another period of community engagement took place throughout July, this time requesting residents’ input into more detailed aspects of the design.

All this work is feeding in to the preparation of an Outline Business Case (OBC), which is on programme to submit to Cabinet in October 2019. The OBC will include recommendations and information regarding the financial viability of the scheme, detailed design and a route to market.

### Cosway Street – Design Award

In July, our development at Cosway Street was a winner at the Housing Design Awards 2019. The scheme was recognised for the way in which the façade “will reinstate the historic street frontages in distinctive façades of fluted brick”. The judges were also impressed with the provision of private and communal amenity space and the innovative incorporation of sensory play features. The project has benefitted from the collaborative approach between the planning and development departments, and as a result will deliver a vastly improved aesthetic to the site. The sale of the 49 private units in Cosway will fund the development of 28 new affordable homes in nearby Ashbridge Street and Ashmill Street.

### Oxford Street District

- **New programme director role** – the procurement of this role and the supporting resources to help run the design and build contract was completed by 23<sup>rd</sup> August.
- **Design and Build contractor** – the procurement of the contractor that will help us deliver the Place Strategy and Delivery Plan is due to be completed by late September. The current programme suggests that the contract can be awarded by the 26<sup>th</sup> September.
- **Zonal working groups** – the next round of engagement with stakeholders regarding the proposals will take place during October. We had hoped to arrange these during September but due to delays to the modelling activity as a result of an incorrect data set being provided by TfL the outputs will not be ready in time therefore these sessions have been pushed back to October.
- **Funding strategy** – an outline of the funding available via S106 and CIL funding has been pulled together which suggests that in addition to the Capital funding already secured, approx. £5m has been committed. This excludes the potential investment by landowners such as The Crown Estate who have suggested they will fund half of the Oxford Circus work package. With regards to revenue funding, members of the project team are discussing potential investment with some of the stakeholders.

### Strand Aldwych Project

Design work continues on a major improvement project at Strand/Aldwych. This follows a consultation the council held earlier this year to find out what businesses, residents and visitors thought of its concept designs for the area. The changes planned include removing the existing traffic gyratory, introducing two-way traffic on Aldwych, and creating a new public space on Strand around Grade 1 listed St Mary Le Strand Church, which is currently isolated on a traffic island. Improved public realm, safer pedestrian and cycle routes and better connectivity are key principals. Additionally, air quality will be addressed as an integrated part of the scheme, a key target for the council. Plans have been developed in context of the surrounding urban fabric and build on cultural and educational routes between South Bank, Covent Garden and the West End. Further public engagement on the changes is planned for early 2020.

### **Topping out at Beachcroft**

The redevelopment of Beachcroft, a former sheltered housing property in the heart of Maida Vale, reached a key milestone on the 17<sup>th</sup> July when a 'topping out' ceremony was held on the roof of the new development. Attended by Cllr Robathan, Cabinet Member for Finance, Property and Regeneration and Cllr Acton, Cabinet Member for Family Services and Public Health, the ceremony took place in recognition of the completion of the roof and water tightness of the building's shell. This is an important milestone for the project which is on-track to complete in June 2020, delivering a new state of the art elderly care home with 84 residences and an additional 31 private apartments.

### **Parsons North**

Demolition of the existing podium and basement car park was completed in Quarter 1. The contractors are now constructing the sub-structure for the new building which is on-track to complete in March 2021 as planned. The Parsons North Development delivers 60 units for the Council; 19 affordable and 41 for private sale.

### **Ebury Bridge estate renewal**

As part of the first phase of the Ebury Bridge estate renewal, the Council is advertising a design and build contract that, will see 200 new homes built on the estate and a new public square. The successful bidder will have the chance to deliver the whole scheme if they meet high quality and performance standards. The estimated value of the entire Ebury Bridge estate renewal project is expected to be around £350m across all phases with the first phase around £97m.

### **Westminster Adult Education Services (WAES) Annual Awards Ceremony**

Westminster Adult Education Service (WAES) held its annual awards ceremony for learners in July at Regent's University in London. The event was attended by more than 300 staff, learners, their friends and families and members of the WAES Board of Governors. Learners were celebrated for their outstanding commitment, progress and achievement. Special awards were given for outstanding work in Fine Art, Ceramics, Graphic Design, Floristry, Fashion, Hair and Make-up. WAES's thriving links with community partners were showcased by Union Dance's Corrine Bougaard who spoke about the excellent work they have done with WAES over many years. The evening was closed by guest of honour, Alderman Grahame, who spoke about the importance of adult education and its impact on the Westminster community.

### **Young Traders Market**

The Regional final of the Young Traders Market was held on 8<sup>th</sup> August at Cathedral Piazza. Up to 40 young people took part in the event, competing for a place in the national final. There are a range of traders already confirmed to be taking part and products on offer will include:

- Street food, coffee and confectionary
- Up cycled bags and accessories
- Clothing
- Beauty products

Three of the traders taking part in the competition also took part in the councils Love Your Local Markets Pop Up event at Berwick Street Market in May, with all these individuals being based at Westminster supported enterprise spaces.

### **Westminster Enterprise Space Network**

Since its launch in April, the enterprise space network has made significant progress in recruiting members. To date twenty-one workspace providers have signed up as members, breaking the intended target of 20 members. In turn, these providers collectively own 48 spaces across Westminster. Extensive engagement with the sector will continue over the summer to encourage as many workspace providers as possible, from across the borough, to sign up. The Economy team is already in discussion with a further 17 business support organisations who can work with workspace providers to assist businesses.

The network agreement stipulates that these providers will deliver free or subsidised business support in areas such as finance, skills, mentoring, talent and trade. There is a focus on supporting residents. As part of London Tech Week, Paddington Works hosted a variety of events. During the week, over 200 people visited the space. Highlights included:

- An event with Chune and New Wave Magazine which gave people the opportunity to develop their own app.
- A networking breakfast with the Worldwide Network of Women.
- “Rip it Up, Start Again” which showcases disruptors and innovators.

### **International Markets Conference**

At the recent International Markets Conference, **Church Street Market** was chosen as a “Market of Interest”. Westminster ran an interactive workshop looking at how the market can still serve the local area even as demographics, tastes and trends gradually change. Delegates joined the workshop from across the globe and spent time touring the market. Westminster also won a bid from the GLA of £25,000 to continue improving sustainability and infrastructure.

### **Installation of 'The Co Mooring'**

The Place Shaping team have delivered a one-month installation called '**The Co Mooring**' along a stretch of the Grand Union Canal, passing through the Harrow Road area. It launched on 28 June 2019 as an experiment during the London Festival of Architecture, with the aim to promote interaction between travelling canal boat communities and local residents of the Harrow Road area. Until now, the passageway had been largely neglected and unused but with The Co Mooring, the area has transformed into a welcoming and picturesque spot for locals and boaters to enjoy. This has also been an opportunity to create a strategy that will ensure long-term use of the space. Proposed events at the space include a creative recycling workshop and a high energy cycle session with Dr Bike.

### **Serious Weather Emergency Protocol (SWEP).**

During the extreme high temperatures in July, the Rough Sleeping Commissioning Team enacted its **Serious Weather Emergency Protocol (SWEP)**. This meant that, in partnership with key stakeholders; St Mungo's, the Passage and CSTM, shift patterns were changed and opening hours were extended to ensure the most vulnerable individuals were kept away from the heat at the most critical hours. We also packaged and distributed 100 'hot weather packs' across four of our accommodation services to make sure the residents had what they needed to stay safe in the sun. Medical teams in day services screened people for heat stroke and additional day shifts from our daytime outreach service were conducted. Our outreach service managed by St Mungo's held a 'top 10' list of the most vulnerable to the heat and they targeted those people to encourage them to come inside. Whilst the individuals by nature are very entrenched in their beliefs and behaviours, there were no reported deaths on the street during the period, which is the ultimate aim of enacting SWEP.

### **Local Benefits through s106 Commitments**

New guidance was approved by the Cabinet Member for Place Shaping and Planning in May, ensuring additional local benefits are delivered by developers and contractors through s106 commitments. The guidance provides greater clarity to developers on what the Council expects whilst broadening the way in which a development can contribute to our communities. This includes through end-uses of a development supporting employment opportunities and introducing a new formula to negotiate financial contributions to support the Westminster Employment Service. Following the approval of the guidance, the Economy team has been consulted on all major planning applications and in Quarter 1 over £230,000 of s106 contributions have been confirmed and a further 17 schemes which have submitted planning applications will have s106 financial commitments, if permission is granted. Funding will support the sustainability of the Westminster Employment Service and the City for All Thriving Communities workstream.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			

## Housing service

1. Number of cases of homelessness prevented (Defined as outcomes from a combination of Housing Solutions, Shelter and Trailblazer work)	506	500	→	520	→	550	<b>132</b>	<b>Meeting target</b>	<b>Insight:</b> This includes 74 households who have moved into the private rented sector (including 13 discharge of duty cases).
2. Reduction in rough sleepers spending more than one night out	83%	75%	→	85%	→	90%	<b>77%</b> (334/434)	<b>Minimum standard met</b>	<b>Insight:</b> In 2018/19, UK Nationals made up 450 of the 1492 new people with 660 new people coming from EEA countries, 79 from outside the EU and 303 new people that we could not identify a nationality – it is anecdotally considered that the majority of the unknowns are also not from the UK.
<ul style="list-style-type: none"> <li><b>Service commentary:</b> Quarter 1 saw very high levels of new people to the street.</li> <li><b>Mitigation:</b> These were predominantly Romanian nationals, of which a large proportion identified as Roma; a client group that traditionally does not accept offers of support away from the street as they are here for specific reasons.</li> <li><b>Timeframe for improvement:</b> The teams continue to meet and assess anyone who is new to the street regardless of entitlement to welfare support or motivations for street sleeping.</li> </ul>									
3. Affordable Housing units delivered in 18/19 (1,850 by 2023)	176 (298 cumulative)	350 (648)	→	470 (768)	→	591 (889)	<b>13</b> <b>(311)</b>	<b>Meeting target</b>	<b>Insight:</b> The cumulative figure for the overall affordable homes target is indicated in brackets. Based on the anticipated profile, this KPI is on track.

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	Ideal	Aspirational			

### Housing Management Service Performance

4. % satisfaction with repairs service (New KPI)	82%	82%	84%	86%	84%	Meeting target	Insight: Source: Independent Kwest Survey
5. Satisfaction with ASB case handling (New KPI)	74%	72%	74%	76%	63%	Off track	Insight: Source: Independent Kwest Survey. As part of the transformation of service from CityWest Homes to the Council, staffing levels in this area have been increasing and performance is now improving. (Jun performance 75%)
<ul style="list-style-type: none"> <li><b>Service commentary:</b> As part of the transformation of service from CityWest Homes to the Council, staffing levels in this area have been increasing and performance is now improving. (Jun performance 75%)</li> </ul>							
6. Contact centre - % calls answered in 30 seconds (New KPI)	63%	65%	70%	75%	80%	Meeting target	Insight: Source: Housing call centre IT system. Mirrors Westminster call centre target.

### Development Planning

7. % of 'non-major' planning applications determined within 8 weeks [S]	80%	68%	→ 68%	→ 70%	79% (1,224/4,583)	Meeting target	Reporting Period: October 2017 – Sept 2019 (MHCLG requirement)
8. % of 'major' planning applications determined within 13 weeks i.e. larger scale development. [S]	79%	60%	→ 60%	→ 62%	74% (62/84)	Meeting target	Reporting Period: October 2017 – Sept 2019 (MHCLG requirement)
9. % planning appeals determined in favour of the Council (Excluding telephone boxes)	67%	55%	→ 60%	→ 65%	88% (35/40)	Exceeding target	Reporting Period: April 2019 – Jun 2019

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>				Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational				

## Growth and Economy

10. 1,000 businesses significantly engaged (including vouchers issued, Corporate Social Responsibility activity)	1,108	900	→ 1,000	→ 1,100	69	Minimum standard met	Insight: Includes 48 broadband vouchers issued.
<ul style="list-style-type: none"> <li><b>Service commentary:</b> Performance will pick up significantly from Q2 due to a number of Pop-up business schools taking place then.</li> </ul>							
11. 400 Westminster residents into jobs through our Westminster Employment Service (WES) (New KPI)	305	300	→ 400	→ 450	71	Off track	Insight: Due to increased uncertainty, particularly around EU funded projects we have moved to reporting only those jobs created within the Council's control i.e. directly by the WES team.
<ul style="list-style-type: none"> <li><b>Service commentary:</b> Recruitment issues will be resolved by Q2 and we anticipate being back on track then.</li> </ul>							
12. % of Westminster residents supported by the Westminster Employment Coaching function (WES) that start work and stay in work for 6 months.	54%	50%	60%	65%	63% (42/67)	Meeting target	Reporting Period: April 2019 – Jun 2019
13. 2,000 young people engaged in enterprise and sector-based experiences	3,582	1,500	→ 2,000	→ 2,500	642	Meeting target	Reporting Period: April 2019 – Jun 2019
14. Social Value: % of WCC suppliers with commitments delivered to profile.	TBC	TBC	→ TBC	→ TBC	TBC	TBC	Insight: To be reported from Quarter 2. Denominator is the total number of WCC Suppliers with active contracts.

# City for All Tracker

The table below provides a progress update at quarter 1 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
<b>City of opportunity</b>		
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"> <li>The Council is on track to deliver over 1,850 new affordable homes. A significant number of these will be delivered during 2019/20 – particular highlights include 197 new intermediate homes for rent at Dudley House, plus 86 new social and intermediate homes at Tollgate Gardens Estate.</li> </ul>
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"> <li>1,010 people into jobs in 2018-19 of which 343 were long term unemployed.</li> </ul>
<b>Caring and fairer city</b>		
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"> <li>In Quarter 1 we sustainably resettled 67 people to their home area with a 55% success rate.</li> </ul>
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.	On track	<ul style="list-style-type: none"> <li>As reported in the previous quarter, Westminster’s Band H council tax payers contributed more than £800,000 through the scheme in 2018-19. We have shortlisted our first round and the decision on allocation will be made by the charitable board which has been set up for this purpose.</li> </ul>
<b>City that celebrates its communities</b>		
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.	On track	<ul style="list-style-type: none"> <li>Public speaking introduced in 2018-19. We are now in the process of introducing the live streaming of Planning Committee meetings. We anticipate the technology to be live by Quarter 3.</li> </ul>
We will remove unwanted and misused phone boxes from our streets.	On track	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>City that offers excellent local services</b>		
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	On track	<ul style="list-style-type: none"> <li>Quarter 1 has seen a sharp improvement in call answering performance at the call centre, with 80% of calls being answered within 30 seconds, up from 63% in 2018-19.</li> </ul>

## 1.5 People Services

### Achievements:

#### Moving forward inclusion and diversity

Moving forward the Inclusion and diversity agenda in the council. Since the development of the inclusion and diversity action plan last year, the people services team has been working in collaboration with ELT and the staff networks to deliver key programmes and culture change initiatives as outlined in the action plan.

#### Outputs delivered

- Published the Gender and the BAME pay gap report.
- Launched key programmes to tackle the ethnicity pay gap including Reverse mentoring, Positive Action and Diverse Panels in April.
- Launch of the “everyone has talent” programme where opportunities are available for everyone to develop their career and ensuring representation on specific talent programmes.
- Interactive and well attended engagement events including:
- 4<sup>th</sup> April, inclusion and diversity event where we first launched Reverse mentoring, Positive Action and Diverse panels.
- Staff forums that took place across city hall, Lisson Grove and the contact centre at Westbourne between April and June.
- Reverse mentoring kick-off and Windrush event in collaboration with the staff networks on 21<sup>st</sup> June.
- Repeat of the Inclusion and Diversity day at Lisson Grove on 28<sup>th</sup> June.
- Participation in PRIDE with 80 tickets taken across the organisation including staff and member.

#### Outcomes to be achieved

- Increase in awareness and importance of the topic of Inclusion and Diversity.
- Positive brand perception of Westminster externally which will lead to talent attraction.
- An engaged workforce which will lead to increased productivity.

#### Westminster Housing Services incentive scheme delivered on time

Those employees who transferred to Westminster in April 2019 continue to be entitled to participate in an Incentive Scheme under their employment contracts. This scheme allows for a one-off payment of an Incentive related to individual performance against personal objectives. This was a significant challenge due to the scheme changing from 2017-18 and, additionally, the transfer to Westminster and a number of responsible managers no longer being employed. There were additional challenges in ensuring that the distribution was equitable in terms of gender, BAME and pay quartiles that individuals were in.

#### Outputs delivered

The outputs were a scheme that was equitable regardless of your salary; and ensured that there is no negative impact on the Councils gender and BAME pay gap. As a Council we have committed to close our gender and BAME pay gaps over time and it is important that an equitable distribution was achieved so that gaps are addressed in a fair and considered way. Significant but appropriate questions were asked about the distribution of ratings leading to a challenging moderation process. The process was still delivered on time and ready for July payroll.

#### Outcomes achieved

Potentially closing our Gender and BAME gap Scheme delivered on time in a challenging year for staff from CityWest Homes.

## Step ups project delivered on time

### **Outputs delivered**

A streamlined process was adopted for 2018-19, which facilitated a service driven approach, aligned with our new performance development framework and ensured a focus on the diversity makeup of all nominations. The new approach resulted in increased number of nominations, improved transparency around step-ups allocation and process and much more equitable gender and diversity distribution across our workforce. Overall step ups have increased from 21.2% (386) in 2017/18 to 26.9% (514) in 2018/19. This year 30% of the BAME population have been nominated for a step-up (was 19% last year) whilst 25% of the White population has been nominated for a step-up, and this will help addressing our ethnicity pay gap. There was also a positive gender split with 28% of the female population receiving a step-up against 26% of the male population, and this will support our efforts to closing our gender pay gap.

### **Outcomes achieved**

Step-ups allocations increased by more than 5% compared to last year with very equitable split across bands, ethnicity and disability. The main outcomes of the project are:

- Closing our gender/ethnicity pay gap
- Recognise and reward our workforce fairly and consistently
- Support talent management by attracting, retaining and engaging our staff

## **Risks and issues:**

### Lack of flexible and organisationally led reporting available from IBC

WCC seem to be having difficulty securing access to reports it needs in order to analyse its staffing. Work was started some months ago to identify and secure access to the reports that WCC needs as a baseline. Integrated Business Centre (IBC) appear currently to steer WCC towards a daily data download which is provided for the purpose of informing business intelligence software, rather than it being an accessible reporting tool.

### **Impacts and consequences**

In order to fully analyse the impacts of change on structure and budget and to manage its workforce effectively, WCC need to be able to pull flexible and informative reports from IBC. Lack of reporting inhibits managers from analysing issues such as vacancy management, sickness triggers etc. Particularly at times where budget issues are being considered, managers need access to a full set of information about their staffing complement.

### **Mitigation and progress**

Discussions are ongoing with IBC in attempt to secure reports. There is a plan in place for improved reporting by the end of October and the programmes is on track to deliver this at the current time. In the meantime, some individuals in People Services have had to use the daily data file to try to extract information. This is a time-consuming process as the information is not held in one place or in a readily understandable format.

### **Timeframe for improvement**

IBC reported back via the Monthly Performance Group meeting on 5 August regarding developments to an "establishment" report. This has been promised by the end of October.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>				Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→	Ideal	→			

## People Services

1. Ensure staff turnover is managed at appropriate benchmark levels (excluding redundancies)	15.6%	16%	→	15%	→	14%	15%	Meeting target
2. Increase the number of BAME employees in senior leadership roles (band 5 and above)	11%	14%	→	15%	→	19%	12.5%	Meeting target
3. Hampshire target – HR transactions made via self-service	71%	75%	→	77%	→	80%	83.2%	Exceeding target
4. Increase the number of women in senior leadership roles (band 5 and above)	47%	42%	→	44%	→	46%	43.8%	Meeting target
5. % of apprenticeship starts in relation to the public sector target of 2.3% of total headcount	1.8% (without schools), 1.7% (with schools)	2% inc schools	→	2.3% excl schools	→	2.3% inc schools	0.8% inc. schools 0.7% excl schools	Meeting target
6. Positive action - % of Band 4 roles which have BAME candidate on the shortlist	New KPI	75%	→	80%	→	100%	100%	Exceeding target

## 1.6 Legal Services

### Achievements:

#### Grenfell Tower Inquiry

The service has managed the resources required to provide legal services in relation to the Grenfell Tower Inquiry.

#### **Outputs delivered**

Specifically, this has meant:

- Continuing to prioritise this area and divert required internal resources to providing legal advice on Grenfell Tower.
- Backfilling internal posts allocated to Grenfell to avoid impact on existing internal clients.
- Managing the delivery of external advice required from solicitors and barristers.

#### **Outcomes achieved**

Continued to provide a highly responsive service, under tremendous pressure, in relation to legal advice on and support to the Grenfell Tower Inquiry whilst ensuring that there is no diminution of quality and responsiveness in relation to other matters.

#### Continuing to improve client satisfaction.

#### **Outputs delivered**

Following the implementation of a new Case Management System in 2018/19, Legal Service's restarted sending client satisfaction survey to clients in Q1 at the completion of each matter. The service has also continued to roll out its programme of client liaison meetings and the provision of management information packs to both improve service quality and assist with managing demand.

#### **Outcomes achieved**

50% of the responses showed that clients were very satisfied and 50% moderately satisfied with the service.

### Risks and issues:

#### Risk

Data Protection Breaches (GDPR)

#### **Impacts and consequences**

Risk of fine or prosecution if there is a substantial breach.

#### **Mitigation and progress**

The Council's Data protection officer now reports to the Director of Law. The service has established focused information management and GDPR procedures and provided staff training in addition to the corporate online training. The service has a GDPR team who meet regularly to implement improved processes and procedures and identify issues. Implementation of eBundling and eFiling reducing potential for loss of sensitive data on paper.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

## Legal services

1. Percentage of clients satisfied with Legal service as measured by the satisfactory survey	70	→	80	→	100	100	Meeting target	
2. Percentage of cases that meet the agreed time frames for Legal cases in each area	80	→	90	→	100	Available at Q2	N/A	Due to implementation of a new Case Management System, this data will not be available until Q2.

## 1.7 Finance and Resources

### Achievements:

#### Community contribution scheme reaches £890,000

The Community Contribution scheme has now currently raised £890,000. Finance assists the trust by facilitating fundraising through inviting Council Tax payers in Band H to make a voluntary contribution to the City of Westminster Charitable Trust. The City of Westminster Charitable Trust controls the Community Contribution Fund, including how much is allocated and which local projects are supported. The Trust is independent of the Council.

#### **Outputs delivered**

The City of Westminster Charitable Trust is 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.

#### New Technology Strategy

The role of IT in WCC must transform to reflect the increased role of digital in supporting Council outcomes. Following internal consultation a Bi-borough technology strategy has been drafted, defining our focus on customer and place and our sustainable development as a technology service in support of the Councils.

#### **Outputs delivered:**

New IT governance has been established to drive the strategy (IT Strategy Board, Gate Review Process, Customer Digital Standards Board, Smart Cities Working Group), new enabling platforms are being implemented (new IT Service Management & Project Management tools to go live in Quarter 2) and a range of new digital solutions released (FamilyStory, Noise SMS, Website rebrand) or developed for Quarter 2 release (major overhaul of MyAccount and Street reporting).

#### **Outcomes achieved**

The strategy provides a firmer baseline for the effectiveness of IT in supporting Council operations and transformation and this will allow us to measure improvements throughout 2019/20, including in the wider organisational adoption of new technologies.

#### Treasury & Pensions Budget 19/20 and 2020/21

WCC Pension funds end of quarter average investment yield is 0.96%. Current forecasts expect approximately £900k income over the original budget: £10.8m forecast versus £9.8m budget. The over-recovery is expected to be one-off, given the anticipated cash outflows and possibly reducing interest rates.

#### **Outputs delivered:**

The funds continued updated forecasts are showing real income increases, but these are regarded as a one-off.

#### **Outcomes achieved:**

The Council budgetary outturn for 2019/20 will improve.

## Risks and issues:

### Brexit delay and negative, detrimental outcome

#### **Impacts and consequences**

Some economists suggest that the Brexit outcome could have a detrimental effect on equity valuations, global trade and future inflation levels and this could take upwards of five years to recover from. Inflation, accounting for all reserves and the MTP, would affect all sources of funding due to an increase in prices this may not be met by an increase in funding.

#### **Mitigation and progress**

The Pension Fund Committee is considering a move from UK Equities to Global to cushion the effect of a shock on the UK within a specific UK sub-fund. Residential housing also to be considered. The change to a global portfolio will be considered at the September 2019 pension committee.

### Movement in interest rates

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

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

This has the potential to affect council employee budgets arising from higher employer contributions required. A change in interest rates could also affect higher PWLB rates resulting in higher cost of interest.

#### **Mitigation and progress**

The pension fund is invested in a diverse portfolio, designed to lessen the impact of such shocks. Forward deals will cushion the impact of rises in yields. 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, the actuary could still take into account the impact arising from any interest rate change. Forward loans will be received in 2022 and 2023.

### Growing risk and impact of data breach

Recent Information Commissioner's Office (ICO) fines to British Airways (£183m) and Marriot Hotel (£99m) demonstrate the potential impact of a data loss occurring through error or cybersecurity failure under General Data Protection Regulations (GDPR). The Councils have firm base cybersecurity measures in place, but the threat is increasing globally and we must ensure high levels of staff training and awareness. Westminster City Council's profile nationally means we must be extra diligent to keep our customer data safe and avoid the financial and reputational consequences of data loss.

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

Data loss can cause harm to customers and give rise to large ICO fines, which are likely to be greater following implementation of GDPR in May 2018.

#### **Mitigation and progress**

A strengthened IT risk management methodology has been implemented with corporate audit & fraud team, this includes more regular review and update to corporate registers. Corporate processes for FOI/SAR have been reviewed, these changes will be agreed and implemented in Quarter 2 to further reduce risk. A more demanding cybersecurity audit commenced at end Quarter 1 and this is resulting in significant enhancement of technical controls in Quarter 2, through an ongoing programme. Mandatory cybersecurity training was released through IBC, this will become mandatory in Quarter 2 to ensure full adoption.

# Key Performance Indicators

The table below presents the latest cumulative outturns available at the end of Q1 (April 2019 – March 2020).

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

## Finance

1. Percentage sundry debtors (more than 1 year old) of total gross sundry debtors	11.35%	20%	→	5%	→	0%	<b>24%</b> (£4.273m)	<b>Off track</b>
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### Service Commentary:

There has been a delay to the quarter 1 billing to the NHS for Adults Social Care for approx. £5M, which will now be billed with the Q2 invoices due in P4. This is because the ASC service requested delayed invoicing for Q1 & Q2 until all budgeted spend against the iBCF had been agreed and the format of invoicing clarified. When the delayed invoices are factored into the overall debt figure, the debt over a year would equate to 19% of the overall debt i.e. within minimum target. Additional performance measures will be introduced to provide further insight into the debt position

Performance against the sundry debtor KPI is largely determined by the timing and volume of new invoices raised, therefore the achievement against the KPI becomes varied and driven by the invoice raising activities of the service areas. For example, due to disputes with the NHS, the ASC invoices were not raised in time, thereby understating the overall debt figure. Agreed debt typically improves slowly compared to newer debt, we will therefore be introducing KPI's that provide better insight into debt recovery performance.

### Adult social care

Approximately 73% of aged debt (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. It is 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 deemed unrecoverable and written off.

### Public Protection and Licensing

Approximately 13% is related to Public Protection and Licensing. Largely consisting of Street Traders licencing and Pest control treatments. The licencing debt also includes clients that are no longer trading.

### **Mitigation:**

#### Adult social care

A detailed review of the significant debtors is in progress, which has already resulted in considerable recovery of aged debts, approx. £800k, but also resulted in assessments being recalculated, which has led to credits being issued. Local bespoke reminders are being issued for debt over £5k, to help stop them from escalating to large debt and some automated running has commenced for debt less than £5k. The Legal team are more actively engaged in seeking advice on challenging debt such as those involving potential problematic/high risk debts e.g. 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 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 licence.

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.

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

**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.

Given the size of the project, 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 assessed 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 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.

2.	Variance between budget and full year forecast	£3.918m	On budget	→	<£5m underspent	→	As per ideal	<b>£0.497m underspend</b>	<b>Minimum standard met</b>	
3.	Variance between capital budget and FY forecast	£44.571m	On budget based on forecast	→	On budget based on forecast	→	On budget based on forecast	<b>£3.030m net underspend</b>	<b>Meeting target</b>	
4.	% of payments made via Purchase Order	98%	96%	→	98.00%	→	99.00%	<b>97%</b>	<b>Minimum standard met</b>	
5.	Percentage of council tax collected	96.7%	95%	→	96.5%	→	99%	<b>38.1%</b> (£39.3m/£103m)	<b>Meeting target</b>	The percentage of council tax collected in Q1 will enable WCC to achieve its target
6.	Percentage of business rates collected	98%	96%	→	98.5%	→	100%	<b>34.1%</b> (£830m/£2.43b)	<b>Meeting target</b>	The percentage of business rates collected in Q1 will enable WCC to achieve its annual target

Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

### Complaints

7. Percentage of stage 2 responses signed by Chief Executive with no need to return	98%	95%	→	98%	→	100%	97% (33/34)	Minimum standard met
<p><b>Service commentary:</b> An isolated case was returned because the complaints team concluded that the case was partially upheld. The Chief Executive’s office concluded that the complaint should be upheld. The complaint was subsequently returned and the case was concluded to be upheld.</p> <p><b>Mitigation:</b> The Chief Executive’s Office has liaised with the complaints team and communicated the requirement to view individual cases through the customers “lens”. The complaints team is required to seek service area approval for all cases decisions, prior to them being reviewed and signed by the Chief Executive. If there is a disagreement between the service area and the complaints team regarding the conclusion for a case, the case will be submitted to the Chief Executive’s Office without a decision, including the reasons why a consensus has not been reached. The Chief Executive will consider all issues, before concluding whether or not a case should be upheld.</p> <p><b>Timeframe for improvement:</b> In particular cases where a consensus is not reached, the above process is used and this procedure is currently in place. However, it should be noted that such disagreements are rare.</p>								

### ICT

8. Number of major business impact Priority 1 incidents per quarter (could affect more than 100 people)	23	22	→	18	→	12	6	Exceeded Target
<p><b>Service commentary:</b> From 2019/20 IT has been more disciplined in the reporting of Priority 1 incidents (those which could affect more than 100 people) so that we can better identify priority areas. As a result, incidents which would previously have gone unreported, due to them occurring out of hours/not impacting significant user numbers are now being captured. Although service stability remains overall reasonable there were issues in Q1 with legacy fileshares (J: and Q: drives) and WCC network downtime, the cause of these was identified by the providers and has been addressed, reducing likelihood of recurrence in Q2.</p>								

9. Significant incident attracting fines under new GDPR legislation such as Information Commissioner intervention regarding handling of data protection	0	3	→	1	→	0	0	Exceeded Target
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Target range definitions <sup>1</sup>	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

Q1 Target assessment definitions <sup>2</sup>	Off track	Exceeding target	Meeting target	Minimum standard met
	Failing to achieve the minimum target level	Projected to exceed ideal target level	On track to meet ideal target level	Meeting the minimum target below ideal level

## 1.8 Policy, Performance and Communications

### Achievements:

#### Soho Angels out in force helping Pride in London revellers

The Soho Angels, a team of volunteers giving up their time to help people end the night right, were out in force during Pride in London celebrations on 6<sup>th</sup> and 7<sup>th</sup> July. The Soho Angels have specific training in lesbian, gay, bisexual, and transgender (LGBT) inclusion and support, and part of their role is to ensure Soho nightlife remains safe, inclusive and understanding. They also receive in-depth training from Drinkaware, LGBT Foundation and St John Ambulance. Each 'Angel' must complete their training and be vetted before they can go out on the street.

#### **Outputs delivered**

Run by Westminster City Council and the LGBT Foundation, the Soho Angels provide support to anyone who needs it. From finding lost belongings or friends through to facilitating medical attention, the Soho Angels are there to help party-goers get home safely. During Pride in London, around 40 Soho Angels worked two shifts covering 9am on Saturday to 7am the following morning. During the day they worked out of five St John's Ambulance treatment centres, before opening two evening support hubs at St Anne's Church in Dean Street and outside Charing Cross train station. The hubs were supported by a doctor, nurses and paramedics from St John Ambulance.

#### **Outcomes achieved**

Overall, they helped more than 85 people including one person who needed to go to A&E with a serious head injury and a further eight people who were taken to A&E in a St John's Ambulance after being assessed by medical staff, meaning emergency services did not need to be called, saving the NHS an average of £250 per incident.

#### MyWestminster Day 2019

People from all backgrounds came together to celebrate living in the heart of the city, at the second annual #MyWestminster day. The event was the third to be pledged by the Leader of the Council, Cllr Nickie Aiken as a key part of the Council's City for All vision.

#### **Outputs delivered**

Just over 3,000 residents came down to enjoy the day, which took place on Sunday 30<sup>th</sup> June. Families and residents enjoyed free family activities, sport, live music, entertainment, dancing and arts and crafts.

#### **Outcomes achieved**

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.

#### West End LIVE

West End LIVE took place in Trafalgar Square on 22<sup>nd</sup> and 23<sup>rd</sup> June 2019. Celebrating its 15th year, the free musical extravaganza showcased the best of the West End.

#### **Outputs delivered**

Waitress, 9 to 5 The Musical and Only Fools and Horses The Musical were among the brand new shows performing at the event. Other shows at the event included West End long-runners Les

Miserables and The Phantom of the Opera, as well as recent popular productions of Disney's Aladdin, and Everybody's Talking About Jamie.

#### **Outcomes achieved**

The event continues to attract crowds of more than 500,000 people over the course of the weekend and 83% of visitors spent more time in the West End due to West End LIVE. It contributes a net gain of £4.5m to Westminster's economy and 97% of visitors rate their overall experience of the event as good/very good.

#### **Westminster City Council diesel parking surcharge launch**

Many of the diesel cars parked in Westminster will be subject to a brand-new diesel surcharge from Monday 5th August to help take on the challenge of low air quality.

#### **Outputs delivered**

- Drivers of pre-2015 diesels face a surcharge of up to £2.45 an hour (SIC) to park in Westminster from 6th August in a new drive to improve air quality.
- Westminster City Council was the first town hall in the UK to impose an additional 50 per cent fee for on-street parking in Marylebone and Fitzrovia two years ago. Councillor Tim Mitchell, cabinet member for environment and city management, said: "we are standing up and taking action to improve air quality in Westminster; the evidence proves that the diesel parking surcharge can make a difference".

#### **Outcomes achieved**

This latest measure is one of many initiatives the council has introduced in recent years to improve air quality, including; installation of electric vehicle rapid charging points, the ongoing #DontBeldle anti-idling campaign which has gained support from over 14,000 people and the schools clean air fund aimed at reducing the number of vehicles traveling on the roads around schools at the beginning and end of the school day.

## 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 ongoing political instability
- Brexit 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 is monitoring trends on 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 Q1 (April 2019 – June 2019).

<b>Target range definitions<sup>1</sup></b>	<b>Minimum Ideal Aspirational</b>	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	<b>Q1 Target assessment definitions<sup>2</sup></b>	<b>Off track</b> <b>Exceeding target</b> <b>Meeting target</b> <b>Minimum standard met</b>	Failing to achieve the minimum target level Projected to exceed ideal target level On track to meet ideal target level Meeting the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges <sup>1</sup>			Position at Q1	Target assessment <sup>2</sup>	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			

### Customer services and engagement

1. Less than 4% of calls abandoned (Agilisys)	2.97%	<4%	→	<4%	→	<3%	<b>13.43%</b>	<b>Off track</b>	
<b>Mitigation:</b> 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.									

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## 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
<b>City of opportunity</b> 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	<b>Achieved</b>	<ul style="list-style-type: none"> <li>A three-day schedule of tour activities is being held at the end of August. Young people will discover some of top places to visit in London and think about what it means to be creative. Activities will range from an immersive retrospective exhibition of rave culture at the Saatchi Gallery, a visit to Kensington Palace and a workshop with artist Oriana Fox.</li> </ul>

City for all Pledge	Delivery Status	Progress update
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"> <li>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.</li> </ul>
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"> <li>Westminster's entrepreneurs of the future were offered free places on an acclaimed workshop to turn their hobbies and dreams into a business.</li> <li>The hugely popular two-week Pop-Up Business School ran in partnership with Westminster City Council from July 8 – 19.</li> <li>The course at the Soho Centre, Westminster Kingsway College, is aimed at everyone from those with no cash and no business experience to fledgling start-ups that need guidance to keep on track.</li> </ul>
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.	On track	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Caring and fairer city</b>		
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.	On track	<p>The Community Contribution scheme has now currently raised £870,000. The money being raised will go towards:</p> <ul style="list-style-type: none"> <li>employing two ex-rough sleepers to become Westminster 'buddies' – helping people on the streets who may be distrustful of mainstream authority</li> <li>available in grants to organisations who help rough sleepers</li> <li>for schemes that provide young people with jobs skills or training</li> <li>towards initiatives that combat loneliness in the community – not just among the elderly but also the young.</li> </ul>
<b>Healthier and Greener City</b>		
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.	On track	<ul style="list-style-type: none"> <li>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. The Campaign will be taken forward into 2019.</li> </ul>
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.	On track	<ul style="list-style-type: none"> <li>Westminster City Council's campaign to stop engine idling made national news and has gained support from central government with Cabinet Minister 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.</li> </ul>

City for all Pledge	Delivery Status	Progress update
<b>City that celebrates its communities</b>		
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"> <li>• Just over 3,000 residents came down to enjoy the day, which took place on Sunday 30<sup>th</sup> June. Families and residents enjoyed free family activities, sport, live music, entertainment, dancing and arts and crafts</li> <li>• 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</li> </ul>
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"> <li>• 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 £123k funding</li> <li>• 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</li> <li>• The next round of bids can be submitted September to December, with funds awarded from January 2019</li> </ul>
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.	On track	<ul style="list-style-type: none"> <li>• 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 staff</li> </ul>
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.	On track	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>City that offers excellent local services</b>		
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"> <li>• In Jan 2019 the project manager 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"> <li>○ Gathered and assessed evidence to support the legal case for change.</li> <li>○ Developed operational requirements for a traditional licensing scheme in Oxford Street, which includes analysis and assessment of associated resources/costs and potential conditions</li> <li>○ Begun to develop a hybrid collaborative model for Leicester Square, whereby performers need to be granted a license by the council, however the council will remain arm's length to management.</li> <li>○ Scoped potential improvement to existing portrait artist licensing</li> <li>○ Developed operational requirements, manual and digital booking engine. Completed market testing for digital booking engine and currently drafting business case for capital funding.</li> <li>○ updated project timeline and configured operational development requirements into the project</li> </ul> </li> </ul>



City of Westminster

## Audit & Performance Committee

<b>Committee date:</b>	19 September 2019
<b>Title:</b>	<b>Westminster Housing Service Update</b>
<b>Report of:</b>	Neil Wightman, Director of Housing
<b>Portfolio:</b>	Cabinet Member for Housing Services
<b>Report Author and Contact Details:</b>	Andrea Luker <a href="mailto:aluker@westminster.gov.uk">aluker@westminster.gov.uk</a>

### 1. General Update

- 1.1 It's five months since responsibility for housing service delivery transferred to Westminster Council. A full suite of performance information is provided at Appendix A, giving an overview of current service standards and the progress that has been made in delivering improvements. All figures are as at the end of July 2019 (P4). This report draws attention to key areas of performance and provides a narrative to the data in Appendix A. Targets were set by the council's client team prior to the housing service returning in-house. All targets require an improvement on previous performance levels and were benchmarked against published performance for high performing London boroughs.
- 1.2 Highlights within the portfolio include improvements in both the contact centre and repairs service performance. Our Call Centre has performed well, with 80% of calls answered within 30 seconds, against the corporate of 70%. Our Westminster on Wheels initiative, providing a mobile surgery service has also been a success, demonstrating the Council's commitment to providing residents with local, face to face services. Nearly 900 residents have visited the bus and 95% were very happy or happy with the bus being on the estate.
- 1.3 The new Housing Director took up post at the end of May and has set out the five key priorities for housing services, to:
  - a. Improve the responsiveness and quality of the repairs service and major works
  - b. Provide a better service for leaseholders, particularly in relation to major works
  - c. Support vulnerable residents
  - d. Develop a local offer and increase resident involvement, and
  - e. Prevent Homelessness.

1.4 The Director of Housing is overseeing delivery of the service improvement projects. The lessee offer, local offer and repairs offer have been prioritised within the programme and a number of initiatives are in progress that will be in place in October 2019. The October edition of the residents' newsletter will be dedicated to service improvement initiatives and the launch of the 'new look' service offer, including.

- Launch of Westminster on Wheels phase 2
- Increased visibility of staff on our estates
- Launch of a programme to develop estate action plans
- An on-line resident engagement community, including a lessee forum
- Actual service charge accounts for 18/19 issued in a simplified format and tested by the lessee forum before issue
- A new guide to service charges issued with invoices
- Area based lessee open days after issuing invoices/accounts

## **2 Customer services - Contact Centre**

2.1 Since integration the contact centre performance has been positive, with call handling performance remaining within target. Year to date performance to the end of July 19:

- 67,854 total calls received
- 80% of calls were answered within 30 seconds (target of 70%)
- 69% of calls were resolved on first contact (target of 60%)
- 82% of residents were satisfied with call handling - measured through a post-call survey immediately after call handling (target 80%)
- 306 Tweet requests received, and 100% responded to within four hours of receipt.
- 89% of complaints and 91% of members' enquiries were responded to within target

2.2 Performance in July was adversely affected by a telephony outage resulting in a reduced service to residents across 6 days. July call volumes were therefore lower as customers were unable to access the service by phone. We are working with colleagues in IT to explore alternative options to our current solution due to the risks the current platform presents.

2.3 Resident Satisfaction reduced as a result of this outage from tracking above 80% year to date to 78% in July. Satisfaction for August month to date has recovered and is tracking at 83%. A total of 481 Customer Satisfaction surveys were completed, 65.9% of residents believed their query to be resolved and both engagement and empathy levels were tracking above 80%.

2.4 277 complaints have been received this year, of which 49 were received in July. Only 5.8% or 16 complaints have escalated from stage 1 to stage 2. A new manager has been appointed for this service who will drive improvements across the services from complaints learning. The volume of members' enquiries remains high, with 110 received in July.

2.5 The speech analytics project has started and is analysing 30,000 of calls which will help us understand the drivers of customer contact, reasons for service

failure and tracking our residents' emotions as they interact with our service. It is anticipated that the results of this work will be available by the end of October.

- 2.6 In September we will complete a quality audit of our service quality framework, with industry experts analysing the quality of our interactions with our customers, providing best practice training on coaching and quality monitoring and strengthen our approach to service quality for the next twelve months.

### **3 Repairs, Voids and Health & Safety**

- 3.1 The repairs service is making progress, with incremental improvements across the KPIs:

- 86% of repairs were completed on the first visit, a 4% improvement on 18/19
- Satisfaction with the repairs service is at 84%, a 2% improvement on 18/19
- Statutory services relating to electrical testing, gas safety checks and water tank monitoring all continue to perform very well, with compliance levels all at 100%.

- 3.2 Improving the repairs service is a key priority for the Director of Housing, with particular focus on keeping appointments, quality of work and timeliness of the repair. Work across the housing team and with contractors is underway to make the necessary improvements over the course of the year.

- 3.3 The time taken to repair and relet void properties has reduced from 57 days for the year 18/19 to 44 days for 19/20 and 38 days for July. A void services improvement team has been established to work as a collaborative group to drive improvement across the service.

- 3.4 New tenant satisfaction with the letting process dipped in April so we introduced a courtesy call to all new tenants within a week of tenancy commencement. This has allowed us to remedy any issues early in the tenancy and reinforces our commitment to listen to customers.

- 3.5 Greater focus has been given to compliance performance this year, and performance has been good for the year to date, particularly gas servicing which has been maintained at 100% for the financial year.

- 3.6 Asbestos management has been reviewed and a plan is in place to resurvey sites and bring all data up to date by summer 2020. New asbestos removal contractors are currently being procured and the contract is expected to be in place by December 2019.

- 3.7 Performance on completion of actions identified through fire risk assessments is ahead of target in all categories with no high risk actions overdue.

### **4 Major works**

- 4.1 Housing is undertaking a significant programme of major works, with 15 projects on site or due on site in 2019/20. There have been challenges and we recognise that improvements need to be made in a number of areas.

- 4.2 Two major works schemes have completed this financial year and residents have been surveyed with 79 responses received. Lessee satisfaction for these schemes is significantly higher than the 18/19 out turn, indicating that changes made to the consultation process are taking effect. Further changes are being made which will impact on the new schemes about to start on site.

## **5 Neighbourhoods**

- 5.1 Satisfaction with antisocial behaviour case handling dipped at the beginning of the financial year following a number of staff resignations. Four new case managers have joined the team and performance for July was above target.
- 5.2 Noise nuisance continues to be the main reported issue of anti-social behaviour. Cases are often related to everyday living noise, which tends to escalate in school holidays. To help reduce the impact of everyday noise, the team has been working closely with an early help practitioner who specialises in supporting families with young children who may be involved in low level nuisance. The early help practitioner recently attended a Westminster on Wheels event with the ASB team; to speak to parents and listen to resident' concerns.
- 5.3 Housing Services have been working with other departments to address serious nuisance and crime on the Lillington and Longmoore estate and the Hallfield estate, where there has been an increase in individuals bedding down on estate grounds. We are working with the rough sleeping outreach teams to provide support to those sleeping rough.
- 5.4 The housing services teams have carried out 67 flexible tenancy reviews. The purpose of these reviews is to assess whether tenants approaching the end of five-year flexible tenancies are to be offered a new tenancy in their current home. To date, one under-occupying household will not have their current tenancy renewed but will be offered a five year tenancy in a smaller property and three other tenants have been offered two-year tenancies rather than five-year tenancies to enable them to rectify a breach of their tenancy agreement. The remainder are being offered another five year tenancy in their current home.
- 5.5 127 tenancy reviews have been completed with vulnerable residents to see if they require additional support or have any unresolved repair or tenancy issues. Residents were selected from a list of those who have not made contact with the service for three months, and those listed as requiring support in the event of an emergency. From these visits, 121 have resulted in a follow up action such as a repair, a referral to social services or support with applying for a move.
- 5.6 5 properties have been recovered on tenancy fraud grounds. Three of these were for unauthorised subletting and one was for a fraudulent succession claim. There is a pipeline of properties currently with court dates for possession or awaiting eviction or surrender, with around 40 cases live with the CAFS (Corporate Anti-Fraud Service). An action plan is currently being prepared, with a range of actions including publicity campaigns, advertising the council's anonymous fraud reporting hotline, tenancy check blitzes and a potential key amnesty. An article has been prepared for the October edition of the residents newsletter to encourage reporting. The target of 25 properties to recover this

year remains challenging but the proposed action plan and joint working with the CAFS will provide the best opportunity to achieve this.

## **6 Income Collection**

### **Rent collection**

- 6.1 At the end of July 2019, current tenancy rent arrears stood at £1,044,033 which represents just 1.29% of the debt. Rent collection at the end of July 2019 was 98.72% against a target of 98.50%. As a comparison to other comparable London Boroughs, rent collection is consistently within the top three for rent collection.
- 6.2 There have been just three evictions in 2019/20 due to rent arrears. The income management team works in partnership with the Citizens Advice Bureau (CAB) to ensure tenants have access to money management advice, debt counselling and help with claiming benefits. We now have 909 Universal Credit cases, an increase from 883 cases at the end of June 2019.

### **Lessee service charge collection**

- 6.3 Our Billing process, particularly around timing, accuracy and frequency of bills needs improving and a plan is in place to address the required changes. The next opportunity to make a difference is with redesigned actual service charge invoices which will be despatched at the end of September 2019. The invoices will be in simpler format and will be accompanied by a new guide to the charges. The estimated service charge demands for the period April 2020 to March 2021 will be a single annual estimated demand rather than two half yearly demands. The proposed changes and the new format will be tested by a focus group of leaseholders prior to implementation in March 2020.
- 6.4 Currently, Westminster Council issues half yearly estimated service charges. We will serve the second estimated demand in October of this year, but this will be the last time that we serve two estimated service charge demands for the same financial year.
- 6.5 Lessee service charge collection is on track to meet the strong target of 98.0%. The current performance is at 97.5%, just half a percent off target. The collection of the service charge arrears can be a lengthy process and the arrears escalation process requires a number of reminder letters before the recovery pre-action protocol process can commence. The leasehold operation team ensure that the recovery process is avoided where possible in the arrears process by attempting to engage with our leaseholders by written communication and by telephone.
- 6.6 The major works aged debt well on track to exceed the annual target of £1.16m. The aged debt sums are lower than many comparable London Boroughs and are good reflection of the arrears recovery work undertaken by the team. The favourable payment terms offered Westminster City Council which are above and beyond the terms of the lease play a strong part in supporting our residents with the ability to pay their major works service charge invoices.

## **7 Estate Services**

- 7.1 In June cleaning standards across the borough were recorded at 97.1% and grounds maintenance was 96.2% based on 834 inspections undertaken.
- 7.2 Working in partnership with the housing teams and Continental Landscapes, we have officially retained the Green Flag Award for Churchill Gardens, Lillington & Longmore and Lisson Green. These Green Flags signify that Westminster's Housing Teams and partners continue to provide some of the best green spaces in the heart of London.
- 7.3 As of August 1st, our in-house gardening team have now transferred under 'TUPE' to Continental Landscapes and we are looking forward to continuing to provide a very high standard of ground maintenance.

## **8 Estate Priorities**

- 8.1 As part of our review of the service we will be engaging with residents about their priorities and formulating action plans for all our estates. This will form the agreement, and accountability, between Westminster and the residents.
- 8.2 The Westminster on Wheels programme is continuing to run alongside this and continues to be well received by the local communities it is visiting. So far nearly 900 residents have visited the bus and we have found that:
- 95% were very happy or happy with the bus being on the estate
  - 95% found the bus accessible
  - Nearly 3/4 of issues resolved on the bus. Other queries contributed to ongoing repair, housing and ASB matters.
  - 79% believed Westminster Housing services will improve
  - 85% found the service met their expectations
  - 25 referrals for employment

## Appendix A. Housing services performance, July 2019

Contact centre		July	Year to date	Target	Trend	Year end 18/19
Number of calls received		15,693	67,854	-		238,053
% of calls answered within 30 seconds		75%	80%	70%		63%
% of calls abandoned		4%	4%	8%		11%
% of calls resolved on the first contact		66%	69%	60%		70% (Nov-Mar)
Resident satisfaction with call handling		78%	82%	80%		81% (Jan-Mar)
% of complaints responded to in target		93%	89%	90%		49%
% of member enquiries responded to in target		98%	91%	100%		79%
Repairs		July	Year to date	Target	Trend	Year end 18/19
Overall tenant satisfaction with repairs		83%	84%	84%		82%
% of repairs completed on the first visit		87%	86%	85%		82%

Tenant satisfaction with quality of repairs		82%	83%	85%		81%
% of repairs completed within target		92%	90%	90%		-
% of responsive repair appointments kept		94%	93%	95%		92%

Voids		July	Year to date	Target	Trend	Year end 18/19
Routine voids keys in to re-let (calendar days)		38	44	28		57
New tenant satisfaction		90%	84%	90%		88%

Health and safety		July	Year to date	Target	Trend	Year end 18/19
% of properties with valid gas safety certificates		100%	100%	100%		100%
Water tank testing		100%	100%	100%		100%
Electrical testing - communal		100%	99%	100%		97%
Electrical testing - in flat		383	1,452	2,850		4,007
Number of open FRA actions		4,225	-	4,500		4,180

Number of FRA actions awaiting delivery		991	-	1,000		1,163
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Major works		July	Year to date	Target	Trend	Year end 18/19
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Lessee satisfaction with major works		64%	64%	65%		53%
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Lessee satisfaction with major works consultation		65%	65%	65%		45%
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Key schemes >£250k on site within 3 months of target (projection) (Q)		93%	-	75%		57%
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Neighbourhoods		July	Year to date	Target	Trend	Year end 18/19
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Resident satisfaction with ASB case handling		76%	67%	74%		74%
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Unlawfully occupied properties recovered		1	5	25		14
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Number of tenancy reviews carried out (includes flexible tenancy reviews and regeneration visits)		38	127	500		516
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Income collection		July	Year to date	Target	Trend	Year end 18/19
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Rent collected as a proportion of rent owed		98.72%	-	98.50%		98.74%
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Rent arrears as a % of rent roll		1.29%	-	1.60%		1.28%
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Former tenant arrears collection	 £27,307	£77,408	£177,600		£229,487
Lessee service charge collection	 97.50%	-	98.0%		97.0%
Collection of aged lessee major works debt	 £86,000	£597,000	£1.16m		1.559m



## Audit & Performance Committee Report

<b>Meeting or Decision Maker:</b>	Audit & Performance Committee
<b>Date:</b>	19 <sup>th</sup> September 2019
<b>Title:</b>	<b>HRA Capital Programme Update</b>
<b>Classification:</b>	General Release
<b>Key Decision:</b>	Review and challenge officers on the contents of the report
<b>Report of:</b>	Gerald Almeroth, Executive Director – Finance & Resources Barbara Brownlee, Executive Director – Growth, Planning and Housing

### 1. Executive Summary

- 1.1 The HRA Capital programme consists of 3 main categories of expenditure. Major Works, regeneration projects and other schemes such as self-financing acquisitions. Major Works contains the operational projects within the HRA. Regeneration and other schemes are the development and acquisition schemes.
- 1.2 Over the last 4 years the year end capital expenditure variance has been an underspend of between 29% and 39% when compared to the original approved Gross expenditure budget.
- 1.3 These variances to budget can be caused due to a number of reasons depending on the type of expenditure. Acquisitions on regeneration schemes, for example, are only able to be completed when properties become available. However budget is required to be allocated in the event that such properties become available.
- 1.4 A number of actions have been taken to ensure, where possible, variances are minimised such as the establishment of the Programme Management Office in the autumn of 2018/19.
- 1.5 This report sets out the steps and processes in place to ensure budget setting is as accurate as possible. The methods of enhancing this in year are also set out such as the re-profiling of budgets during the financial year. By improving the initial

budget setting process HRA resources can be allocated more efficiently across the Capital and Revenue programmes. In-year monitoring processes are designed to then ensure changes in planned forecasts are identified at the earliest possible opportunity and appropriate responsive action taken.

## 2. HRA Capital outturn since 2015/16

2.1 The HRA Capital programme contains three main categories of expenditure which are major works, regeneration and other development. Major works relates to the capital works on the existing stock, regeneration relates to the capital delivering the large scale schemes and other projects include pipeline budgets for smaller scale projects and self-financing acquisitions.

2.2 Table 1 below shows a breakdown of Capital expenditure compared to original budget for the last three years.

Table 1: HRA Capital outturn against Original approved budget

	2015/16			2016/17			2017/18			2018/19		
	Budget	Outturn	Var	Budget	Outturn	Var	Budget	Outturn	Var	Budget	Outturn	Var
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
<b>Major Works</b>	46.5	29.9	(16.6)	41.4	23.1	(18.3)	39.3	31.9	(7.4)	55.8	49.0	(6.7)
<b>Regeneration</b>	35.1	15.6	(19.5)	31.3	23.2	(8.1)	68.3	25.5	(42.8)	63.5	17.6	(45.9)
<b>Other</b>	8.3	9.2	0.9	8.7	11.2	2.5	27.8	24.8	(3.0)	31.0	34.4	3.3
<b>Total</b>	<b>89.8</b>	<b>54.7</b>	<b>(35.1)</b>	<b>81.5</b>	<b>57.6</b>	<b>(23.9)</b>	<b>135.4</b>	<b>82.2</b>	<b>(53.2)</b>	<b>150.3</b>	<b>101.0</b>	<b>(49.3)</b>
<b>% slippage</b>			39%			29%			39%			33%

2.3 Table 1 shows that the variance to original approved budget has remained consistently between 29 – 39% for each of the four previous years.

2.4 In 2018/19 the variances and reprofiling within regeneration included:

- delays in procurement, reprofiling of enabling works and demolition costs on **Parsons North** (£5.6m)
- less than budgeted acquisition activity on both **Ebury Bridge** (£7.3m) and **Church Street Phase 2** (£4.0m). The ability to spend these budgets is heavily influenced by when suitable properties become available and when they are required to progress the projects.
- programme delays due to coordination of utility works, including agreeing the controlled power outages, on **Lisson Arches** (£5.5m)
- prolonged development agreement negotiations on **Luton Street** moved start on site to the next financial year (£1.9m)
- delay on the **Tollgate Gardens** with payment for buyback of units due on practical completion (£9.6m)
- **Cosway Street** and **Ashbridge Street** tender returns presented a longer pre-contract services agreement (PCSA) period than anticipated, with further reprofiling of enabling works (£6.1m and £5.2m respectively).

- The remaining variance was caused by a decision to move the **Combined Heating programme** to the General Fund (£1.7m) offset by additional expenditure on **Edgware Road/AlmaCanter** and other small schemes (£1.0m).

2.5 During 2018/19 the budget was reprofiled to reflect changes to the programme which had occurred during the year. Table 2 below shows the revised budget and outturn, which shows a significant reduction in the year end variance to budget.

Table 2: HRA Capital outturn to revised 2018/19 budget

2018/19			
	Budget	Outturn	Variance
	£'m	£'m	£'m
<b>Major Works</b>	45.6	49.0	3.6
<b>Regeneration</b>	31.1	17.6	(13.5)
<b>Other</b>	36.7	34.4	(2.3)
<b>Total</b>	<b>113.3</b>	<b>101.0</b>	<b>(12.2)</b>
<b>% slippage</b>			<b>11%</b>

2.6 Table 2 below shows the forecast outturn for 2019/20 as per the period 4 monitoring report.

Table 2: HRA Capital outturn forecast 2019/20

2019/20 P4			
	Budget	Forecast Outturn	Variance
	£'m	£'m	£'m
<b>Major Works</b>	49.4	49.3	(0.1)
<b>Regeneration</b>	66.2	64.6	(1.4)
<b>Other</b>	34.3	34.6	0.3
<b>Total</b>	<b>149.9</b>	<b>148.5</b>	<b>(1.4)</b>
<b>% slippage</b>			<b>1%</b>

2.7 The forecast at period 4 therefore indicates a significantly lower projected level of slippage in this financial year. This should be considered in the context of being only a third of the way through the year. The work outlined in this report to ensure the overall capital programme is appropriate, such as the reprofiling of schemes which have been delayed or deferred expenditure to future years is designed to reduce the year end variance where possible. A breakdown on a scheme by scheme basis is shown in Appendix 1.

### 3. Forecasting Capital Projects

- 3.1 As table 1 shows, there has been a significant variance in the outturn at the end of each of the previous three financial years when compared to the originally approved budget.
- 3.2 There are elements within these budgets which can be inherently variable which in turn makes them difficult to forecast. For example, acquisitions within the regeneration programme rely on suitable properties becoming available in order to purchase. Within the 2019/20 budget there is £34.2m of budget allocated to acquisitions which represents 52% of the regeneration budget.
- 3.3 Development activity is characteristically variable and can be problematic to forecast. However, it is important to note that aspects of forecast slippage can also be beyond the control of Westminster's delivery teams.
- 3.4 In order to set budgets that are as accurate as possible, the Finance and Development teams have established a collaborative and constructive working arrangement, whilst exploring better ways of working (see section 4 PMO). The progress is evidenced by the role the Development team now play in the Capital Programming and Business Planning process, the consistent monthly analysis of the capital programme in which both teams work together in updating and scrutinising the capital forecasting, and where appropriate making changes to the alignment of the capital budgets.

#### Major Works budgets

- 3.5 The Major Works (MW) programme which includes the Council's planned works to existing housing stock, saw a significant reduction in the year end variance in 2018/19. Table 3 shows the MW variance for the previous three years and forecast for 2018/19.

Table 3: Percentage of MW budget variance since 2015/16

	2015/16	2016/17	2017/18	2018/19
Major Works	36%	44%	19%	12%

- 3.6 A new term contractor was established during 2017/18. Which has brought greater certainty to the level of expenditure within Major Works which was reflected in the reduced forecast variance.

### 4. Implementation of PMO

- 4.1 Following the review carried out by consultants Pierre Angulaire the Programme Management Office was established in GPH during the Autumn of 2019.

- 4.3 The main purpose and objective of the PMO has been to establish consistent and authoritative reporting of progress against agreed business targets and advice of strategic issues linked with the delivery against these targets.
- 4.4 As part of the consolidated reporting, the following areas have formed a major part of the PMO's remit:
- Providing financial information as required to the City Treasurer's department in line with corporate reporting deadlines. Including enhanced financial summaries e.g. of spend versus budget in year, contractual spend, horizon scanning of future commitments.
  - Pipeline: A better picture of real time delivery of social and intermediate housing units and of the forecast future 'pipeline'.
  - Maps: Interactive GIS Mapping of project locations for visual representation of key issues and discussions
  - RAID – An executive summary of the cross cutting Risks, Assumptions,, Issues & Dependencies at a strategic level to better enable management intervention if required
  - Communication themes: A digest of news stories, illustrations and photos
  - Social Values monitoring in conjunction with the Economy team
- 4.5 As well as regular reporting, the PMO has developed a dashboard to better monitor progress on an individual project basis. The benefits of this include:
- Provide senior and Executive leadership a process which presents a more succinct overview of progress and the key pressures to meeting targets. As a result the Council has improved its agility in managing capital spend and are better informed at the right level.
  - Moving to a dashboard reporting system has provided an interactive executive summary style of reporting, allowing progress across a wider range of projects of all shapes and sizes to be better evaluated.
  - The PMO dashboard report is **now being rolled out across the wider GPH functions to include areas such as major works and place shaping..**
- 4.6 As well as the reporting elements, the PMO has a number of additional benefits:
- Provide additional project assurance and governance of appropriate process and policies being adhered to throughout a project lifecycle.
  - Provide an audit and review capability
  - Provide a consistent repository of management information
  - Establish and disseminate best practice guidance and support to teams on business case development ensuring consistency in approach and compliance with standards
  - Ensure WCC's standards and policies are upheld and clearly defined throughout the process of each project's development and execution.
  - Collaborate with other management in WCC reporting to executive staff and members when required.

## **5. Budget setting process**

- 5.1 In order to improve the budget setting process and ensure it is aligned, as much as possible, with project forecasts the following process has been established.
- 5.2 The Capital Programme Submission Returns (CPSRs) for each project are completed between July and August, scrutinised over the following month to develop the provisional Capital Programme which is taken to Cabinet in October. This allows early discussions with project managers around their requirements for the following financial year.
- 5.3 For the HRA specifically, these are then fed into the HRA business plan to establish the available capacity for funding capital expenditure. This may identify changes required to profiling or desired levels of expenditure to ensure budgets are appropriate and realistic given the funding constraints such as the borrowing cap.
- 5.4 These assumptions are then reviewed in January before being formally submitted for approval by Council based on the latest information available.
- 5.5 During the year projects will also progress to different stages requiring Business Cases to be prepared. During each Business Case, an assessment of the financial requirement will be undertaken which can be used to inform the required budget for future years.
- 5.6 As per 5.2 the initial capital programme requirement is established in October for the following financial year onwards. Adjustments required to the current financial year will be reviewed in December and any required adjustments to in year budgets made as appropriate.

**If you have any queries about this report or wish to inspect any of the background papers, please contact:**

Daniel Peattie – Strategic Finance Manager (GPH), [dpeattie@westminster.gov.uk](mailto:dpeattie@westminster.gov.uk)

## Appendix 1 – Period 4 2019/20 HRA Capital Forecast

	Budget	Forecast	Variance at	
	£'000	P4 £'000	P4 £'000	

### Major Works

General HRA	0	0	0	
Electrical Works & Laterals	4,496	6,792	2,296	
Internal M & E Works (Domestic Heating)	0	0	0	
External Repairs & Decorations	21,024	21,024	0	
Planned Maintenance	0	0	0	
Adaptations	1,260	1,260	0	
Fire Precautions	16,469	13,405	(3,064)	
Lifts	1,800	2,902	1,102	
Voids	3,500	3,500	0	
Kitchen & Bathroom	804	422	(382)	
<b>Total Major Works</b>	<b>49,353</b>	<b>49,304</b>	<b>(49)</b>	

### Housing Regeneration

Church Street Phase 2	1,922	3,034	1,112	Reprofiling of £777 2018/19 slippage plus Additional professional services
Church Street Phase 2 Acquisitions	0	0	0	
Lisson Arches	2,319	3,835	1,516	Reprofiling of additional enabling works (utilities)
Luton Street	2,464	2,116	(348)	Additional survey investigation costs
Parsons North	10,724	7,057	(3,667)	Reprofiled because of programme delays
Cosway	5,481	4,947	(534)	Reprofiling of contract works to 2021
Ashbridge	2,526	2,174	(352)	Reprofiling of contract works to 2021
Edgware Road/AlmaCantar	6,564	6,569	5	Legal fees
Combined Heating Programme/DHN	0	0	0	
Ashmill Street	0	62	62	Additional consultant fees
Ebury	3,596	7,632	4,036	Reprofiling to reflect self-delivery of phase 1
Ebury Acquisitions	20,353	16,699	(3,654)	Reprofiled to meet revised programme
Tollgate Gardens	658	874	216	Additional fees in relation to community centre fit out
Tollgate Gardens Acquisitions	9,580	9,580	0	
<b>Total Housing Regeneration</b>	<b>66,187</b>	<b>64,579</b>	<b>(1,607)</b>	

### Other Works

Small Sites	11,436	8,735	(2,701)	Reprofiling across sites delayed in planning application or procurement of main contractor
Self Financing	10,000	10,000	0	
Warwick Community Hall	0	1,016	1,016	No budget approval for HRA in 2019/20
Churchill Gardens (Pimlico)	0	530	530	No budget approval for HRA in 2019/20
Bayswater	539	210	(329)	Consultants fees reprofiled
Queens Park Court	1,500	655	(845)	Change to size of scheme – now fewer units
West End Gate	6,864	9,539	2,675	S106 payment based on valuations. Scheme ahead of programme
Contingency	3,229	3,229	0	
Kemp House/Berwick St	746	727	(19)	Minor delay in programme and legal fees

<b>Total Other Works</b>	<b>34,314</b>	<b>34,641</b>	<b>327</b>	
<b>Total Capital Expenditure</b>	<b>149,854</b>	<b>99,220</b>	<b>(1,280)</b>	



## Report to Audit & Performance Committee

<b>Report Title:</b>	<b>Annual Contracts Review and Procurement Update</b>	
<b>Report Author(s):</b>	Gerald Almeroth Kevin Goad Jonathon Noble Marivie Papavassiliou Graham Collins	Executive Director, Finance and Resources Director, City Highways and Acting CPO External Consultant Procurement Governance Manager External Consultant
<b>Date:</b>	19 <sup>th</sup> September 2019	

### 1. Purpose

- 1.1 This report provides Committee with an overview of contracts performance for the period 2018/19 and an update on the future of Procurement Services.

### 2. Report Content

- 2.1 The following appended papers make up this update:
1. Annual Contracts Review 2018/19 v4
  2. Future of Procurement Services - Proposed Model

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# Audit & Performance Committee Report

<b>Meeting:</b>	Audit & Performance Committee
<b>Date:</b>	19 September 2019
<b>Title:</b>	<b>Annual Contracts Review 2018/19</b>
<b>Classification:</b>	General Release
<b>Wards Affected:</b>	N/A
<b>Financial Summary:</b>	N/A
<b>Report of:</b>	Procurement Services
<b>Author:</b>	Marivie Papavassiliou, Procurement Governance Manager

## 1. Executive Summary

- 1.1 This report forms the Annual Contracts Review for consideration by the Audit and Performance Committee, in accordance with their Terms of Reference.
- 1.2 The report is a summary of contract data taken from capitalEsourcing and the recommendations recorded from the actions of the Procurement Assurance Board (PAB), for Westminster City Council contracts only

## 2. Recommendations

- 2.1 It is recommended that the Audit and Performance Committee note the contents of this report.
- 2.2 It should be noted that a review of Procurement Services has been undertaken and this is outlined in the 'Future of Procurement Services' paper. This addresses changes and improvements to the current operating model and how procurement and contract management activities are governed, delivered and organised.

### 3. Contracts Let during 2018/19

- 3.1 The term contracts let refers to all contracts in capitalEsourcing with a service commencement date within the 18/19 reporting period. This report represents the latest position using source data from the capitalEsourcing system dated 01/08/2019. Contracts that are not registered on the system are not captured in this report.
- 3.2 The contracts award thresholds within the Procurement Code, sets out the types and levels of approvals required. The table below provides an overview of the 85 contracts let during the 2018/19 period. 21 of these contracts have now expired

Table 1: Contracts Let 2018/19

Directorate	ABOVE 1.5m	ABOVE 100k	BELOW 100k	Total
Growth, Planning & Housing	4	16	24	44
City Management & Communities		3	11	14
Finance and Resources	1	3	3	7
Public Health	2	2	1	5
Policy Performance and Communications		5		5
Children's Services		3	2	5
People Services		1	2	3
Adult Social Care			1	1
Bi-Borough Legal Services		1		1
<b>Grand Total</b>	<b>7</b>	<b>34</b>	<b>44</b>	<b>85</b>

- 3.3 Procurement Services are currently operating under an 'extended gateway process' for all commercial projects within Westminster only. All projects are tracked on a Commercial Activity register through the gate process to the point of contract award.
- 3.4 This has increased visibility of all new project requests that come into the team, allowing for initial assessment and prioritisation; identification of any risks regardless of contract value; ability to share forward plans with finance, legal and IT services; improve the standard of procurement assurance ahead of any activity.
- 3.5 This will be further developed under the new governance model.

### 4. Waivers of the Procurement Code

- 4.1 It is recognised that there are instances where the requirements of the Procurement Code cannot be precisely followed so a waiver of the Code must be sought.

4.2 A total of 79 waivers were approved during 2018/19, which is a slight increase to the previous year (72 waivers during 2017/18). A summary is provided below of the reasons why waivers were sought by Directorate

**Table 2: Waivers 2018/19**

Directorate / Waiver		#	Total
Growth, Planning & Housing	Waiver Directly award contract without competition	19	32
	Waiver change to standard evaluation criteria	13	
Adult Social Care	Waiver Directly award contract without competition	15	17
	Waiver change to standard evaluation criteria	2	
Public Health	Waiver change to standard evaluation criteria	6	11
	Waiver Directly award contract without competition	5	
Children's Services	Waiver Directly award contract without competition	6	7
	Waiver change to standard evaluation criteria	1	
Finance & Resources	Waiver Directly award contract without competition	4	6
	Waiver change to standard evaluation criteria	2	
City Management & Communities	Waiver Directly award contract without competition	2	4
	Waiver change to standard evaluation criteria	2	
People Services	Waiver change to standard evaluation criteria	1	1
Policy Performance & Communications	Waiver change to standard evaluation criteria	1	1
<b>Grand Total</b>			<b>79</b>

## 5. Overall Contract Performance.

- 5.1 Previous reports have recognised that the current methodology for recording contract performance is transactional in nature and does not provide a true representation of the overall performance of a contract. The implementation of a new contract management framework will address this, by ensuring more meaningful data is monitored and reported against, providing increased assurance that best practice is embedded and that contracts are performance managed.
- 5.2 Currently, contracts performance reports are captured for all contract with a total value of £100k. Service area compliance in Service area compliance in updating contract performance ratings in capitalEsourcing is currently tracking at 96%. This report summarises the latest position of contract performance ratings in capitalEsourcing using source data generated on the 1st August 2019.
- 5.3 At the time of this report there were 263 active contracts in capitalEsourcing. It should be noted that this report excludes all contracts that:
- Commenced within the last 6 months of August 2019
  - has a total contract value below £100,000

5.4 This leaves 167 contracts for the purposes of this report – table 3 provides a summary by directorate

Directorate	Below Expectations	Meets Expectations	Above Expectations	Not Evaluated	Total
Growth, Planning & Housing		37	6	4	47
Adult Social Care	1	35	2		38
City Management & Communities		22	2	1	24
Finance and Resources		17	2		19
Public Health		16			16
Policy Performance and Communications		6	3	1	10
Children's Services		9			9
People Services	1	2			3
Bi-Borough Legal Services				1	1
<b>Grand Total</b>	<b>2</b>	<b>144</b>	<b>14</b>	<b>7</b>	<b>167</b>
	1.2%	86.2%	8.47%	4.2%	100%

5.5 Two contracts are performance rated as 'Below Expectations'

	Supplier Name	Contract Title	Contract Start date	Contract End Date	Contract Value
Adult Social Care	Vincentian Care Plus ASC_10296	Provision of Home Care Services for Westminster - Vincentians	01/11/2015	25/01/2021	£14,700,000
	<i><b>Comment:</b> Scored 9/21 in the Annual Performance Review on 3 July 2019. Pass mark was 11. For most of 2018/2019, VCP were under special measures and CQC rated "Requires Improvement". However, there have been significant improvements in performance following intensive support from the Council and on 5 February 2019, VCP were rated "Good". Therefore the expectation is that they will 'Meet Expectations' of the contract for 2019/2020.</i>				
People Services	Capita Business Services Limited WCC_11329	Managed Learning Services - Capita	18/12/2017	17/12/2019	£588,000
	<i><b>Comment:</b> Performance has improved and is still being closely monitored against the performance plan. Service credits have been negotiated for previous poor performance – these are non-monetary (a selection of courses will be delivered free of charge)</i>				

## 6. Future Procurement Services

6.1 The Future Procurement Services paper outlines immediate next steps which will specifically address how contracts are procured and monitored, as well as improved reporting content for Audit & Performance Committee.




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**Report to Audit & Performance Committee**

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<b>Report Title:</b>	<b>Future of Procurement Services</b>	
<b>Report Sponsor:</b>	Gerald Almeroth	Executive Director, Finance & Resources
<b>Report Author(s):</b>	Kevin Goad Jonathon Noble Graham Collins	Director, City Highways External Consultant External Consultant
<b>Date:</b>	19 September 2019	

**1. Purpose**

- 1.1 This paper provides a summary of the main changes that are now being implemented following an extensive review of the procurement service.

**2. Background**

- The review identified a complex delivery and governance model for procurement services including separate groups supporting the commissioners of adults and childrens services;
- With the input of staff and other key stakeholders, a range of delivery models has been explored and tested against their ability to sustain high levels of professional input and technical support to all services areas;
- The review found that significant progress has been made by the existing procurement team in policy areas such as modern slavery and social value where Westminster is regarded as a lead authority;
- Consideration has been given to developing a more consistent approach to contract management and providing those who are accountable for contract outcomes with enhanced levels of support, training and the systems they require to fulfil their role;
- Westminster City Council (WCC) has an annual expenditure of c £650m per annum and is managing the procurement of 150 new contracts with a value of over £100k at any one time. It is estimated that the equivalent of over 400 people are involved in managing contracts directly or as part of their role.

**3. Executive Summary**

1. The Procurement Service will become an integrated 'centre of excellence' incorporating procurement activity currently undertaken within adults and childrens;
2. The new operating model will be built on established 'Business Partner' principles already working successfully within HR and Finance;

3. A 'core service offer' will be established with the provision of 'opt in' additional services. External resource will be used to accommodate peaks in demand or specialist skills;
4. The service will be led by a new 'Director of Procurement';
5. There will be a focus on building a strong enabling culture with career progression opportunities from apprentice levels upwards.
6. A clear attraction strategy will ensure that Westminster is credible in the market for talent and able to attract and retain the best;
7. Contract and supplier management practice will be strengthened to provide professional practice leadership for contract and supplier relationship management including implementation of the council's new Contract Management Framework.
8. Parallel work has been undertaken to improve the 'operational effectiveness' of the team and council's procurement practices. This has led to improvement in several areas including quality and completeness of data and stakeholder satisfaction.
9. Close co-ordination is being maintained with RBKC who themselves are strengthening their procurement capability in respect of sovereign services.

#### 4 Key dates

- After formal staff consultation an extensive program of work will begin to implement the new arrangements.
- It is expected that the new service will be established from 1<sup>st</sup> April 2020 though some operational changes will be implemented earlier.

The immediate next steps are;

Theme	Action	When
Governance	Update Standing Orders and Procurement Code to reflect new governance arrangements	December
	Reform PAB into CGRB and develop new Terms of Reference	From September
	Revise evaluation criteria weighting as part of update to Standing Orders	December
	Agree new reporting content for Audit & Performance Committee	December
	Continue to improve completeness of contracts register data (increased from 47% to 58% since 2018)	Ongoing; target of 75% by December
Resources	Recruitment - Director of Procurement Role Other posts	Starting September End of internal consultation
	Formal staff consultation	October/November
Contract Management	Supplier Financial Risk & Monitoring Contract Management F/W implementation	From September From October
Customers and Communications	Roadshows for internal clients / stakeholders on new service model	September - November
	Update external and internal intranet resources and guidance	November, following updates to Procurement Code

## 5. The Review

- 5.1 A review of Procurement Services has been undertaken to recommend a future operating model and organisational structure(s) for procurement at Westminster City Council (WCC). The review commenced in October 2018 and identified the need for change and improvement across five areas:
- Target Operating Model
  - Strategy and Governance
  - Systems and Processes
  - Structure and Capabilities
  - Engagement, Development and Culture
- 5.2 Work has been undertaken to improve the 'operational effectiveness' of the team and council's procurement practices, which has led to improvement in a number of areas including quality and completeness of data and stakeholder satisfaction.
- 5.3 The review has included extensive engagement with staff, internal customers of the service and Members. The work has been informed by:
- The council's context – its priorities (including the priorities of the City for All plan), the challenges it faces and the external environment to which it must respond
  - The council's internal makeup – the way other support services are configured and the role procurement should play in the new Finance and Resources department
  - Procurement best practice, as recognised in local government and more widely
  - Engagement with internal stakeholders (customers of the service)
  - Engagement with staff in the procurement team (those who deliver the service)
- 5.4 In parallel, discussions have taken place at Executive Director and Cabinet Member level to consider the right organisational model for procurement going forward.
- 5.5 This paper outlines the proposed changes to the operating model for procurement, including the service model, organisation structure for Procurement Services and new governance arrangements. It is intended to be considered alongside a possible further review of commissioning across the Bi-Borough (the previous consultation being paused pending further consideration).
- 5.6 implementation program that will follow endorsement of this paper is detailed in the attachment to this report. It gives significant priority to the development of the skills, capability, culture of the service and the new governance framework that will support the desired outcomes detailed in (4).

## 6. Current Operating Model

- 6.1 The council currently operates a complicated, semi-devolved model for procurement activity. In part this has been created as a result of which services are shared on a Bi-Borough basis with the Royal Borough of Kensington & Chelsea (RBKC).

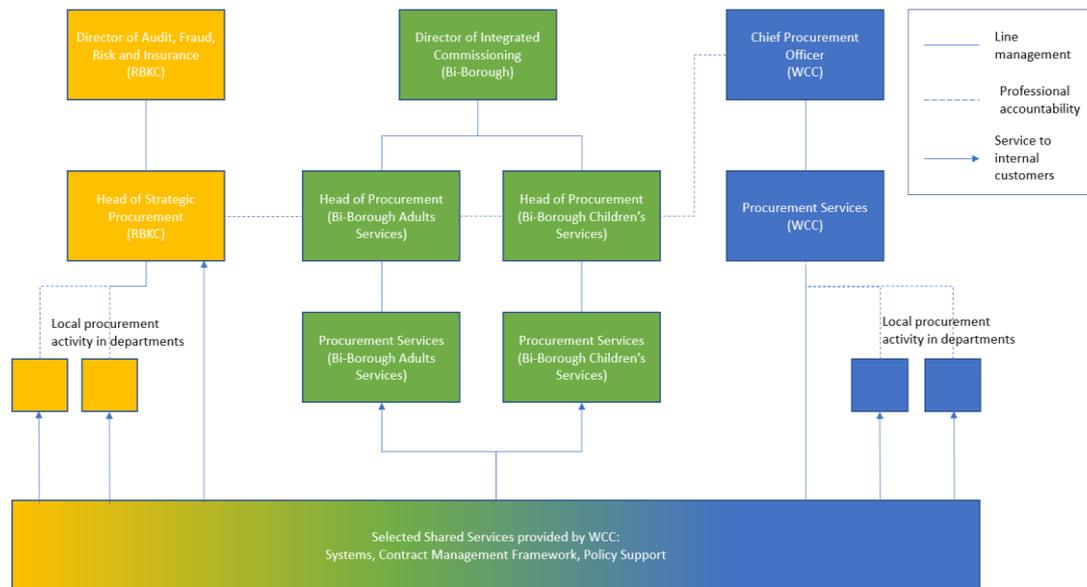


Figure: Schematic showing procurement activity across WCC and RBKC (note shows procurement roles and functions only, not all line management)

- 6.2 Currently, procurement activity for corporate, place-based and services at WCC is overseen and/or undertaken by the WCC Procurement Services team. Procurement activity for Adults and Children's services is undertaken by procurement resource in the Bi-Borough Integrated Commissioning Service; however, Bi-Borough Public Health procurement is supported by the WCC team. RBKC delivers its own procurement activity for its sovereign contracts (primarily corporate and place-based).
- 6.3 Procurements may be subject to the governance procedures of Procurement Assurance Board (PAB), Contracts and Commissioning Board (CoCo), or both, depending on the origin of the project.
- 6.4 The existing model creates multiple, sometimes competing accountabilities and has procurement resource dispersed across multiple teams in two organisations. It is recognised that the model could be simpler and benefit from more efficient use of resources, which is a key consideration for the new operating model.

## 7. New Operating Model

- 7.1 The new operating model applies to the following:

- All procurement activity for WCC
- All procurement activity for Bi-Borough services
- Selected procurement activity for RBKC sovereign services where there is agreement to share resources and pool expertise.

7.2 RBKC is developing a business case for a new Target Operating Model for procurement. This model has procurement activity largely devolved to services with a small corporate core of supporting activity and a Head of Strategic Procurement as the head of professional practice. Officers involved in procurement activity will be professionally accountable to the Head of Strategic Procurement.

7.3 RBKC wishes to maintain leadership and accountability for its own procurement strategy and activity, initial discussions have taken place on what resources could be shared to more efficiently provide procurement 'infrastructure' across both councils. Possible areas identified include:

- Governance and policy advice
- Systems maintenance and development
- Development of contract management capability

7.4 The proposed new operating model allows for the pragmatic sharing of these services, where there is appetite to do so, without proposing an immediate integration or formal shared service.

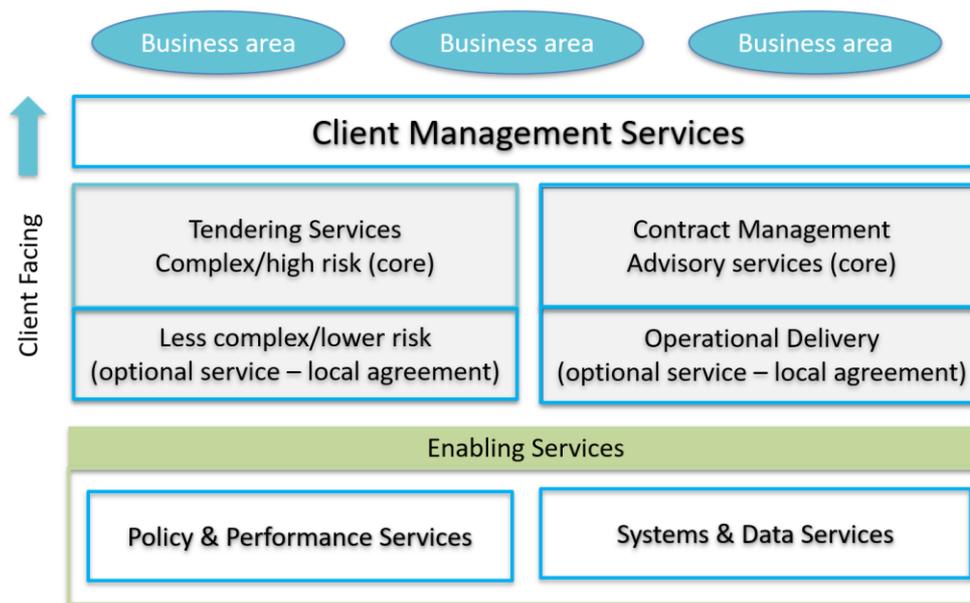
## **8. Service Outcomes**

8.1 The outcomes desired from the proposed service model are:

- An alignment of service and corporate priorities and procurement activity
- The capacity to deliver service outcomes and the flexibility to adapt to changing needs
- Consistent and high professional standards and access to the specialisms required
- Accurate information and data and the ability to use it to inform and influence
- Effective oversight and development of procurement practice across the council
- The development and use of effective IT systems and processes
- Effective oversight and development of contract management practice across the council
- An integrated 'whole system' approach to the flow of information and data including procurement, contract and supplier management and P2P
- Better commercial outcomes for the council and recognition of 'value added' by the team's customers and wider stakeholders
- The leadership and culture to enable the above

## 9. Proposed Service Model

- 9.1 The service model describes the services (and thresholds for those services) that will be provided by Procurement Services, in the context of the operating model for procurement at WCC and RBKC.
- 9.2 The proposed service model has been designed to meet the outcomes stated earlier in this paper and to provide the essential elements to (i) maintain and develop the council's procurement infrastructure (governance, systems, etc.) and (ii) effectively manage the council's business-as-usual procurement requirements, while (iii) offering flexibility and choice for service areas to buy in to additional services as required. The model can be represented as follows:



### 9.3 Client Management Services

- 9.3.1 Providing commercial advice and aligning procurement service outputs with customer needs. This service will provide a comprehensive commercial advisory service to senior officers and Members in relation to all aspects of procurement activity. This will be fulfilled through the creation of new Senior Commercial Manager roles, who will work in business partnership with service areas to ensure that their priorities and objectives are realised using the full range of skills, knowledge and expertise provided by the new Procurement Services team.

### 9.4 Tendering Services

- 9.4.1 Selecting suppliers and supply chains to deliver service and business outcomes. Tendering in the new model is classified as one of four 'types' which will allow for governance to be applied proportionately;

Centrally-led Tender	Centrally-led Tender	Service-led Quotation
<p><b>Type A – High Value and/or High Risk</b></p> <ul style="list-style-type: none"> <li>Total contract value (or concession) is over the PCR threshold (or value equivalent if using an existing framework or DPS)</li> <li>All new frameworks or Dynamic Purchasing Systems</li> <li>All 'High Risk' projects</li> </ul>	<p><b>Type B – Medium Value and Not High Risk</b></p> <ul style="list-style-type: none"> <li>Total contract value is over £100,000 but below the PCR value threshold (or value equivalent if using an existing framework or DPS) and;</li> <li>Is not 'High Risk'</li> </ul>	<p><b>Type C – Low Value and Not High Risk (Three+ Quotes)</b></p> <ul style="list-style-type: none"> <li>Total contract value over £5000 but below £100,000</li> <li>Not 'High Risk'</li> </ul>
		<p><b>Type D – Very Low Value and Not High Risk (One Quote)</b></p> <ul style="list-style-type: none"> <li>Total contract value below £5000 and;</li> <li>Not 'High Risk'</li> </ul>

## 9.5 Contract Management Services

9.5.1 Enabling contract owners to meet or exceed contractual outcomes. Contract Management Services will lead on developing and embedding best practice in contract and supplier management across the council. The core service to the council will include:

- Ownership, implementation and development of the new contract management framework
- Maintenance and development of the accompanying toolkit and making this available to contract managers via regularly updated intranet resources
- Leadership of a community of contract management practice across the council
- Oversight of contract performance and contract management practice across the organisation, including the information and assurance provided to Members

RBKC has expressed an interest in drawing on support across these areas.

9.5.2 An operational contract management service is currently provided for People Services (HR) contracts and selected ICT contracts. It is proposed to extend this service offer to other areas across WCC and RBKC to give services the option of buying into a professional contract management service.

## 9.6 Policy and Performance Services

9.6.1 Creating a governance and performance framework that ensures procurement activity is effective and able respond to future policy objectives and business priorities. This will include horizon scanning and providing strategic advice to the organisation on relevant legislation that may impact on its policies and processes. The service will drive forward the responsible procurement agenda, including policy issues such as Social Value, Modern Slavery and the London Living Wage.

9.6.2 The Policy and Performance Service will include ownership and oversight of procurement governance, including maintaining and advising on Standing Orders relating to Contracts, the Procurement Code and the expanded gateway process.

## 9.7 Systems and Data Services

9.7.1 Systems and Data Services will own, maintain and develop the technology infrastructure needed for effective procurement activity, including the council's e-tendering system. This service will work with the council's Corporate Finance service to ensure reconciliation of records and data with the council's financial management system to ensure effective P2P operations.

9.7.2 The service will also provide data and analysis to support effective decision making and to provide information and assurance to Members, including to Audit & Performance Committee. The service will continue the work already underway to improve the quality and completeness of the council's supplier and spend data to ensure that decision making is robust and based on reliable evidence.

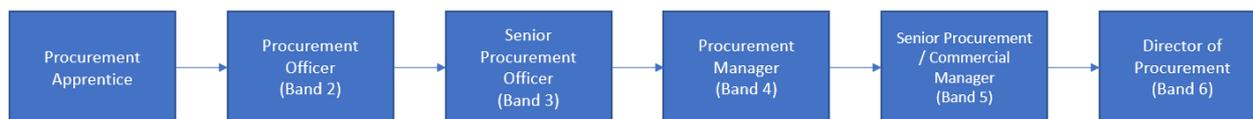
## 10 Resourcing

10.1 It is proposed to bring together procurement resource across the organisation to form a new procurement centre of excellence, including the amalgamation of the existing WCC Procurement Services team and procurement resource in the Bi-Borough Commissioning Service. This creates the opportunity to consolidate the good practice that exists across the organisation, adopt consistent processes and standards and make the most efficient use of available resources. The new service will be led by a Director of Procurement reporting to the Executive Director, Finance & Resources.

10.2 The changes are subject to formal staff consultation.

## 11. Career Progression

11.1 Feedback from staff has been that career progression opportunities have not always seemed clear, open and transparent. The new structure facilitates a clear career pathway, particularly for staff entering the service through an Apprenticeship:



11.2 The levels of professional qualification, experience and soft skills needed to progress through the service will be clearly set out in the new job descriptions, in a way that allows individuals to identify a career pathway and take control of their own development. This will be supported by a rigorous on-the-job learning

programme for Apprentices and the council's talent management programme for more experienced officers.

## 12. Governance

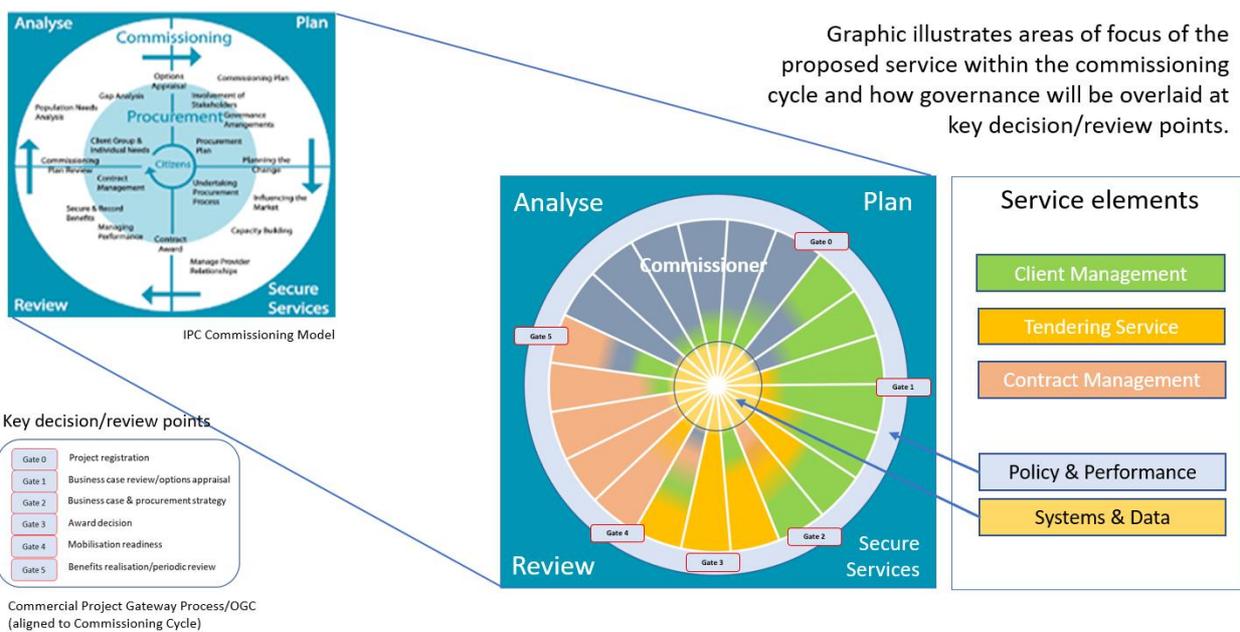
### 12.1 Supporting the Commissioning Cycle

12.1.1 Commissioning is the process for deciding how best to use the resources available to achieve the desired outcomes and meet the needs of service users, whether those are residents, businesses, communities or internal users (staff and Members).

12.1.2 It typically follows a four-phase, cyclical process, shown below in the model from the Institute of Public Care. Procurement is one of the mechanisms by which commissioning intentions can be delivered.

12.1.3 Commissioning activity takes place in all departments at WCC and RBKC (whether or not the same language is used), in so far as all areas of the organisation are responsible for determining how best to deliver their priorities with the available resources and whether a third party or commercial solution will be used. Commissioning is therefore governed at a local level by Department Leadership Teams.

12.1.4 The new model gives explicit consideration to how Procurement Services will support departments to do this. The figure below shows how the capabilities/services in the new model support each phase of the commissioning cycle and the positioning of key decision and review points:



## 12.2 Procurement Governance

12.2.1 There are a number of boards and groups involved in the planning and scrutiny of procurement projects across the council, including:

- Procurement Assurance Board (PAB)
- Commissioning and Contracts Board (CoCo)
- The corporate Project Management Office (PMO)
- Individual project boards

12.2.2 Procurement Assurance Board (PAB) is an officer group that reviews procurement projects at two stages: the procurement strategy prior to commencing a formal process and the particulars of the contract award once the procurement process has concluded. The board includes representation from Procurement Services, Finance and Legal, as well as the service area(s) leading the project. It governs all procurement projects except Adult Social Care and Children's Services.

12.2.3 Commissioning and Contracts Board is an officer group that performs a similar function in respect of Adult Social Care and Children's Services procurements but has a remit beyond the procurement process alone.

12.2.4 Other 'line of business' boards and bodies involved may review or commission procurement activity or projects but do not currently have a recognised role in the council's Procurement Code in relation to procurement specifically.

## 12.3 Proposed new governance model

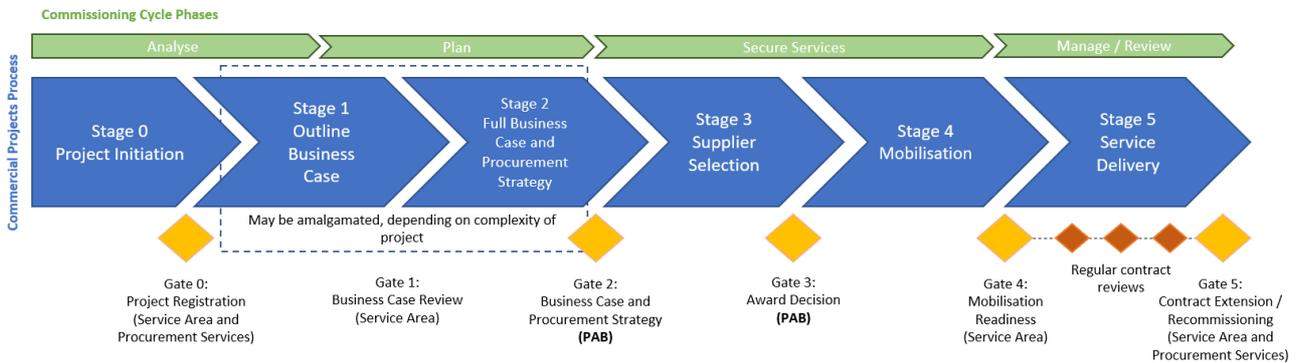
12.3.1 The new governance model is designed to address known weaknesses (of PAB) and takes account of feedback from project sponsors, legal and finance - specifically that it was seen to be non-value adding, ineffective, lacked proportionality and duplicated governance taking place elsewhere.

12.3.2 The Commercial Gateway Review Board (CGRB) will act as a single review body for procurement activity and promote consistency and the highest commercial and professional standards by ensuring that rationale for any proposed procurement or contract management arrangement is robust, legally compliant and financially sound. The level of Governance is set proportionately after an assessment of risk and commercial impact at Gate 0. The gateway panel will be objective comprising procurement, legal and finance expertise whose purpose is to give assurance and confidence to all of those who are sponsoring procurement activity that threshold standards at the gate have been met. The CGRB will also capture and report on emerging themes, for example corporate risk, skills and capacity issues or cross cutting linkages as well as tracking performance targets as they relate to procurement and contract management activity (e.g. savings capture from tendering, social value benefits or London Living Wage Compliance).

12.3.4 The Commercial Gateway Review Board will have updated Terms of Reference in line these principles and the roles outlined in the table below at each stage of the gateway process.

## 12.4 Commercial Gateway Process

- 12.4.1 Governance will be aligned to a simple gateway process for commercial projects (based on the former OGC model, variants of which still represent the standard for most procurement activity). In practice, the council is already using a version of this process, but this will be developed and rolled out more clearly across the organisation, with the specific roles and responsibilities at each 'stage' and 'gate' documented and communicated.
- 12.4.2 It is recognised that there are detailed and industry-specific project flows in place for certain types of projects (e.g. RIBA stages for construction projects). The following shows the typical, high level flow of projects that include procurement activity in the new model:



## 13. Implementation

### 13.1 Program of work

- 13.1.1 Delivery of the service transformation will be managed as a coordinated program of work which has nine "Work Streams". These are shown in Appendix 1.
- 13.1.2 Immediate next steps are detailed in the Executive Summary.

## Appendix 1 – High level program overview

Work Strand	Activity	19Q2 JAS	19Q3 OND	19Q4 JFM	20Q1 AMJ	20Q2 JAS	20Q3 OND	20Q4 JFM
1. Team Restructure	a) ELT endorsement	★						
	b) Consultation							
	c) Internal Staff Selection							
	d) External Recruitment • Director of • Other posts		★					
2. Team Development & Culture	a) Skills assessment							
	b) Development program							
	c) Culture shaping / embedding							
3. Governance	a) Governance - transition to CGRB for all procurement activity	★						
	b) Embed commercial Gateway process and gate threshold standards							
	c) Revise Procurement Code							
	d) Implementation of LLW		★					
	e) New performance measures, KPI's and reporting ( Team / Stakeholders / Exec/ Cab Members / Audit & Performance)							
	f) P2P • Linking Spend to Contracts • Increased use of P-Cards • Catalogue utilisation • Data codification							

Work Strand	Activity	19Q2 JAS	19Q3 OND	19Q4 JFM	20Q1 AMJ	20Q2 JAS	20Q3 OND	20Q4 JFM
4. Communication	a) Transformation progress/internal comms							
	b) Internal website							
	c) External website							
5. Internal relationships	a) Establish ways of working							
	b) Service planning (core and opt in support) and financial agreement							
	c) Reporting and KPIs							
6. Contract Management	a) Financial Risk & Monitoring	★						
	b) Contract Management F/W Implementation							
	c) Contract Manager Community – Training & Support Needs							
7. Tendering Service Development	a) Establish ways of working							
	b) Embed new approach (segmentation and low value)							
	c) Upskilling team and stakeholders							
8. Systems	a) CapE – e tendering							
	b) Contract Management							
9. Budget	a) Sustainable base budget							
	b) Opt In Services							
	c) Funding contributions RBKC and other sources							



City of Westminster

## Committee Report

Meeting:	Audit & Performance Committee
Date:	19 September 2019
Classification:	General Release
Title:	<b>Internal Audit Progress Report (April to July 2019/20)</b>
Wards Affected:	All
Key Decision:	No
Financial Summary:	There are no financial implications arising from this report
Report of:	Director for Audit, Fraud, Risk Management & Insurance
Report author:	Moira Mackie, Senior Audit Manager Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> . Tel: 020 7854 5922

### 1. Executive Summary

- 1.1 The work carried out by the Council's Internal Audit Service in the reporting period found that, in the areas audited, internal control systems were generally effective with three positive assurance reviews (substantial or satisfactory) being issued in the period.
- 1.2 The follow up reviews for two audits completed in the period confirmed that the implementation of recommendations has been effective with all of recommendations fully implemented at the time of review.
- 1.3 The Appendices to this report provide the following information:  
**Appendix 1** Audit reports finalised in the year to date, showing the assurance opinion and RAG status;

**Appendix 2** - Additional information on the audited areas.

### 2. Recommendation

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

### **3. Reasons for Decision**

- 3.1 The work undertaken by the Internal Audit Service is reported to the Committee during the financial year to enable the Committee to consider the progress made against the Internal Audit Plan and the outcomes of the completed audits which are considered as part of the Annual Assurance Opinion provided by the Shared Services Director for Audit, Fraud, Risk and Insurance.

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

- 4.1 The Council's internal audit service is managed by the Shared Services Director for Audit, Fraud, Risk and Insurance. Audits are undertaken by the in-house audit team or by the external contractor to the service, in accordance with the Internal Audit Charter. The updated Internal Audit Charter is being reported to this Committee as a separate Agenda item. Key issues identified from audit work are reported each month to the Council's Deputy Section 151 Officer. The Audit & Performance Committee are provided with updates at each meeting on all limited and no assurance audits issued in the period.

### **5. Internal Audit Opinion**

- 5.1 As the provider of the internal audit service to Westminster City Council, the Shared Services Director for Audit, Fraud, Risk and Insurance is required to provide the Section 151 Officer and the Audit & Performance Committee with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control arrangements. In giving this opinion it should be noted that assurance can never be absolute. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- 5.2 The results of the audit reviews undertaken in the reporting period concluded that generally systems operating throughout the Council are satisfactory, with three positive assurance (substantial or satisfactory) reviews being issued in the period.
- 5.3 Two limited assurance reports have also been issued:
- City Management & Communities – Cemeteries Contract Monitoring;
  - Growth, Planning & Housing – Compliance Data.

The details of these audits are contained in paragraphs 6.1.1. and 6.1.2.

## 6. Audit Outcomes (April to July 2019)

6.1 Since the last report to Members five audits have been completed, three of which did not identify any key areas of concern:

Audit	Assurance	RAG
F & R – BT Agilisys Contract Monitoring*	Satisfactory	Green
CMC – Certified Enforcement Agents*	Satisfactory	Green
CMC – Cemeteries Contract Monitoring	Limited	Amber
CMC – Registrar Service Income*	Substantial	Green
GPH – Compliance Data	Limited	Amber

\*Further information on these audits is contained in Appendix 2.

In addition, one advisory report has been issued in the following area:

- Growth, Planning & Housing – Programme Assurance (Capital)

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

### 6.1.1 City Management & Communities – Cemeteries Contract Monitoring (Amber)

The Council has three cemeteries which are all located outside the borough: Hanwell Cemetery, East Finchley Cemetery and Mill Hill Cemetery.

A formal contract covering provision of the Management and Maintenance of Parks, Open Spaces and Cemeteries was awarded effective from 1 April 2017. With regards to the cemeteries, the contractor is responsible for:

- Burial Services – arranging and managing burial services including all aspects of financial management (the Council remains responsible for setting the pricing policy for burial services);
- Maintenance of grounds, memorials and other cemeteries infrastructure; and,
- Administration of cemetery records, registers and plans.

The Bereavement Service provided by the contractor includes the administration and organisation of burial arrangements, attendance at interments and ensuring compliance with the associated legal requirements and Burial Codes of Practice. Other functions of the service include the sale of grave spaces for future use, the issue of permits for the erection of monuments, searches and the transfer of grave ownership and grave spaces.

The audit identified a number of areas where improvement was required to the process to ensure that the contractor was providing the service expected. Four high, seven medium and two low priority recommendations were made to address the following areas of weakness:

- The computerised administration system which had been in use prior to the re-let of the contract, was no longer working. The Cemetery Manager was maintaining all burial transactions, invoices, receipts, deed, registers and other related records manually since shortly after the current contract commenced in April 2017;
- There was no cemetery strategy in place identifying the long-term aims and objectives of the service and setting out how these will be achieved;
- The contract began 1 April 2017 but was not formally signed by the respective parties until 1 May 2019;
- Monthly meetings are usually held with the contractor with minutes produced by the contractor. The Council is informed of forthcoming plans and actions from the minutes produced and not by pre-meeting reports which focus on historical information;
- Each of the three cemeteries has a separate fire-proof cabinet where the Bound Burial Registers are stored. Other related burial records are also securely filed in locked metal filing cabinets;
- The 'City of Westminster Cemetery Regulations' were issued in 2006 and have not been reviewed and/or updated since;
- Evidence could not be produced to show that cemetery memorial testing at all three cemeteries had been planned and implemented on at least a five-yearly basis in accordance with legislative requirements. Additionally, results from the interim inspections showed that the correct classifications had not always been identified and therefore had not been subsequently reported and followed-up;
- The Contract includes a requirement for nine specific assessments/inspections to be undertaken annually. The relevant information was provided by the contractor some of it was out-of-date and there was no evidence that the reports/assessments were acted upon; and,
- The Cemeteries website was last updated in August 2016 and may not accurately reflect the information or advice that would be useful to visitors to the website.

The recommendations made have been accepted by management and are expected to be implemented by the end of December 2019.

### 6.1.2 Growth, Planning & Housing – Compliance Data (Amber)

Health and Safety Compliance checks are required to help ensure that residential properties occupied by tenants and leaseholders, or community buildings being used, are safe and secure. The Council is required to arrange for checks to be undertaken to meet its statutory responsibilities. This audit was undertaken at the end of the 2018/19 financial year when CityWest Homes (CWH) were responsible for managing these compliance checks with the Council taking back responsibility for them in April 2019.

The key findings of this audit are summarised below:

- The Fire Strategy Document was last reviewed in September 2016 and therefore review was overdue;

- Examination of training records identified that a number of staff had not completed the mandatory Health & Safety e-learning training;
- The CWH Fire Strategy document offers guidance on the frequency of the Fire Risk Assessments (FRAs). Testing of 20 cases identified two where the FRA review date had passed but the review had not been completed. In 11 cases, the FRA had remedial actions outstanding (either not started or in progress). In two of these cases, one outstanding action was assigned a high priority;
- The CWH's asbestos register is maintained on the cloud-based system, Keystone. All surveys are completed by the nominated contractor and passed over to CWH. All identified and presumed Asbestos Containing Materials (ACMs) are given a risk assessment score. Guidance on the frequency of ACM re-inspections can be found in the Asbestos Management Procedure however, management explained that historically, these timescales have not been followed and CWH has not completed the re-inspection of retained ACMs. It was noted that in 2017 the Executive Team approved a three-year risk-based re-survey programme of the communal areas of residential blocks of flats;
- Testing of 20 cases identified four cases where there was no asbestos survey data held for the property. However, all four of these properties were on the Asbestos Survey and Re-Inspection Programme. For the 16 cases where a survey was held on file, a review date for the re-survey had not been set (although some were found to be on the Re-Inspection Programme). In five cases, the asbestos surveys identified the need for removal or encapsulation of ACMs. We confirmed that in two of those cases, an order had been raised with the contractor and was due to be completed. In the remaining 3 cases, no documents were found on file regarding action being taken;
- Gas safety checks on all properties are undertaken on an annual basis by the approved contractor. Testing of 20 cases identified two cases where the date of the inspection was incorrectly input on to the housing management system (Orchard). However, the review date for the gas safety check was correct so the error would not cause a delay of the safety check. In two cases, remedial works were needed following the safety check, but no order had been raised (although both of those were minor issues). The Gas Contract Manager explained that whenever remedial works are needed, the contractor should inform CWH so that an order can be raised;
- All water tanks are surveyed on a six-monthly basis by the nominated contractor. Relevant certificates for the inspections are kept in the document management system (Swordfish) and records of all checks are also recorded in Orchard. Any remedial actions needed are undertaken by raising an order on Orchard with the contractor. Testing of 20 cases identified that in 12 cases, remedial works were needed following the check. We confirmed that in three of those cases, a job was raised and completed. In the remaining 9 cases, we were informed the works would form part of the summer works programme as none of the issues constitute a significant or immediate risk to tenants;
- All properties should receive an electrical safety check every five years, which is undertaken by the nominated contractor. Examination of the 5 Year Periodic Electrical Testing Programme, which commenced in January 2018, identified that this contains statistics indicating current progress overall and by area and also how many have satisfactory certificates, unsatisfactory certificates; and how many have not been tested (and out of those how many were due to no access having been

gained to the property). Testing of 20 cases identified in one case, the electrical safety inspection had expired and was overdue. However, an order for a re-inspection was raised at the time of the audit;

- Portable Appliance Testing (PAT) is carried out by the nominated contractor on appliances located in Sheltered Schemes, Residents Halls, Concierge Lodges and Estate Offices. All PAT testing is undertaken on an annual basis and a PAT testing programme is maintained to confirm when the checks are undertaken. Testing of a sample of 10 locations confirmed that in all cases, the PAT testing was carried out within the last 12 months and a certificate was issued to confirm this;
- Training matrices for all relevant contractors were reviewed and confirmed that all staff were appropriately qualified for undertaking the inspections. Performance monitoring was completed monthly via the CWH Performance Dashboard which was reviewed by the Executive Team. It was noted that the target for completing FRAs in time was 85%, which is lower than other organisations and consideration should be given to increasing this target;
- Quality assurance is undertaken by CWH on the work of the contractors. For asbestos, we were informed that the officer responsible takes up any issues with the contractor via email/phone but no central record was maintained of samples checked, issues found and confirmation of issues being resolved;
- For the mechanical and engineering contracts, a post-inspection on a 10% of the works is completed each month. The water and electrical post-inspections are recorded on Orchard. For gas safety, the officer checks the certificates and contacts the contractor for any issues;
- We were informed that post-inspections reports can be run from Orchard; however, the reports only state how many post-inspections were completed; they do not include the result of the inspection (work complete, work incomplete or quality issues). We were informed that staff are currently in the process of developing more sophisticated reports that can extract more meaningful data from Orchard; and,
- The audit testing confirmed that monthly meetings take place with each of the specialist contractors. Examples of items discussed include staff training, quality of works (inspections and follow up jobs), and resident engagement and communication.

The audit made two high, five medium and five low priority recommendations all of which are expected to be implemented by October 2019. Since the audit was completed, the responsibility for implementing the recommendations has reverted to the Council following the transfer of functions from CityWest Homes. The two high priority recommendations relate to asbestos surveys and remedial works and Housing Management are aware of the weaknesses in asbestos management which are being addressed as a matter of priority.

## **6.2 Implementation of Audit Recommendations**

Two follow-up reviews were undertaken in the period (April to July 2019) which confirmed that 100% of recommendations made had been implemented:

<b>Audit</b>	<b>No of Recs Made</b>			<b>No of Recs Implemented</b>			<b>No of Recs in Progress</b>			<b>No of Recs not yet actioned</b>		
St Mary of the Angels Primary School	8			8			0			0		
Housing Benefit	1			1			0			0		
<b>Total</b>	<b>9</b>			<b>9</b>			<b>0</b>			<b>0</b>		
Priority of recommendations	H	M	L	H	M	L	H	M	L	H	M	L
	0	4	5	0	4	5	0	0	0	0	0	

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.

## **7. Financial Implications**

7.1 There are no financial implications from this report.

## **8. Legal Implications**

8.1 There are no legal implications from this report.

## **9. Staffing Implications**

9.1 There are no staffing implications from this report.

## **10. Consultation**

10.1 The Internal Audit Plan and the work undertaken by the Internal Audit Service is prepared in consultation with the Council’s Executive Leadership Team and officers within the Council and supports the Executive Director’s responsibility under S151 of the Local Government Act 1972 relating to the proper administration of the Council’s financial affairs.

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

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**BACKGROUND PAPERS:**

**Internal Audit Reports**

**2019/20**

**Internal Audits Completed Year to Date**

## Audits Completed Year to Date - 2019/20

Plan Area	Auditable Area	RAG Status	Assurance level given	No of Priority 1 Recs	No of Priority 2 Recs	No of Priority 3 Recs	Reported to Committee
Finance & Resources	BT Agilisys – Contract Monitoring (2018/19 cfwd)	Green	SATISFACTORY	1	4	0	September 2019
City Management & Communities	Cemeteries – Contract Monitoring (2018/19 cfwd)	Amber	LIMITED	4	7	2	September 2019
City Management & Communities	Certified Enforcement Agents – Contract Monitoring (2018/19 cfwd)	Green	SATISFACTORY	0	4	6	September 2019
City Management & Communities	Registrar Service - Income	Green	SUBSTANTIAL	0	2	2	September 2019
Growth, Planning & Housing	Housing – Compliance Data	Amber	LIMITED	2	5	5	September 2019
Growth, Planning & Housing	Capital Programme – Programme Assurance (phase 1)	n/a	ADVISORY	n/a	n/a	n/a	September 2019

**Additional Information on Assurance Audits (Main report – Paragraph 6.1)****Finance & Resources:****1. IT – BT Agilisys – Contract Monitoring (satisfactory assurance)**

The Council's IT function is shared with the Royal Borough of Kensington & Chelsea (RBKC). The core IT service is defined and delivered by appointed service providers. BT provide the desktop and datacentre services. Agilisys provide the service desk and legacy datacentre services. Agilisys are working with BT to migrate the remaining datacentre services across to BT. Responsibility for managing these outsourced centres lies with Westminster under the Bi-borough arrangement with the RBKC.

The review of the contract monitoring arrangements in place identified areas for improvement with one high and four medium priority recommendations made to address the following weaknesses:

- The formal framework agreement and call off contract for one of the services could not be located;
- The Framework Agreement and the Call Off Contracts include a requirement for the Service Provider to develop a Continual Service Improvement Plan (CISP) based on the Three-Year Rolling Programme which should be reviewed by the Operational Framework Board to agree the factors which will influence the revision of the Programme and the Framework Continual Improvement Plan. The CISP reviewed was dated January 2017 did not contain entries for the risk register, task list, key events and/or milestones. This CISP had been included in monthly service reports from November 2018 to April 2019 but there was no evidence of updates to it;
- The End User Computing Manager receives appropriate contract monitoring and performance management reports. However, the Framework Manager who has overall responsibility for monitoring contract performance does not receive these reports;
- The Operational Framework Board should meet according to the agreed frequency of at least one meeting per year and minutes taken of each meeting and circulated to all authorities who have a call off contract under the framework agreement. The minutes of the Operational Framework Board confirm it met periodically from March 2015 to June 2016. The last meeting was held in March 2017. Updates prepared by Agilisys and BT for November 2017 and February 2019 were provided but no minutes were provided for these meetings; and,
- Detailed schedules to support summary invoice were not retained with the invoices received.

The recommendations have been accepted and are due to be implemented within six months.

## City Management & Communities:

### 2. Certified Enforcement Agents (satisfactory assurance):

Following a procurement process in accordance with the Concession Contracts Regulations (CCR) 2016, the collection of parking debt was under the terms of a five-year zero cost contract with effect from 1 November 2017 with an option to extend for a further four years. The fees charged by the contractor are governed by legislation, with a percentage of recovered fines paid to the Council and the corresponding fees are retained by the contractor. Regular monthly meetings are held with the contractor to discuss progress in collecting the outstanding debts, to review queries and to consider any complaints. More recently the bailiffs have been wearing body cameras, in accordance with the requirements of the Commissioner's Office, which is helping to reduce conflict and dispute.

The audit identified some areas where controls could be improved with four medium and six low priority recommendations made to address the following:

- There are no specific objectives in respect of 'minimising write-offs' or 'improving foreign debt recovery';
- The contract monitoring manager and other staff were all originally trained in contract management several years ago and the Council's Contract Management Framework requires, as a minimum, that all contract managers must have attended the Contract Management Framework training within the last two years;
- Monthly meetings are attended by representative from the contractor, and two or three Council officers but are not formally minuted. The topics discussed and the agreed outcomes for each meeting are recorded on a 'mobilisation plan' however, this was not being formally updated to include details of the responsible officer and a timeline for each agreed action. At the time of the audit, this recommendation was adopted and the latest mobilisation plan had been updated thereby providing more of a focus on the completion targets;
- A sample of cases managed by the contractor were reviewed and one case file contained a document that applied to a different case not related to Westminster Council. This finding was reported to the contractor who implemented a verification process in respect of all manually scanned correspondence to ensure the terms of the GDPR are met; and,
- The write-off report identifies the largest category relate to foreign vehicle Penalty Charge Notices. This could be reduced by using persistent evader legislation but would be dependent upon the Council re-introducing a limited removal policy which has been considered but not implemented.

The recommendations have been agreed with some already implemented.

### 3. Registrar Service Income (substantial assurance)

The Council primarily operates registration services from three Council-owned properties:

- Harrow Road (Registrars Services);
- Mayfair Library (Registrars Service); and,
- Old Marylebone Town Hall (OMTH) also formerly known as Council House (Registrars Service on-site and at authorised venues).

The London Business School (LBS) undertook a major refurbishment of OMTH and reconfigured the suite of ceremonial rooms and other facilities which are now sub-let to the Council. The Council is responsible for a service charge for the accommodation which is calculated based on the proportion of costs applicable to the leased space.

This audit reviewed the strategy and effectiveness of the Registrar service at maximising the net income from OMTH. It was noted that the service has adopted a dynamic pricing module which:

- Aims to cover the total costs of providing the service, thus ensuring that local taxpayers are not subsidising the couples marrying within the borough;
- Enables weddings to be priced according to the demand patterns, the facilities offered and ancillary services that are also available; and,
- As part of the Commercialisation Strategy, introduced a commercial hire element for ceremonies at OMTH which allows a commercial fee for this element, rather than a cost recovery fee.

To maximise income, the service participates in print and social marketing and is seeking to ascertain the effectiveness of their existing marketing efforts and related expenditure. They are moving towards the creation and execution of a marketing strategy based around brand awareness of the venues, the personnel and services available and to develop the range of services offered, including venue hire.

In the first complete year of operation (2018/19) the focus of OMTH management was to re-establish the Registrar service in a manner which maximised awareness of the new facilities and income from the expanded facilities and that this had been successfully achieved. The audit identified some areas where improvements should assist with the future development of the service and two medium and two low priority recommendations were made to assist with this, including:

- The development of a medium-term strategic plan for OMTH to demonstrate potential income generation from services additional to the current offer; and
- Introducing a marketing strategy for OMTH and ensuring that there is an appropriate methodology in place for assessing the impact of marketing on objectives identified.

The recommendations have been agreed by management and are expected to be implemented over the next 6 months.

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## City of Westminster Committee Report

<b>Meeting:</b>	Audit & Performance Committee
<b>Date:</b>	19 September 2019
<b>Classification:</b>	General Release
<b>Title:</b>	<b>Internal Audit Charter and Strategy 2019/20</b>
<b>Wards Affected:</b>	All
<b>Key Decision:</b>	No
<b>Financial Summary:</b>	There are no financial implications arising from this report
<b>Report of:</b>	Director for Audit, Fraud, Risk & Insurance
<b>Report author:</b>	Moira Mackie, Senior Audit Manager Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> . Tel: 020 7854 5922

### 1. Executive Summary

- 1.1 In accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS), the Council has an Internal Audit Charter which is maintained by the Shared Services Director for Audit, Fraud, Risk & Insurance. The Charter is reviewed annually and has recently been updated to include reference to the CIPFA Statement on the Role of the Head of Internal Audit in Public Sector Organisations and to reflect the appointment of the Council's Executive Director of Finance & Resources during 2019.

### 2. Recommendation

- 2.1 The contents of the Internal Audit Charter and Strategy are reviewed and noted by the Committee.

### 3. Reasons for Decision

- 3.1 The Internal Audit Charter is subject to annual review and revision in accordance with Public Sector Internal Audit Standards (PSIAS). The Internal Audit Strategy sets out how the Council's Internal Audit service will be developed and delivered in accordance with the Internal Audit Charter.

The Audit & Performance Committee consider the Council's compliance with its own and other published standards and controls as part of their Terms of Reference.

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

4.1 The Public Sector Internal Audit Standards (PSIAS) came into effect from 1 April 2013. The PSIAS are based on the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF). The Local Government Application Note has been developed by CIPFA primarily as sector-specific guidance to local government organisations that previously fell within the remit of the CIPFA Code of Practice for Internal Audit in Local Government in the UK and it provides further explanation to the PSIAS and practical guidance on how to apply the Standards.

4.2 The objectives of the PSIAS are to:

- Define the nature of internal auditing in the UK public sector;
- Set basic principles for providing internal audit services that add value to the organisation, leading to improved organisational processes and operations;
- Establish the basis for the evaluation of internal audit performance and to promote continuous improvement.

4.3 The Standard incorporates a code of ethics governing the integrity and conduct of internal auditors and the requirement for objectivity, confidentiality and competency, including regard to the seven principles of public life.

4.4 There are also detailed performance standards on the actual conduct of internal audit work including audit planning, performance of individual audits, progress monitoring and the communication of results.

4.5 Included within the Standard is a requirement for regular review and assessment of Internal Audit's conformance with the Standard. This is done as part of the Annual Report of the Shared Services Director for Audit, Fraud, Risk and Insurance which is reported to the Audit and Performance Committee. The Annual Report to the Audit and Performance Committee for 2018/19 (reported in July 2019) included the following statement:

*"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 and has identified minor improvements which will be addressed during 2019/20."*

4.6 Appendix 1 to the Charter contains the Internal Audit Strategy. The Strategy sets out how the Council's Internal Audit service will be developed and delivered in accordance with the Internal Audit Charter.

## **5. Financial Implications**

5.1 There are no financial implications from this report.

## **6. Legal Implications**

6.1 There are no legal implications from this report.

## **7. Staffing Implications**

7.1 There are no staffing implications from this report.

## **8. Consultation**

8.1 The Internal Audit Charter and Strategy are prepared in consultation with the Council's Executive Director of Finance & Resources and support the Executive Director's responsibility under S151 of the Local Government Act 1972 relating to the proper administration of the Council's financial affairs.

**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](mailto:Moira.Mackie@rbkc.gov.uk)

or

David Hughes on 020 7361 2389 Email: [David.Hughes@rbkc.gov.uk](mailto:David.Hughes@rbkc.gov.uk)

## **BACKGROUND PAPERS:**

**CIPFA Local Government Application Note**

**Public Sector Internal Audit Standards**

**CIPFA Statement on the Role of the Head of Internal Audit in Public  
Sector Organisations.**

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Westminster City Council

Internal Audit Charter

September 2019



City of Westminster

## **1. The Internal Audit Charter**

- 1.1 This Charter establishes the purpose, authority and responsibilities for the internal audit service for Westminster City Council, in accordance with the UK Public Sector Internal Audit Standards and the CIPFA Statement on the Role of the Head of Internal Audit in Public Sector Organisations.
- 1.2 The Internal Audit Strategy (Appendix 1) sets out how the Council's internal audit service will be developed and delivered in accordance with the Internal Audit Charter.
- 1.3 The Charter and Strategy will be reviewed annually and presented to Westminster City Council's Executive Leadership Team and to the Audit and Performance Committee to note.

## **2. Definitions**

- 2.1 Internal Audit is defined by the Public Sector Internal Audit Standards (PSIAS) as:  
*"an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."*
- 2.2 For the purposes of the PSIAS and this Audit charter:
  - The Shared Services Director for Audit, Fraud, Risk and Insurance is designated as the "Chief Audit Executive";
  - The Audit and Performance Committee are designated as the "Board";
  - The Westminster Executive Leadership Team is designated as "Senior Management".

## **3. Purpose of Internal Audit**

- 3.1 Internal audit provides independent and objective assurance to Westminster City Council through its Members, the Executive Leadership Team and, in particular, the Executive Director of Finance & Resources, to help discharge responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs.
- 3.2 In addition, the Accounts and Audit Regulations (2015) specifically require the provision of an internal audit service. In line with regulations, Internal Audit provides independent assurance on the adequacy of the Council's governance, risk management and internal control systems.
- 3.3 The Internal Audit Service is led by the Shared Services Director for Audit, Fraud, Risk and Insurance and delivers audit reviews across three Councils: The Royal Borough of Kensington and Chelsea (the host borough), the London Borough of Hammersmith and Fulham and Westminster City Council.

## **4. Role of the Shared Services Director for Audit, Fraud, Risk and Insurance**

- 4.1 The Shared Services Director for Audit, Fraud, Risk and Insurance is a senior and independent role within the Council and is responsible for:
  - ensuring that internal audit work is risk-based and aligned to the Council's strategic objectives and will support the internal audit opinion;
  - Identifying where internal audit assurance will add the most value or do most to facilitate improvement;
  - Producing an evidence-based annual internal audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control;

- Demonstrating the benefits of good governance and working with the Council to promote and support this and helping the Council to understand the risks to effective governance;
- Giving advice to Senior Management and others on the control arrangements and risks in relation to proposed policies, programmes and projects;
- Promoting the highest standards of ethics and standards across the organisation based on the principles of integrity, objectivity, competence and confidentiality;
- Offering advisory services where appropriate and providing advice on risk and internal control arrangements for new and developing systems, including major projects, programmes and policy initiatives whilst maintaining safeguards over independence (see section 9).

## **5. Role of the Council's Senior Management**

5.1 To enable internal audit to fulfil their role, the Council's Senior Management:

- Engage constructively with the internal audit service, facilitating their role throughout the organisation and recognising the role that audit can play in providing advice and assurance;
- Commit to the principles of good governance, recognising its importance for achieving the Council's strategic objectives;
- Take account of advice provided by the Shared Services Director for Audit, Fraud, Risk and Insurance in respect of new and developing systems.

5.2 The Executive Director of Finance & Resources (S151 Officer), supports the role of the Shared Services Director of Internal Audit, Fraud, Risk and Insurance by:

- Establishing an internal accountability and assurance framework including how internal audit works with other providers of assurance and ensuring internal audit is independent of external audit;
- Setting out how the framework of assurance supports the annual governance statement (AGS) and identify internal audit's role within this (the Shared Services Director for Audit, Fraud, Risk and Insurance contributes to but is not responsible for the AGS);
- Ensuring the Audit and Performance Committee's terms of reference includes oversight of internal audit including the monitoring of adherence to professional standards and the performance of the service;
- Ensuring the Shared Services Director of Internal Audit, Fraud, Risk and Insurance has clear lines of reporting to Senior Management;
- Ensuring the annual internal audit opinion and report is issued by the Shared Services Director for Audit, Fraud, Risk and Insurance reports in their own right;
- Ensuring that the Internal Audit Charter and Audit Plan are approved by the Audit and Performance Committee in accordance with the PSIA;
- Ensuring that an external review of internal audit quality is carried out at least once every five years and the Audit and Performance Committee provides support for and participates in the quality assurance and improvement programme as set out in PSIAS.

## **6. Authority & Access to Records**

6.1 In undertaking their duties and responsibilities, Internal Audit (which includes in house staff and contractors) and the Corporate Anti-Fraud Service shall be entitled to have full access to all of the Council's data, records, cash, stores, property, assets, personnel and information whether manual or computerised, it considers necessary to fulfil its responsibilities. Audit and Investigation staff may enter Council property and have unrestricted access to all locations and officers where necessary, on demand, and without prior notice. Council staff are expected to provide every possible assistance to facilitate the progress of audits and investigations.

6.2 Access rights apply equally to third parties and organisations, as permitted through the associated contract and partnering arrangements. Right of access to other bodies funded by the Council should be set out in the associated conditions of funding.

- 6.3 All records, documentation and information accessed during the course of audit reviews and investigations shall be used solely for that purpose. All audit and investigation staff are responsible for maintaining the confidentiality of information received in the course of their work.

## **7. The Audit and Performance Committee**

- 7.1 The Shared Services Director for Internal Audit, Fraud, Risk & Insurance is required to provide the Council and the Executive Director of Finance & Resources with an annual opinion, reported through the Audit and Performance Committee, on the adequacy and the effectiveness of the internal control system for the whole Council. To achieve this, the internal audit function has the following objectives:
- To provide a quality, independent and objective audit service that effectively meets the Council's needs, adds value, improves operations and helps protect public resources;
  - To provide assurance that the Council's operations are being undertaken in accordance with relevant internal and external regulations, legislation, internal policies and procedures;
  - To provide assurance that significant risks to the Council's objectives are being identified and managed;
  - To provide independent assurance over the corporate governance arrangements in place across the Council;
  - To provide advice and support to management to enable an effective control environment to be maintained;
  - To promote an anti-fraud, anti-bribery and anti-corruption culture with the Council to aid the prevention and detection of fraud;
  - To evaluate specific operations or issues at the request of the Audit and Performance Committee, as appropriate;
  - To undertake investigations where there is suspected fraud, bribery or corruption; and
  - To provide a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.
- 7.2 There are inherent limitations in any system of internal control and thus error or irregularities may occur and may not be detected by internal audit's work. When undertaking audit reviews, internal audit will provide management with comments and report on failures or weaknesses in internal control systems together with recommendations for remedial action. It remains a management responsibility to maintain an effective system of internal control and to have adequate systems in place to prevent and detect fraud.
- 7.3 Where appropriate, Internal Audit may undertake consulting work for the benefit of the Council. Internal Audit may also provide assurance to the Council on third party operations (such as contractors and partners) where this has been provided for as part of any associated contract.
- 7.4 The Shared Services Director for Internal Audit, Fraud, Risk & Insurance contributes to the review of the effectiveness of the Audit and Performance Committee, advising the Chair and relevant managers of any suggested improvements.

## **8. Reporting**

- 8.1 The UK Public Sector Internal Audit Standards require the Shared Services Director for Internal Audit, Fraud, Risk and Insurance to report directly to the top of the organisation and those charged with governance. This is achieved through the following framework:
- The Internal Audit Strategy and Charter and any amendments to them will be reported to the Audit and Performance Committee;
  - The Annual Internal Audit Plan is compiled by the Shared Services Director for Audit, Fraud, Risk and Insurance, taking account of the Council's risk framework and following discussions with stakeholders, including senior managers. The audit plan is subject to review by the Council's Executive Leadership Team and will be reported to the Audit and Performance Committee for noting and comment;
  - The Internal Audit budget is reported to Cabinet and Full Council for approval, as part of the overall Council budget;

- The adequacy, or otherwise, of the level of internal audit resources as determined by the Shared Services Director for Audit, Fraud, Risk and Insurance and the independence of service will be reported to the Audit and Performance Committee (see also the Internal Audit Strategy);
- Internal audit outcomes and progress with the Internal Audit Plan will be reported regularly to the Council's Section 151 Office and to the Council's Senior Managers;
- Performance against the Internal Audit Plan and any significant risk exposures and control issues arising from audit work will be reported regularly to the Audit and Performance Committee;
- Any significant consulting activity not already included in the audit plan and which might affect the level of assurance work undertaken will be reported to the Audit and Performance Committee;
- Any instances of non-conformance with the Public Sector Internal Audit Standards will be reported to the Audit and Performance Committee and will be included in the annual report of the Shared Services Director for Audit, Fraud, Risk and Insurance. If there is significant non-conformance this may be included in the Council's annual governance statement.

## 9. Independence

- 9.1 The Council's governance arrangements give the Shared Services Director for Audit, Fraud, Risk and Insurance free and unfettered access to the following:
- The Chief Executive;
  - The Chair of the Audit and Performance Committee;
  - The Monitoring Officer;
  - All Members of the Executive Leadership Team.
- 9.2 The independence of the Shared Services Director for Audit, Fraud, Risk and Insurance is further safeguarded by ensuring that any appraisal of personal performance is not unduly influenced by those subject to audit. This is achieved by ensuring that both the Chief Executive and the Chair of the Audit and Performance Committee have an opportunity to contribute to, and/or review the appraisal of the Shared Services Director for Audit, Fraud, Risk and Insurance. The Shared Services Director has responsibility for Fraud and Insurance at the Council. Independence is maintained by ensuring that internal audit reviews of these functions are carried out and supervised independently of the Shared Services Director, including the scoping of the review and provision of the draft and final reports.
- 9.3 All Council and contractor staff in the Shared Services Internal Audit Service and Corporate Anti-Fraud Service are required to make an annual declaration of any potential conflicts to ensure that auditors' objectivity is not impaired and that any requirements of the Council are complied with.
- 9.4 Internal Audit may provide consultancy services, such as providing advice on implementing new systems and controls. However, any significant consulting activity (over 5% of planned annual audit days) not already included in the audit plan and which might affect the level of assurance work undertaken, will be reported to the Audit and Performance Committee. To maintain independence, any audit staff involved in significant consulting activity will not be involved in the audit of that area for at least 12 months.
- 9.5 Internal Audit must remain independent of the activities that it audits to enable auditors to make impartial and effective professional judgments and recommendations. Internal auditors have no operational responsibilities towards the systems and functions audited. If additional responsibilities are taken on by the Shared Services Director for Audit, Fraud, Risk and Insurance, appropriate safeguards will be put in place to ensure that these responsibilities do not compromise the independence and objectivity of the service.
- 9.6 Internal Audit is involved in the determination of its priorities in consultation with those charged with governance. The Shared Services Director for Audit, Fraud, Risk and Insurance has the freedom to report without fear or favour to all officers and particularly to those charged with governance.
- 9.7 Accountability for the response to the advice and recommendations of internal audit lies with management. Managers must either accept and implement the advice and recommendations, or formally reject them accepting responsibility and accountability for doing so.

9.8 The Shared Services Director for Internal Audit, Fraud, Risk and Insurance is responsible for escalating any concerns about maintaining independence through the, the Chief Executive, the Audit and Performance Committee and the Executive Leadership Team or the external auditor as appropriate.

## 10. Counter Fraud, Corruption & Irregularity

10.1 Managing the risk of fraud and corruption is the responsibility of management. Internal audit procedures alone cannot guarantee that fraud or corruption will be prevented or detected. Auditors will, however be alert in their work to risks and exposures that could allow fraud, corruption or other irregularity.

10.2 The Council has a shared Corporate Anti-Fraud Service as part of the Shared Internal Audit, Fraud, Risk and Insurance Service and the Service has a protocol for close working relations with Internal Audit. The policies and procedures of the Corporate Anti-Fraud Service are detailed in the Council's Anti-Fraud and Corruption Strategy.

## 11. Due Professional Care

11.1 The Internal Audit Function is bound by the following:

- Institute of Internal Auditors' (IIA) International Code of Ethics
- Seven Principles of Public Life (Nolan Principles);
- UK Public Sector Internal Audit Standards;
- The CIPFA Statement on the Role of the Head of Internal Audit in Public Sector Organisations (2019);
- All Council Policies and Procedures;
- All relevant legislation.

11.2 All staff and contractors are required to sign an annual statement confirming their compliance with the IIA code of Ethics.

11.3 Internal Audit is subject to a Quality Assurance and Improvement Programme that covers all aspects of internal audit activity. This consists of an annual self-assessment of the service and its compliance with the UK Public Sector Internal Audit Standards, ongoing performance monitoring and an external assessment at least once every five years by a suitably qualified, independent assessor.

11.4 A programme of Continuous Professional Development (CPD) is maintained for all staff working on audit engagements to ensure that auditors maintain and enhance their knowledge, skills and audit competencies. Both the Shared Services Director for Audit, Fraud, Risk and Insurance and the Senior Audit Manager are required to hold a professional qualification (CCAB or CMIAA) and be suitably experienced.

### Internal Audit Charter and Strategy Reviewed and Agreed:

Date	Reviewed by	Position	Authorised by	Position
Sep 2019	Moira Mackie	Senior Audit Manager	David Hughes	Shared Service Director for Audit, Fraud, Risk & Insurance
Sep 2018	Moira Mackie	Senior Audit Manager	David Hughes	Shared Services Director for Audit, Fraud, Risk & Insurance

## INTERNAL AUDIT STRATEGY

This Strategy sets out how the Council's Internal Audit service will be developed and delivered in accordance with the Internal Audit Charter.

The Strategy will be reviewed annually and presented to the Audit and Performance Committee for information.

### Internal Audit Objectives

Internal Audit will provide independent and objective assurance to the organisation, its Members, the Executive Leadership Team and, in particular, to the Executive Director of Finance & Resources in support of discharging their responsibilities under S151 of the Local Government Act 1972 relating to the proper administration of the Council's financial affairs.

It is the Council's intention to provide a best practice, cost efficient internal audit service.

### Internal Audit Remit

The internal audit service is an assurance function that primarily provides an independent and objective opinion on the degree to which the internal control environment supports and promotes the achievement of the Council's objectives.

Under the direction of a suitably qualified and experienced Chief Audit Executive (the Shared Services Director for Audit, Fraud, Risk and Insurance), Internal Audit will:

- Provide management and Members with an independent, objective assurance and consulting activity designed to add value and improve the Council's operations;
- Assist the Audit and Performance Committee to reinforce the importance of effective corporate governance and ensure internal control improvements are delivered;
- Drive organisational change to improve processes and service performance;
- Work with other internal stakeholders and customers to review and recommend improvements to internal control and governance arrangements in accordance with regulatory and statutory requirements;
- Work closely with other assurance providers to share information and provide a value for money assurance function; and
- Participate in local and national bodies and working groups to influence agendas and developments within the profession.

### Service Delivery

The service will be delivered by a mixture of in-house staff and the Council's internal audit partners under the direction of the Shared Services Director for Audit, Fraud, Risk and Insurance.

The Internal Audit Service is a shared service hosted by the Royal Borough of Kensington and Chelsea. The audit service is currently working with the London Borough of Hammersmith & Fulham and Westminster City Council, to deliver audit reviews across the Councils for sovereign as well as shared services.

### Internal Audit Planning

Audit planning will be undertaken on an annual basis and audit coverage will be based on the following:

- Discussions with the Council's Executive Leadership Team and senior managers;
- The shared services and sovereign risk registers;
- Outputs from other assurance providers (including Hampshire County Council's Internal Audit Service regarding the Finance, HR and Payroll Solution);
- Requirements as agreed with External Audit.

Management views and suggestions are taken into account when producing the audit plan and the Shared Services Director for Audit, Fraud, Risk and Insurance will ensure feedback from or attendance at Service Area Management Team meetings as part of the annual planning process.

The Internal Audit Plan will include the following elements:

- **Risk Based Systems Audit:** Audits of systems, processes or tasks where the internal controls are identified, evaluated and confirmed through a risk assessment process. The internal controls depending on the risk assessment are tested to confirm that they are operating correctly. The selection of work in this category is driven by Service Areas' risk processes and will increasingly include work in areas where the Council services are delivered in partnership with other organisations;
- **Key Financial Systems:** Audits of the Council's key financial systems including any additional work where External Audit require annual assurance as part of their external audit work programme;
- **Probity & Compliance Audits (schools and other establishments):** Audit of a discrete unit. Compliance with legislation, regulation, policies, procedures or best practice is reviewed.
- **ICT Related Audits:** The review of ICT governance, infrastructure and associated systems, software and hardware;
- **Procurement:** Audits of the procedures and processes for procuring goods, services and works including the letting and monitoring of contracts;
- **Contract Management:** Review of processes in place to ensure that services/goods provided are delivered within the expectations and at the agreed price;
- **Fraud and Ad Hoc Work:** The Corporate Anti-Fraud Service, with the Internal Audit function, will continue to investigate any fraud and irregularity arising during the year. Internal Audit may undertake additional work due to changes or issues arising in-year.

## Follow Up

Internal Audit will evaluate the Council's progress in implementing audit recommendations against set targets for implementation. Progress will be reported to the Audit and Performance Committee on a regular basis.

Where progress is unsatisfactory or management fail to provide a satisfactory response to follow up requests, Internal Audit will implement the escalation procedure as agreed with management.

## Reporting

Internal audit reports the findings of its work in detail to local management at the conclusion of each piece of audit work. Summary reports are also provided to the Audit and Performance Committee on a regular basis. This includes the annual report of the Shared Services Director for Audit, Fraud, Risk and Insurance which contributes to the assurances underpinning the annual governance statement of the Council.



City of Westminster

## Audit & Performance Committee Report

<b>Meeting or Decision Maker:</b>	Audit & Performance Committee
<b>Date:</b>	19 <sup>th</sup> September 2019
<b>Title:</b>	Integrated Business Centre (IBC) Update
<b>Classification:</b>	General Release
<b>Report of:</b>	Gerald Almeroth, Executive Director, Finance and Resources
<b>Report Author and Contact Details:</b>	David Hodgkinson Director - Corporate Finance and Property <a href="mailto:dhodgkinson@westminster.gov.uk">dhodgkinson@westminster.gov.uk</a>

### 1. Background

- 1.1 On 1st December 2018, WCC successfully implemented the new Integrated Business Centre (IBC) solution which was a replacement for the BT Managed Services. This is delivered in partnership with Hampshire County Council (HCC). The deployment of the new system was completed on time and on budget with minimal issues reported at Go Live. Positive feedback from across the organisation was also received.
- 1.2 Hypercare, a period of intensive support in-house and by Hampshire, immediately followed the deployment. Hypercare was in place for the month of December 2018 following Go Live. This ensured that the service was functional and that issues were resolved quickly through daily board calls, peer to peer calls between programme functional leads, surgery sessions, regular communications and support from the 100+ IBC floorwalkers. There was also co-ordination to address access, functionality and structure changes quickly. Help and guidance in the form of PowerPoint slides and bite size videos was also made available for all staff and 3rd party organisations.
- 1.3 The hypercare surgery sessions were terminated earlier than planned (after 10th December) due to a lack of issues raised at the earlier sessions. Floorwalkers also fed back on daily calls that there were no longer issues being reported to them. This meant the project had run very successfully through the go-live with the extent of issues arising being considerably less than had been considered possible.

### 2. Stabilisation and Transition to Business as Usual

- 2.1 The stabilisation period was initially planned to run from 1st January 2019 to 31st March 2019 with the view of going to Business as Usual (BAU) stage on 1st April. However, the data of the transition to BAU was always planned to be flexible and

dependant on partners being satisfied that all new processes had embedded across the organisation. The partnership acknowledged that the onboarding had been a success, but also recognised that improvements in the performance metrics was required before the partnership could be deemed stable enough to move to BAU. It was agreed at the final stabilisation board in March 2019, by all parties, that an extended period of monitoring was required.

2.2 At the latest performance board meeting held on the 5th September 2019, it was agreed to consider the 9-month review on the IBC performance metrics at the October board meeting and decide whether BAU can commence. However, positive progress was also reported in the key areas.

2.3 The key areas of focus for the council team are as follows:

- Increase HR self-serve transactions to 80%.
- Decrease overall contact volumes proportionally comparable to existing partners. This will be measured by alignment to the planned forecast.
- Increase compliance to finance processes such as service order approvals, goods receipting and a maximum of 20% returned invoices.

2.4 WCC performance against each of the stabilisation criteria will be discussed in detail later on in the report.

2.5 During the first three months of stabilisation (January- March 2019), the following measures were undertaken to ensure the service was fully functional and to facilitate the embedding of IBC across the organisation.

- Weekly partnership board meetings
- Weekly Stabilisation and Performance Monitoring calls with all functional leads
- Weekly meetings between the Hampshire Partnership Manager and the WCC Business deployment lead to discuss ongoing communications required to the business
- All staff communications to the business for key messages – weekly throughout January, fortnightly during February and ad hoc in March
- Provision of budget manager and requisitioner focus training sessions
- Organisational structure sessions for line managers led by Westminster HR

2.6 Due to the success of these activities most of these measures were no longer needed from April 2019 to the present time. From April to present, weekly peer to peer calls are held between the WCC and HCC team to discuss outstanding issues from the stabilisation process and prioritise any change requests that require immediate implementation. Monthly performance group meetings between the senior leads of WCC and HCC now replace the weekly partnership board meetings to review performance data, progress on 3-month review recommendations, and high impact business issues from the stabilisation trackers.

### **3. Post Go Live Engagement**

3.1 An IBC satisfaction survey was sent out in May to all staff and 3rd party organisations. A total of 342 users responded. According to the survey, users find IBC easy to use.

- 90% reported that they found ESS Lite easy to use
- 4 out of 5 respondents found the IBC Portal easy to use
- 4 out of 5 was the most popular score awarded to all methods of contact
- Over 50% of respondents said they had used the IBC SharePoint site
- 57% rated IBC advice and guidance as a 4 or 5 while 28% rated it as 3 out of 5. 11.% rated it as 2 and the remaining 4% rated it as 1 out of 5.

3.2 The IBC SharePoint site has serviced more than 65,000 site visits to date with almost three thousand unique viewers. The site hosts the IBC bite size videos, power point guides and IBC hints and tips which provide staff with help and guidance on how to access and use the IBC system.

3.3 In addition to regular comms and engagement activities, additional training sessions were held after Go Live to support staff and managers. These included:

- 16 Requisitioner sessions
- 10 Line Manager and Organisational Structure sessions
- 8 ESS Lite sessions

3.4 To further embed the IBC, current comms and engagement initiatives include:

- Regular Leadership Team Updates
- IBC headlines in the Westminster Way Newsletter sent out fortnightly
- Monthly IBC Newsletter
- Monthly Drop in sessions/morning tea at the Café for staff to take IBC enquiries to functional leads/experts
- Fortnightly hints and tips bulletin on Purchasing and other related items
- Regular Yammer posts
- Purchase to Pay/Requisitioners Surgeries
- Forecasting Training Offer to Directorates
- Recruitment Training for Managers

#### **4. HR Self-Service**

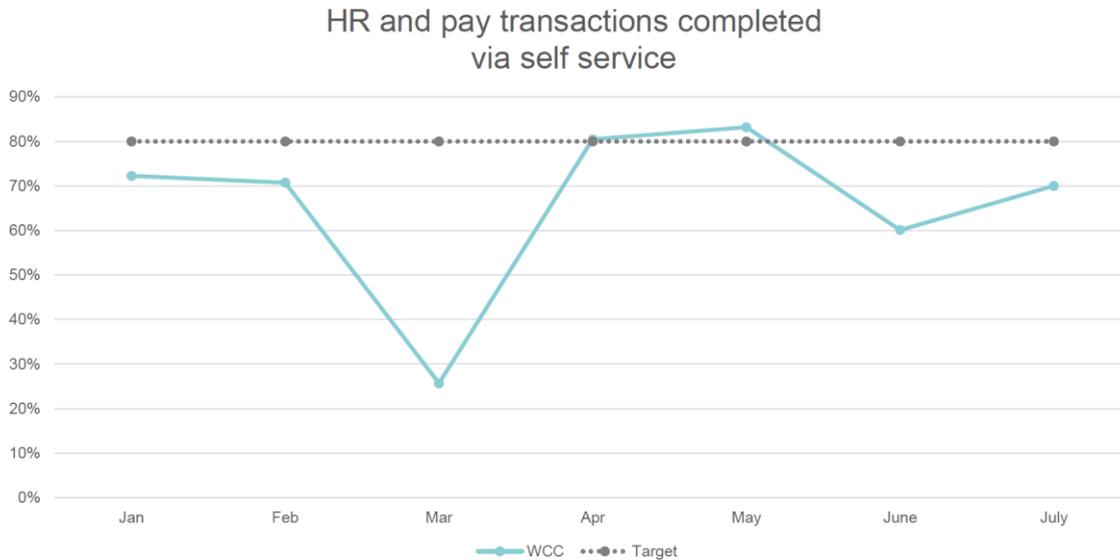
4.1 ESS Lite and the IBC Portal enable staff and managers to self-serve HR tasks, for example booking/approving annual leave, recording sickness and amending personal/employee details and had a high usability score in the survey.

4.2 The stabilisation target for HR Self-service transaction is 80% which was reached in April and May with 80.5% and 83.2% respectively of all HR transactions being Self Service.

4.3 June was below target but the council would have met the target had it not been for staff performance related pay which required manual IBC intervention. A number of staff from across the organisation were put forward for step ups. The changes in staff salary required manual encoding by the IBC which then had an impact on the June self-service figures. July figures are also below target due to election payments, retained pay and a technical problem with locked sickness records where managers cannot edit sickness records of their staff. All these required manual IBC intervention

to update files. An issue of locked sickness records which also generated additional contact has now been fixed by the IBC and all residual issues are reported as resolved.

- 4.4 See graph below showing HR and pay transactions completed via self-service against target from January to July 2019. At the September board meeting, HCC agreed that the HR self-service target had been met for 4 consecutive months from April 2019.



- 4.5 The pronounced dip in March was due to the onboarding of new colleagues from City West Homes in April which required manual input of HR data.

## 5. Contact Volumes

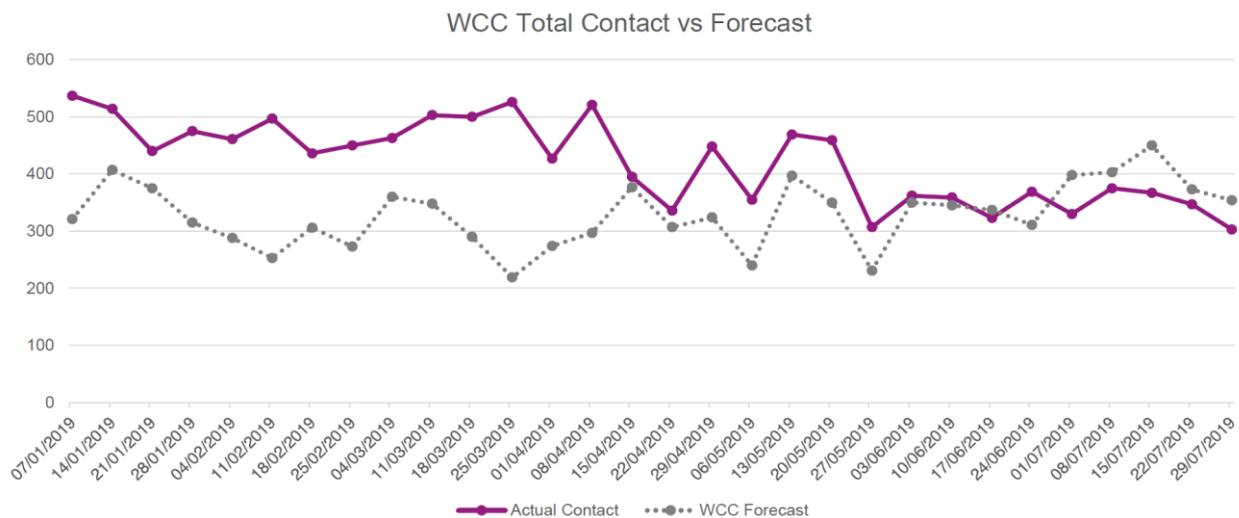
- 5.1 IBC can be contacted by phone, via webchat or by raising an enquiry form. The contact channel most used by staff and suppliers is through telephony. This was followed by enquiry forms and webchat. The contact channel mix figures from Dec 2018 to July 2019 are;

Month	Contact Channel		
	Call	Enquiry Form	Webchat
Dec-18	48%	49%	3%
Jan-19	43%	55%	2%
Feb-19	41%	66%	3%
Mar-19	41%	55%	4%
Apr-19	44%	51%	5%
May-19	49%	54%	7%
Jun-19	59%	36%	5%
Jul-19	60%	35%	5%

- 5.2 Supplier enquiries is one of the main reasons for the high number of telephone calls. In order to reduce the number of supplier related calls, the supplier pages on the WCC website have been updated with more guidance information about getting paid on time.

A further supplier comms will also be sent in September to include how to register with the supplier self-service system.

- 5.3 Staff are also encouraged to self-serve by using the guidance pages in the IBC landing page or in the SharePoint site prior to contacting the IBC. HCC and WCC are looking at ways to potentially channel shift some of the contacts to webchat.
- 5.4 Contact volumes generated for July have been consistently below those forecast and are comparable to the figures of the existing partners, meeting the stabilisation target. The forecast is based on modelling of demand by the IBC based on the time of year, specific events WCC contact volumes against forecast for the months of January to July 2019 were:



## 6. Returned Invoices

- 6.1 A high number of invoices were returned in the first few months of stabilisation with the highest percentage of invoices returned being 36.6% in March. The top reason why invoices were returned was that they failed the first scan in the system. These failures occur when the scanner automatically rejects the invoice due to the lack of a PO number, invoice number, total value or other missing information.
- 6.2 Other reasons why invoices were returned include times when the invoices have not been actioned or were rejected by the department. WCC has now agreed with the IBC to no longer return invoices that have not been actioned by the departments.
- 6.3 The volume of returned invoices has steadily reduced, and we are now achieving the stabilisation target of less than 20% returned invoices with a 17.3% figure for July. See data below on returned invoices from January to July compared to target.



6.4 The following initiatives are in place to ensure that this trend continues, and the number of invoices returned remains low:

- Notifications are sent by the IBC via E-Mail to staff/managers who have outstanding actions to complete.
- Regular hints and tips on the Purchase to Pay process are sent to all requisitioners.
- Update on our supplier pages providing guidance about raising invoices.
- Further supplier comms to be sent out about supplier self-service and guidance.
- Targeted support is also offered to staff who have been identified as having the highest number of unpaid invoices as well as to suppliers with the highest number of returned invoices.

## 7. IBC Response Rate and Resolution Rate

- 7.1 100% of the cases are responded to by the IBC support team within 5 working days. Between 96-98% of the cases are resolved within 10 working days.
- 7.2 Since January, between 72% - 77% of the calls and enquiries were resolved at first point of contact. HCC and WCC are working jointly to improve on this. HCC will work with their customer support team on ownership of enquiries and WCC to encourage staff to ensure that all information is provided in the enquiry forms raised so issues can be resolved at the first point of contact. Further discussions are held at the peer to peer group to understand the issues better.

## 8. Forecasting and Budget Monitoring

- 8.1 As part of the IBC self-service model, forecast planners across the organisation were expected to input forecasts from June 2019 onwards in the IBC.

- 8.2 Training for Budget holders was held between January 2019 and March 2019. Further training for the Finance team took place in May 2019 so that they were ready to support their budget holders.
- 8.3 The forecasting period in WCC is open for 4 working days every month.
- 8.4 There are 336 forecast planners identified across WCC. There has been a steady increase of between 8%-10% of the number of forecast planners doing their forecasting using the IBC since June 2019.

Month	No. of Forecast Planners Who Input Forecast In IBC	% to total number of forecast planners
June	61	18.15%
July	94	27.98%
August	122	36.31%

- 8.5 Continued support and surgery sessions are being offered to directorates to help build the capability of forecast planners to do the forecasting themselves correctly. Additional easy to understand guidance and online videos on forecast planning for managers are also currently being developed.

## 9. 3<sup>rd</sup> Party Access

- 9.1 All outstanding 3rd Party access issues from Go Live have been resolved. The Citrix Solution Upgrade which enabled users to download, view and print documents has been tested and rolled out to all 3rd party users with positive feedback.

## 10. HR and Finance Reporting

- 10.1 A review of both HR and Finance reporting in the IBC has taken place. The review found that some of the reports in the IBC required improvement. This is being addressed as part of the ongoing work between WCC and HCC to improve reporting for both Finance and HR.

## 11. Joint workshops Post Go Live

- 11.1 The drive to fully embed IBC continues. WCC and HCC have held several joint workshops to continue to address issues and seek solutions for any remaining issues.
- 11.2 HCC and WCC held a joint workshop on the purchase to pay process and discuss issues and improvement steps in August.
- 11.3 Visits to HCC by HR leads to meet and greet the contact centre agents and to further understand how calls are being resolved took place in June. Positive feedback had been received from HR about the visit.
- 11.4 Finance and HR held workshops on reporting with HCC to address issues and identify improvement opportunities to make the reporting fit for purpose. Work on improving the reporting is ongoing and is continuously being discussed at the peer to peer calls and at board meetings.

11.5 Recruitment workshops delivered by HCC are ongoing to build capability of our managers in using the IBC for recruitment.

## **12. Next steps**

12.1 The September performance board meeting was held on the 5th September 2019. This noted successful progress in all areas and it was agreed at the October meeting a full performance report will be produced. The most recent trend performance data suggests progress is continuing to be made and it is believed that full BAU will be commence after the October meeting based on the performance data and stabilisation criteria. At BAU, a new governance will be in place which will be based on strategic monitoring of the partnership. Meetings will likely include:

- Monthly Partnership Board meetings
- Monthly Performance Monitoring calls between functional leads

12.2 Comms and engagement initiatives will continue to ensure that the IBC is fully embedded across the organisation. Support and guidance will continue to be made available to staff.



City of Westminster

## Audit & Performance Committee Report

<b>Date:</b>	<b>19 September 2019</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Work Programme</b>
<b>Wards Affected:</b>	<b>N/A</b>
<b>Financial Summary:</b>	<b>There are no direct financial implications arising from this report</b>
<b>Report of:</b>	<b>Head of Committee &amp; Governance Services</b>
<b>Report Author:</b>	<b>Andrew Palmer, Senior Committee &amp; Governance Officer. Tel: 020 7641 2802 or email: <a href="mailto:apalmer@westminster.gov.uk">apalmer@westminster.gov.uk</a></b>

### **1. Executive Summary**

- 1.1 The Committee is invited to review the work programme for the 2019/20 municipal year attached at Appendix 1, and to confirm the agenda items for its next meeting on 27 November.
- 1.2 The Committee is asked to note the actions which arose from the meeting on the 10 July 2019, as detailed in Appendix 3.

### **2. Recommendations**

- 2.1 That the Committee agrees the agenda items for its next meeting on 27 November as set out in **Appendix 1** to the report; and
- 2.2 That the actions which arose from the last meeting, as detailed in at **Appendix 3** to the report, be noted.

### **3. Choosing items for the Work Programme**

- 3.1 The 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. Task Groups**

4.1 There are no Task Groups operating at present.

#### **5. Monitoring Actions**

5.1 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.

#### **6. Resources**

6.1 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](mailto:apalmer@westminster.gov.uk)**

#### **APPENDICES:**

Appendix 1 – Work Programme 2019/20

Appendix 2 – Terms of Reference

Appendix 3 – Committee Action Tracker

**BACKGROUND PAPERS:** None

# Work Programme 2019/20

## Audit and Performance Committee

**27 November 2019**

Agenda Item	Reasons & objective for item	Lead Officer
<b>Grant Thornton Annual Audit Letter 2018/19</b>	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Progress and Update on 2019-2020 Audit</b>	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)
<b>Finance Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.	Gerald Almeroth (Finance) Dave Hodgkinson (Finance)
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
<b>Corporate Complaints 2018/19</b>	To report on the volume and details of complaints received by the City Council 2018/19.	Sue Howell (Complaints)
<b>Mid-Year Counter Fraud Monitoring Report</b>	To oversee and monitor the success of the Counter Fraud Service.	Andy Hyatt (Anti-Fraud)

<b>Review of Anti-Fraud Policies</b>	To review and approve the following which are maintained by the Corporate Anti-fraud Service: <ul style="list-style-type: none"> <li>• Whistleblowing Policy</li> <li>• Fraud Response Plan</li> <li>• Anti-bribery Policy</li> <li>• Anti-money Laundering Policy (including procedures)</li> </ul>	Andy Hyatt (Anti-Fraud)
<b>Review of Effectiveness</b>	To consider the outcomes of the following reviews: <ul style="list-style-type: none"> <li>• The CIPFA Took Kit on Effective Audit Committees;</li> <li>• The CIPFA Statement on the Role of the Head of Internal Audit</li> <li>• The CIPFA Statement on the Role of the Chief Financial Officer;</li> <li>• The Public Sector Internal Audit Standards (PSIAS) Self-Assessment</li> </ul>	David Hughes (Internal Audit)
<b>Work Programme 2019/20</b>	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
<b>Grant Thornton Certification of Claims and Returns Annual Report (Audit 2018/19)</b>	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 (Finance)
<b>Grant Thornton Annual Audit Plan 2019/20</b>	To set out the audit work that Grant Thornton proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2019/20.	Paul Jacklin Paul Dossett (Grant Thornton)

<b>Maintaining High Ethical Standards at the City Council</b>	To maintain an overview of the arrangements in place for maintaining high ethical standards throughout the Authority.	Tasnim Shawkat (Monitoring Officer)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 2 performance results against the 2019/20 business plans.	Gerald Almaroth (Finance)  Mo Rahman/ Damian Highwood (Performance)
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes (Internal Audit)
<b>Internal Audit Plan 2020/21</b>	To review and comment on the draft audit plan for 2020/21	David Hughes (Internal Audit)
<b>Integrated Business Centre Update</b>	To receive an update on the arrangements with Hampshire County Council.	Dave Hodgkinson Rhoda Phillips (Finance)
<b>Westminster housing Service</b>	To receive a report on performance from the Council's Housing Directorate.	Barbara Brownlee (Housing)
<b>Work Programme and Annual Report</b>	The Committee is invited to review its Work Programme, and to consider its draft Annual Report.	Andrew Palmer

## 30 April 2020

Agenda Item	Reasons & objective for item	Lead Officer
<b>Draft Annual Statement of Accounts and Outturn 2019/20</b>	To review the draft 2019-20 Annual Statement of Accounts and outturn.	Gerald Almeroth (Finance)
<b>Draft Audit Findings Report 2019/20</b>	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)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 3 performance results against the 2019/20 business plans	Gerald Almeroth (Finance)  Mo Rahman/ Damian Highwood (Performance)
<b>SEN Transport – Progress and Performance</b>	To review progress and key performance indicators for the contracts for SEN Transport - including how the money was being spent and service delivery after 6 months of operation.	Annabel Saunders (Commissioning)
<b>Work Programme</b>	The Committee is invited to review its Work Programme.	Andrew Palmer

## Unallocated Work Programme Items

Agenda Item	Reasons & objective for item	Lead Officer
<b>The Metropolitan Police Basic Command Unit for Westminster</b>	To monitor the performance of the Police Basic Command Unit for Westminster following implementation.  <i>(Allocate to meeting on 27th November?)</i>	Sara Sutton (City Management & Communities)

**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: 10 July 2019**

ACTION	OUTCOME	LEAD OFFICER
<b>2018/19 END OF YEAR PERFORMANCE REPORT</b>		
1. More detail and numbers to be provided of rough sleepers in the City during 2018-19.	The additional information has been circulated.	Jenny Travassos - Head of Prevention, Housing
2. Details be provided of the costs associated with the City Council's Looked After Children – including placements, accommodation and education.	The details have been provided.	Gary Hamilton - Consultant Programme Manager, ASC
3. More detail be provided on the fragility of the market for Adult Social Care, together with the current challenges in the market place and main risks.	Further details have been circulated.	Gerald Almeroth - Executive Director of Finance & Resources
4. Committee Members to receive that Cabinet report which provided details of funding mechanisms for Oxford Street.	The report has been provided.	Sara Sutton - Executive Director of City Management & Communities
5. Committee Members to receive details of the expansion strategy and targets for electric vehicle charging points.	The details have been circulated.	Sara Sutton - Executive Director of City Management & Communities
6. Committee Members to receive the report on Borough Command Unit performance submitted to the Scrutiny Committee, prior to consideration of Key Performance Indicators by the Audit & Performance Committee.	This has been added to the Work Programme.	Sara Sutton - Executive Director of City Management & Communities
7. More detail to be provided on the figures provided for Sundry Debtors.	Further details have been circulated.	Gerald Almeroth - Executive Director of Finance & Resources
8. Benchmark numbers to be provided for the Staff Survey result, if available.	This information has been circulated.	Lee Witham - Director of People Services
9. Further information to be provided on the City for All pledge to plant 3000 trees, which currently appears to be off track.	Further information has been circulated.	Sara Sutton - Executive Director of City Management & Communities
10. Details to be provided of the Wards and parks which contributed towards the London in Bloom awards.	Details have been provided.	Sara Sutton - Executive Director of City Management & Communities

11. An update to be given on the number of drinking fountains installed in Westminster by Ward.	The update has been provided.	Sara Sutton - Executive Director of City Management & Communities
12. Details to be provided of Parking Permit changes between 2017 and 2018.	The details have been circulated.	Sara Sutton - Executive Director of City Management & Communities
13. Details to be provided of streets being surveyed and hotspots where litter is a concern.	The details have been circulated.	Sara Sutton - Executive Director of City Management & Communities
14. More detail to be provided on the City Survey results which indicated an apparent drop in the proportion of households who use sports and leisure facilities.	The further detail on the City Survey has been circulated.	Sara Sutton - Executive Director of City Management & Communities
<b>FINANCE PERIOD 2 MONITORING REPORT</b>		
1. That details be given of the financial link between the Westmead development and Wilberforce School.	The details have been provided.	Gerald Almeroth - Executive Director of Finance & Resources
<b>COUNTER FRAUD 2018/19 - END OF YEAR REPORT</b>		
1. That details be provided by Ward of the 93 recorded cases of fraud relating to disabled parking.	A bespoke counter-fraud update was sent to all Ward Members.	Andy Hyatt – Tri-Borough Head of Fraud