



City of Westminster

Committee Agenda

Title: **Audit and Performance Committee**

Meeting Date: **Wednesday 15th July, 2020**

Time: **6.30 pm**

Venue: **This will be a virtual meeting.**

Members: **Councillors:**
Ian Rowley (Chairman)
David Boothroyd
Danny Chalkley
Richard Elcho



Following government advice to the public, to avoid all but essential travel and to practice social distancing during the Coronavirus pandemic this will be a remote meeting and members of the public and press are welcome to follow the meeting and listen to the discussion.

This meeting will be live streamed and recorded using Microsoft Teams.

To access the recording after the meeting please revisit the link.



If you require any further information, please contact the Committee Officer, Artemis Kassi, Senior Committee and Governance Officer.

**Tel: 07817054991 Email: akassi@westminster.gov.uk
Corporate Website: www.westminster.gov.uk**

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

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

To note any changes to the membership.

To appoint a Deputy Chairman for the meeting.

2. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

3. MINUTES

To approve the Minutes of the previous meetings held on 5 February 2020 and 18 June 2020.

(Pages 5 - 18)

4. YEAR END PERFORMANCE REPORT

To review the City Council's performance at the end of the 2019/20 financial year.

(Pages 19 - 106)

5. PERIOD 2 FINANCE REPORT

To review and consider the report of the Executive Director of Finance and Resources.

(Pages 107 - 122)

6. 2019/20 SCHOOL BALANCES OUTTURN POSITION REPORT

To receive an update on the level of school balances at the end of the 2019/20 financial year.

(Pages 123 - 128)

7. ANNUAL REPORT ON INTERNAL AUDIT AND INTERNAL CONTROL 2019/20

To consider the work of Internal Audit in 2019/20.

(Pages 129 - 150)

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| <p>8. ANTI-FRAUD AND CORRUPTION STRATEGY REVIEW 2020</p> <p>To consider the revised anti-fraud and corruption policy and strategies for 2020.</p> | <p>(Pages 151 - 170)</p> |
| <p>9. COUNTER FRAUD 2019/20 - END OF YEAR REPORT</p> <p>To review work undertaken by the fraud service during the period 1 April 2019 to 31 March 2020.</p> | <p>(Pages 171 - 188)</p> |
| <p>10. WORK PROGRAMME</p> <p>The Committee is invited to review its Work Programme for the 2020/21 municipal year.</p> | <p>(Pages 189 - 204)</p> |
| <p>11. ANY OTHER BUSINESS</p> <p>To consider any other business which the Chairman considers urgent.</p> | |

Stuart Love
Chief Executive
7 July 2020

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CITY OF WESTMINSTER

DRAFT MINUTES

Audit & Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Audit and Performance Committee** held at 6.30pm on Wednesday 5th February 2020, Rooms 18.4/18.5, 18th Floor, Westminster City Hall, 64 Victoria Street, London SW1E 6QP.

Members Present: Councillors Ian Rowley (Chairman), David Boothroyd and Elizabeth Hitchcock.

Also Present: Annette Acik (Interim Director, Public Protection & Licensing), Gerald Almeroth (Executive Director of Finance & Resources), Hazel Best (Bi-Borough Legal Services), Mathew Dawson (Strategic Finance Manager, Treasury & Pensions), Paul Dossett (Grant Thornton), Laurelin Griffiths (Grant Thornton), Gary Hamilton (Consultant Programme Manager, ASC), Chief Superintendent Helen Harper (Metropolitan Police Service), Ian Heggs (Bi-Borough Director of Education), Martin Hinkley (Director of Revenues & Benefits), David Hughes (Shared Services Director for Audit, Fraud, Risk & Insurance), Paul Jacklin (Grant Thornton), Artemis Kassi (Senior Committee & Governance Officer), Superintendent Mark Lawrence (Metropolitan Police Service), Moira Mackie (Senior Internal Audit Manager), Steve Muldoon (Director of Commercial & Financial Management), James Partis (Programme Lead, Better Care Fund), Mo Rahman (Data & Intelligence Manager), Sophie Shore (Head of Intelligence & Strategy), Anita Stokes (Lead Strategic Financial Manager for Children's Services), Rikin Tailor (Head of Corporate Finance), Phil Triggs (Tri-Borough Director of Treasury & Pensions), and Neil Wightman (Director of Housing).

1 MEMBERSHIP

- 1.1 The composition of the Committee changed. Councillor Jacqui Wilkinson was replaced by Councillor Danny Chalkley, who sent apologies for this meeting. Councillor Elizabeth Hitchcock substituted for Councillor Danny Chalkley

2 DECLARATIONS OF INTEREST

- 2.1 No declarations were made.

3 MINUTES

- 3.1 **RESOLVED:** That the Minutes of the meeting held on 27th November 2019 be agreed by the Committee as a correct record of proceedings.

4. METROPOLITAN POLICE SERVICE – BASIC COMMAND UNIT

- 4.1 Chief Superintendent Helen Harper and Superintendent Mark Lawrence submitted a report from the Metropolitan Police Service (MPS) on the performance of the Basic Command Unit, one year on from its implementation in February 2019.
- 4.2 The MPS officers described how 32 London boroughs had been transformed into 12 Basic Command Units (BCUs), in which Westminster policing now fell within the BCU for Hammersmith & Fulham, the City of Westminster and the Royal Borough of Kensington & Chelsea. The local authority policing model had been replaced by five strands, which covered investigation, emergence response, HQ, neighbourhood and safeguarding. Changes to the original model and priorities that had been made during the first year of implementation had included violence in public spaces.
- 4.3 The Committee commented on the historical police divisions and noted the MPS strategic community engagement with Safer Neighbourhood Panels and Police Community Consultative Groups; together with wider engagement at the Greater London Assembly level.
- 4.4 The Committee discussed crime statistics and noted that people who committed offences in the West End and St James's Wards were travelling into Westminster. The transient nature of people passing through Westminster could also result in late reporting. Collaborative and flexible working across all BCUs was proving another solution to tracing offenders; along with crime prevention work with hoteliers, airlines and neighbouring boroughs to raise awareness, especially amongst visiting tourists. The MPS reported that sanctioned detection rates for robbery had improved, due to more skilled detectives and a significant increase in arrests. Results were also being improved by smarter partnership working.
- 4.5 Annette Acik (Interim Director, Public Protection & Licensing) commented on the neighbourhood management model used by the City Council, which was supported by dedicated Ward Officers in a coordinated approach with local considerations and problem-solving.
- 4.6 The Committee discussed how the MPS could ensure the correct level of officer's attendance at the City Council's meetings, particularly from the perspectives of Children's Services and Community Safety. The MPS acknowledged that moving to the new model had presented challenges as a layer of leadership had been removed, and strategic leadership and operational ability was now shared across the three boroughs. The MPS also commented that although the policing based at the BCU extended across a wider area, it was still imperative to deliver what mattered most to local people.
- 4.7 Committee Members commented on the numbers of available police officers that were available and on their visibility. The MPS considered that the most effective distribution could be gained from a mix of neighbourhood response and specialist officers. Police force numbers had also improved, due to increased government funding with up to 50 officers joining the BCU every

month. Although the uplift of 50 MPS officers per month had been considered positive, the MPS highlighted the need for training as being a challenge. The MPS also commented that the past year had been a difficult period, with the impact on resources caused by events such as the Extinction Rebellion being felt across Westminster.

4.8 The Committee commented on the need for the City Council to have greater access to police data, and noted that although the MPS had lost its crime analysts, abstracted data would now be available as the analysts had now been re-established together with performance analysts.

4.9 The Committee requested a further update in nine months' time, which would also time for more data to be available.

4.10 **RESOLVED:** That

1. the report be noted; and
2. the Metropolitan Police Service be invited to the Committee's September meeting to provide a further report.

5 GRANT THORNTON CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT

5.1 Paul Dossett, Paul Jacklin and Laurelin Griffiths (Grant Thornton) presented the Certification of Claims and Returns Annual Report which had been prepared by the City Council's external auditors.

5.2 The Committee noted the process that had been followed, which had included how to ensure consistency across all the London boroughs for whom Grant Thornton were the auditors; and noted the increased work needed to meet the requirements of the Financial Reporting Council (FRC). The Committee was advised that further details would be submitted at the next meeting.

5.3 **RESOLVED:** That the Certification of Claims and Returns Annual Report prepared by the City Council's external auditors be noted.

6. GRANT THORNTON ANNUAL AUDIT PLAN 2019/20

6.1 Paul Dossett, Paul Jacklin and Laurelin Griffiths (Grant Thornton) presented the Annual Audit Plan 2019/20 which had been prepared by the City Council's external auditors.

6.2 Grant Thornton advised the Committee about proposed work on the 2019/20 audit of the financial statements and the Value for Money conclusion. The Committee heard that there would be a reduction in the materiality figure from last year and that this was driven by the Financial Reporting Council (FRC).

6.3 **RESOLVED:** That the Annual Audit Plan 2019/20 prepared by the City Council's external auditors be noted.

7. MAINTAINING HIGH ETHICAL STANDARDS AT THE CITY COUNCIL

- 7.1 The Committee received a report from Hazel Best (Bi-borough Legal Services) on the arrangements to maintain high ethical standards throughout the Authority. The review of ethical standards was submitted to the Audit & Performance Committee on an annual basis.
- 7.2 Officers advised that this was timely, following the work of the Committee on Standards in Public Life (CSPL) and the LGA with its Civility in Public Life programme of work, including a consultation. The Committee queried protection given to whistle-blowers within the Council, the numbers of disciplinary cases and the rules governing officers' receipt of hospitality and gifts.
- 7.3 **RESOLVED:** That the arrangements to maintain high ethical standards throughout Westminster City Council be noted.

ACTIONS:

The reporting requirements for officers on gifts and hospitality to staff to be reinforced. **Action for Tasnim Shawkat - Director of Law, Bi-borough Legal Services and Lee Witham – Director of People Services)**

8. FINANCE & PERFORMANCE BUSINESS PLAN MONITORING

8.1 Period 8 Finance Report 2019/20

- 8.1.1 Gerald Almeroth (Executive Director of Finance Resources) and Rikin Tailor (Head of Corporate Finance) submitted the Period 8 Finance Report, which provided details of the forecast outturn in respect of revenue and capital by Cabinet Portfolio (prior to leadership and Cabinet changes). The report also set out projected revenue and capital expenditure, together with key risks and opportunities.
- 8.1.2 The Committee noted a projected underspend of £0.0761m (0.4%) against budget on the previous portfolios, with potential to increase to £1.111m if all risks and opportunities were realised. The report also projected an expenditure variance of £24.252m and income variance of £2.493m, resulting in a net underspend of £21.759m. The Housing Revenue Account (HRA) revenue forecast was for an overall net surplus of £4.057m, resulting in an adverse variance of £5.736m compared to budget. The forecast gross capital expenditure outturn for the HRA at the end of period 8 was £142.771m, resulting in a total variance of £7.083m compared to the budget of £149.854m. Variances, risks and opportunities within Cabinet Portfolios continued to be monitored closely as the year progressed.
- 8.1.3 Issues discussed included the Housing Services' variance figure; slippage in Capital Programmes; and continuing measures being taken to mitigate the persistent deficit for Westminster's schools. The Committee heard that the

schools' deficit was predominantly related to primary schools with falling rolls, but that measures were already in place to support schools whilst maintaining standards. The Committee was advised that extra staff had been recruited to assist working with schools on developing robust deficit plans; and to work with the Schools Forum (the statutory advisory body) and both dioceses. The Committee requested continuing updates and monitoring.

8.1.4 The Committee made several requests for further information.

8.1.5 **RESOLVED:** That the Period 8 Monitoring Report be noted.

8.2 Quarter 3 Performance Report.

8.2.1 Mo Rahman (Data & Intelligence Manager) and Sophie Shore (Head of Strategy & Intelligence) presented a report which summarised the City Council's performance for the third quarter of the 2019/20 financial year against City for All priorities. The report also set out progress and figures until the end of December.

8.2.2 The Committee discussed notable achievements, including Westminster's becoming a living wage employer and areas for improvement, such as the BAME pay gap areas of risk or off-track. The Committee made several requests for extra detail and asked to receive a report at its 30th April meeting from NHS England on low rates of immunisation and from officers a more detailed report on abuse against staff in public-facing roles. The Committee discussed areas of risk and observed that several Key Performance Indicators were off-track.

8.2.3 The Committee made several requests for further information.

8.2.4 **RESOLVED:** That the Quarter 3 Performance Report for 2019/20 be noted.

ACTIONS:

1. Committee Members to receive an update report at Year End on school finances/school deficits at the 30th April meeting. **(Action for Gerald Almeroth - Executive Director of Finance & Resources; Ian Heggs – Bi Borough Director of Education; and Steve Muldoon – Director of Commercial & Financial Management.)**
2. The Committee to receive more information about short-term letting, with a breakdown of City Survey information by Ward. **(Action for Mo Rahman - Data & Intelligence Manager)**
3. Committee Members to receive a report from NHS England on immunisations – and to also receive information about the consequences of not being vaccinated and what can be done to improve vaccination rates. NHS England to be invited to the Committee meeting on 30th April. **(Action for Bernie Flaherty - Bi-Borough Executive Director for Adult Social Care & Health; Russell Styles - Deputy Director of Public Health; and Katherine Reid - Strategy & Business Planning Manager, Public Health.)**

4. The language used in the report be revised to reflect the change to the language around corporate parenting that was adopted at Full Council in January. **(Action for Sarah Newman - Bi-Borough Executive Director of Children's Services; and for all where relevant.)**
5. The Committee to be provided with details about the levels of subsidy, beneficiaries and sustainability of the Strategic Investment Pot. **(Action for Greg Ward - Director of Regeneration & Economic Development: Growth Planning & Housing.)**
6. Committee Members to receive more detail on the risk of abuse to staff in public-facing roles, including where and in which Wards and how concentrated these incidents are. **(Action for Sara Sutton - Executive Director of City Management & Communities; and Claudia Hemsley - Strategic Projects Manager: Growth, Planning & Housing Service Development.)**
7. Committee Members to further analysis of the decline in Paid for Parking and Permits. **(Action for Sara Sutton - Executive Director of City Management & Communities; and Claudia Hemsley - Strategic Projects Manager: Growth, Planning & Housing Service Development.)**
8. The Committee to receive more detail on the fragility of the care market, including the costs imposed on councils, closure costs and the extent of liability for taking over a care home. **(Action for Gerald Almeroth - Executive Director of Finance & Resources; and Bernie Flaherty - Bi Borough Executive Director of Adults.)**
9. Committee Members to receive more detail on how the London Living Wage is being rolled out. **(Action for Gerald Almeroth - Executive Director of Finance & Resources.)**
10. The Committee to be provided with more detail and analysis about the risks related to planning fees, in particular Planning Performance Agreements. **(Action for the Growth, Planning & Housing Service.)**

9. TREASURY MANAGEMENT HALF-YEAR MONITORING REPORT

- 9.1 Phil Triggs (Tri-Borough Director of Treasury & Pensions) and Mathew Dawson (Strategic Finance Manager, Treasury & Pensions) presented a mid-year review of the delivery of Treasury Management Strategy for 2019/20, which included any cases of non-compliance.
- 9.2 The Committee noted that the City Council had under borrowed and had financed capital expenditure using cash receipts. Issues Discussed included the economic prospects for the United Kingdom post-Brexit; and lending to other local authorities.
- 9.3 **RESOLVED:** That the Treasury Management Half-Year Monitoring Report for

2019/20 be noted.

ACTIONS:

Committee Members to receive more information on interest rates. **(Action for Phil Triggs - Tri-Borough Director of Treasury & Pensions; and Artemis Kassi - Committee & Governance Services.)**

10. INTERNAL AUDIT MONITORING REPORT

- 10.1 David Hughes (Shared Services Director, Audit, Fraud, Risk & Insurance) and Moira Mackie (Senior Manager, Audit, Fraud, Risk & Insurance) updated the Committee on progress in internal audit monitoring.
- 10.2 The Committee noted that within the areas audited, internal control systems had been generally effective with five positive assurance reviews (substantial or satisfactory) being issued in the period. The follow up reviews for three audits completed in the period had confirmed that the implementation of recommendations had been effective in two cases, with all recommendations fully implemented at the time of review. A further follow up would be undertaken on one audit where some recommendations had not yet been fully addressed.
- 10.3 **RESOLVED:** That the Internal Audit Monitoring Report be noted.

11 INTERNAL AUDIT PLAN 2020/21

- 11.1 David Hughes (Shared Services Director, Audit, Fraud, Risk & Insurance) and Moira Mackie (Senior Manager, Audit, Fraud, Risk & Insurance) presented the draft Audit Plan for 2020/21.
- 11.2 The Internal Audit Plan had been reviewed to reflect the changes in the structure of Westminster, and to ensure that the City Council's audit work addressed key risks during a period of change and general financial constraints. The Audit Plan would include sufficient audit coverage to enable an overall opinion to be provided on the City Council's control framework, and was sufficiently flexible to allow for additional reviews to be added in areas where support and/or advice may be required.
- 11.3 **RESOLVED:** That the draft Audit Plan for 2020/21 be noted.

12. INTEGRATED BUSINESS CENTRE (IBC) UPDATE

- 12.1 Rikin Tailor (Head of Corporate Finance) presented a report which updated the Committee on progress in the Integrated Business Centre (IBC), which was being delivered in partnership with Hampshire County Council as a replacement for the BT Managed Services.

- 12.2 The Committee noted that the (IBC) had moved successfully beyond the stabilisation phase into 'business as usual' and that satisfaction with the IBC service across the Council had steadily increased with 82% of staff being highly satisfied. Coupled with the reduction in contact volumes, this demonstrated that customers were increasingly adapting to the system and viewed the Shared Services model positively.
- 12.3 **RESOLVED:** That the positive progress in establishing the Integrated Business Centre be noted.

13. WESTMINSTER HOUSING SERVICE

- 13.1 The Committee received a report on the performance of the Westminster Housing Service from Neil Wightman (Director of Housing). It had been nine months since responsibility for the housing service had transferred to the City Council, and the report provided performance information and gave an overview of current service standards and the progress that has been made in delivering improvements.
- 13.2 The Director of Housing reported that highlights within the portfolio had included improvements in the performance of contact centres and in the repairs service. The housing contact centre had also performed well, with 75% of calls being answered within 30 seconds against the corporate target for contact centres of 70%. The Westminster on Wheels initiative, which provided a mobile surgery service had also been a success; and the Committee noted that 94% of the 1600 residents that had visited the bus to the end of December had been either very happy or happy with the bus being on the estate.
- 13.3 Targets had been set by Westminster's client team prior to the housing service returning in-house, and all targets required an improvement on previous performance levels and had been benchmarked against published performance for high performing London boroughs. The Director of Housing informed the Committee that all estates in Westminster would have action plans by the end of the year. The Committee noted that the Director was also overseeing delivery of a service improvement programme, which was designed to integrate the Housing Management Service into the City Council and provide staff with the tools and infrastructure needed to provide high quality services.
- 13.4 Issues discussed by the Committee included anti-social behaviour; criminality; voids and the number of days when properties were empty between lets; repairs; residents' associations; and building a relationship with residents.
- 13.5 **RESOLVED:** That the report on the performance of the Westminster Housing Service be noted.

14. WORK PROGRAMME AND ACTION TRACKER

- 14.1 The Committee noted the items on its Work Programme for the next meeting on 30th April 2020, together with actions taken in response to issues raised at the previous meeting in November. The Committee noted that the timing of the

April meeting did not coincide with financial reporting deadlines and that an additional meeting of the Committee would be necessary in May. It was also agreed that a further update from the Metropolitan Police with data on the performance of Basic Command Units be requested for the meeting in September.

- 14.2 **RESOLVED:** That the Committee Work Programme be noted and that the Committee hold an additional meeting in May.

The meeting ended at 20:45.

CHAIRMAN: _____

DATE: _____

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CITY OF WESTMINSTER

MINUTES

Audit and Performance Committee

MINUTES OF PROCEEDINGS

Minutes of a virtual meeting of the **Audit & Performance Committee** held at 6.30pm on Thursday 18th June 2020.

Members Present: Councillors Ian Rowley (Chairman), David Boothroyd, Danny Chalkley and Richard Elcho.

Also Present: Gerald Almeroth (Executive Director of Finance & Resources), Phil Triggs (Tri-Borough Director of Treasury & Pensions), Rikin Tailor (Head of Corporate Finance), Gareth Wall (Director of Integrated Commissioning), Paul Dossett (Grant Thornton), Kevin Goad (Director of City Highways), Neil Wightman (Director of Housing), Stephen Muldoon (Director of Commercial and Financial Management), Andrew Tagg (Director of Operations and Programmes) and Ama Ackom-Mensah (Deputy Head Of Corporate Finance)

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 2019/20 ANNUAL ACCOUNTS AND OUTTURN

3.1 The Committee considered a report setting out the Council's 2019/20 outturn position for revenue and capital for the General Fund (GF) and Housing Revenue Account (HRA). In addition, the report also provided a summary of the pension fund and the Council's treasury management for the year. The Committee also considered the 2019/20 statement of accounts and a summary of these accounts. It was noted that the statement of accounts were currently at the draft stage with an audited version of the accounts due to be presented to the Committee at its July 2020 meeting for final sign off. This would be after the public inspection period which was due to end on 1 July 2020.

3.2 Gerald Almeroth (Executive Director of Finance & Resources) and Rikin Tailor (Head of Corporate Finance) provided the Committee with a detailed commentary of the following key sections of the financial statements.

- The Committee was informed that the General Fund revenue position had seen a net outturn of £530,000 underspend compared to a Period 10 (January 2020) forecast underspend of £2.643m. It was explained that the majority of this movement was due to income losses as a result of the covid-19 pandemic. The revenue underspend would increase the Council's general reserves to £63.306m which would assist the Council's financial resilience, especially to deal with the financial pressures that would result from covid-19.
- It was explained that the HRA revenue outturn was a surplus of £131,000, against a budgeted surplus of £9.793m. HRA revenue balances had increased by the surplus to £17.365m.
- The general fund capital outturn represented a gross expenditure underspend of £71.527m against budget. This compared to a gross expenditure budget of £235.211m. The HRA capital outturn had a variance of £31.721m against a budget of £149.854m.
- The total value of the Pension Fund as at 31 March 2020 was £1.324bn. This was made up of investments in various assets – 66% equities, 23% bonds, 10% property, 1% infrastructure.

3.3 The Committee held a detailed discussion on the report and noted that the accounts were currently at the draft stage. A concern was raised over the capital programme which was experiencing delays and represented a significant underspend. The Committee commented that this appeared to be a generic issue which had occurred before and questioned if there were linkages between capital programme execution issues and revenue issues. In response it was explained that there was a significant underspend in capital schemes however the majority of the slippage only related to a few large schemes which accounted for 60% of the total slippage in the programme leading to this variance.

3.4 The Committee discussed elements of the general fund revenue underspend and the reasons for the number of variations. It was explained that in terms of capital schemes causing delays in revenue, medium term financial planning had been undertaken including an assessment into how the capital programme fed into that in order to put in an allowance around timings for capital schemes. If there were delays in certain capital schemes and the Council was due to get a saving these and any revenue implications related to the capital scheme would not be recognised until the year after that capital scheme was completed. Therefore, it would be able to budget for such a scenario well in advance. In terms of the HRA and the major works income the Council was not able to bill leaseholders for major works until the work had been completed. The delay in these works had meant that the income would not be received in the year it was expected but would be received going forward however later than planned.

- 3.5 In response to a question over the size of the pension fund the Committee was pleased to note that as of 21 March 2020 the pension fund had a 97.2% funding level.
- 3.6 The Committee held further detailed discussions on the report. The Chair expressed concern over what appeared to be a persistent issue in regard to the capital programme execution and the current amount of slippage. In addition, some of the variances in the revenue areas was queried and it was suggested more information was required on the reasons behind why they were occurring. It was requested that the Committee receive a formal response to these concerns raised.

RESOLVED: That the draft 2019/20 statement of accounts subject to the public inspection period and the audit currently underway be approved.

ACTIONS:

1. An update be provided on the capital programme execution and the current amount of slippage. This to include details of how the current underspend compares to the previous five years.
2. In the revenue outturn more it was requested that further information be provided with regard to the waiver of the Westco contribution due to covid-19, leading to a £300,000 income loss for the Council.
3. In terms of commercial waste, it was expected that this service would be affected by the covid-19 pandemic and it was requested that the commercial activity assessment being undertaken be shared with the Committee when completed.

4. TREASURY MANAGEMENT STRATEGY OUTTURN 2019-20

- 4.1 Phil Triggs (Tri-Borough Director of Treasury & Pensions) presented the Council's Annual Treasury Management Outturn Report for 2019/20 as required by the regulations issued under the Local Government Act 2003.
- 4.2 The Committee noted that the Council had complied with all elements of the Treasury Management Strategy Statement (TMSS) apart from one instance (already reported in the 2019/20 mid-year review) which arose because of exceptional banking receipts which were received too late to be moved from the bank until the following day. This resulted in funds in excess of the strategy limit set for the Council's current bank account on one occasion.
- 4.3 The Committee was also informed that on the 30th October 2020, the Council had breached its authorised overdraft limit by £47.4m at its clearing bank Lloyds. This arose from a failure of HSBC bank to repay £49.2m requested from the Council's HSBC call account.
- 4.4 Further updates were provided to the Committee regarding investments and

the Council's arranged forward borrowing loans totalling £400m for 2019/20. With regard to the forward loans it was confirmed that the fee payable to the Council's treasury consultant was £300,000 which had come from the overall treasury budget. The Committee was interested to learn more about these loans and the consultancy fee and requested a note be circulated providing further information.

- 4.5 The Committee held detailed discussions on the Council's treasury investment position and interest rate received. It was noted that local authorities formed a significant proportion of the organisations that the Council was lending to. It was explained that local authorities were preferred as a counter party due to none ever having gone into administration, however a diversified portfolio of counter parties was maintained.
- 4.6 Members were interested to learn more about what future planning assumptions had been made in regard to the interest rate. The Committee was provided with details of how as a result of the impact of the covid-19 pandemic a revision had been made to the budget for 2020/21 for investment income as a result in the reduction in the yield received. The situation would continue to be monitored but it was suggested that as a result of the impact of covid-19 it was a reasonable assumption that interest rates would remain low.
- 4.7 **RESOLVED:** That the annual treasury management final outturn 2019/20 be noted, including the cases of non-compliance.

ACTIONS: The Committee requested a note be circulated providing further information on future loans and the £300,000 consultancy fee payable to the Council's treasury consultant.

The Meeting ended at 7.52 pm.

CHAIRMAN: _____

DATE _____



Audit and Performance Committee Report

Meeting or Decision Maker:	Audit and Performance Committee
Date:	15 July 2020
Classification:	General Release
Title:	Year End Performance Report
Key Decision:	Review and challenge officers on the contents of the report
Report of:	Annelie Drabu and Sophie Shore, Strategy & Intelligence

1. Executive Summary

This performance report summarises the Council's performance at the end of the 2019/20 financial year, noting where services have experienced risks or issues arising from the Covid-19 outbreak since then and where performance has been particularly good despite challenging conditions. Overall, 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 as set out for 2019/20.

2. Recommendations

- Committee to note the contents of the report
- Committee to note the impact of Covid-19 on service delivery
- Committee to indicate any issues that require further investigation
- Committee to highlight any new or emerging risks that have not been captured
- Committee to comment on proposed amendments to Performance Report structure for FY2020/21 onwards

3. Background, including Policy Context and future reporting

The outbreak of Covid-19 started impacting service delivery in March, shortly before the financial year end. As a result, this report notes where services have experienced new risks and issues arising from the pandemic or where they performed particularly well despite difficult operating conditions. The Quarter 4 report normally covers the 2019/20 year-end position only, but the timing and severity of Covid-19 calls for the report's scope to include business activities that have been affected by the pandemic at year end leading into 2020/21 financial year (up to 10 June currently).

As a result, some content reported now will also be reflected (and updated) in the Quarter 1 report. Further, due to the rapidly changing nature of the local and national responses to Covid-19, the impact on the Council's financial position will be clearer by the end of Quarter 1 and reported through the relevant KPIs.

Alongside this context, the new City for All vision and strategy was published on 5th March which will frame future performance reports (from Q1 2020/21 onwards). Although the vision was published before the Covid-19 pandemic hit London, our response to the pandemic does not deter us from the Council's ambitions for an even **Greener and Cleaner** city, made up of **Vibrant Communities**, whilst leading the way in being a technologically enabled **Smart City** – all of which can only be achieved by **working together** with our partners and communities.

To this end, we propose to amend the format of the quarterly performance reports to ensure they align to the new City for All vision and strategy objectives. Doing this will facilitate the scrutiny and review of the Council's progress against these targets, and it will mean a move away from Directorate-specific reporting, with the appendices being structured by the City for All themes instead, supported by an 'Enabler' section for support service activity.

Year End Performance Report – 2019/20

1. This quarter's headlines (Q4)

The information presented below is by exception and highlights the top achievements and challenges in quarter four of 2019/20. This section draws on data provided by service directorates detailed in appendix 1. It is structured according to the 2019/20 pillars of City for All.

Key achievements

City of opportunity

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

- **The Council launched its new City for All strategy.** Developed by members and officers across the Council, the new strategy focusses on tackling climate change and poor air quality, supporting the borough's vibrant communities, and ensuring Westminster is one of the best connected and most technologically advanced cities in the world. The leader of the Council presented the new City for All at City Hall on 5 March to officers and external partners, encouraging them work together to achieve the new vision. In light of the Covid-19 impacts since then, 2020/21 City for All deliverables are currently being reviewed in line with the council's response to Covid-19 recovery efforts.
- **The Public Health team, with internal and external stakeholders, completed a Youth Offending and Serious Youth Violence Joint Strategic Needs Assessment.** The report responds to the Westminster Youth Crime Prevention Partnerships' recognition that a public health approach to youth offending and serious youth violence is required. The report has produced some key findings and recommendations that will help inform more targeted service delivery and improve outcomes for children and young people.
- **People Services produced the Council's annual gender and BAME pay gaps analysis and action plan.** The analysis highlighted that three of the four key metrics – gender mean pay, BAME mean pay, BAME median pay – have improved since last year's report. However, the gap is widened for gender median pay, which is mainly due to the fact that women have a higher turnover in the organisation as a proportion of their

group compared to men. The report is based on data at 31 March 2019, and therefore does not reflect positive action around ensuring ethnic diversity of middle and senior management level candidates at interview stage and on the panel introduced in April 2019.

- **The Council transferred its delivery model to digital platforms and supported schools to remain open throughout the lockdown period.** We have provided laptops and internet connectivity to families and young people to support our ongoing work and this included the procurement and distribution of IT council stocks. We set up virtual children's centres providing weekly, age-appropriate activity packs for families and running virtual parenting programmes and other useful activities. Further, children in care meetings, child protection conferences and looked after children reviews moved to virtual platforms.

Excellent local services

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

- **Our resident satisfaction remains very high at 88%**, consistent with 2018's result, and 15% above the national average (LGA's polling on resident satisfaction with councils across the UK).
- **Services across the Council continue to monitor and prepare to respond to the impact of covid-19.** Effective business continuity planning by services - ranging from health and care, finance and highways – resulted in service delivery being maintained and adjusted to accommodate changing or increased levels of demand.
- Due to covid-19-related closures of council premises, there was an increased need for council staff and members to work and collaborate remotely. **The Surface Pro tablet PC devices and associated connectivity features facilitated a relatively easy switch to work from home with minimal disruption to service delivery.** The recent months have seen 20x increase in the use of Microsoft Teams by Council staff.
- Nearly seven in ten residents (69%) say they feel informed about services and benefits, as well as about plans for their local area (up from 68% and 63% respectively in 2018). Core council services continue to see high satisfaction levels. In 2019, **89% of residents were satisfied with waste collection and 90% were satisfied with street sweeping.**

Caring and Fairer City

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

- **The Council signed up to the Race at Work Charter.** This is overseen by trade body Business in the Community, and through it, the Council has voluntarily agreed to meet a set of five standards, which include appointing a champion for race, ensuring the most up to date ethnicity data is recorded and acting to support ethnic minority career progression. Other actions the Council has taken are: publishing its BAME pay gap voluntarily; measuring bullying and harassment concerns in the annual staff survey and putting plans in place to tackle any areas of concern; establishing a reverse mentoring programme; launching positive action for all middle and senior leadership roles to ensure there is representation from ethnic minorities on every shortlist for interviews.
- **From 9-13 March, Ofsted and the Care Quality Commission inspected Westminster's Special Educational Needs and Disabilities (SEND) services.** Inspectors spoke to children and young people with SEND, parents and carers, local authority and NHS officers. The inspection report, which was later published

in May, complemented the Council's service delivery, and it stated that leaders from education, health and care are ambitious for children and young people with SEND, resulting in great outcomes.

- **In March, Queen's Park Court, an infill development in the north of the borough, was awarded planning permission.** The development will be made up of 23 social (rent) homes, including a mix of one-, two- and three-bedroom homes, providing housing for a range of needs.

Healthier and greener city

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

- In partnership with Siemens and Ubitricity, the **Council launched the UK's first fully electric street** on Sutherland Avenue W9 on 16 March 2020. Twenty-four lamp columns next to resident parking bays were re-fitted with electric vehicle charging points as part of broader plans to have 1,000 charge points situated on the public highway by the end of the year. The installation of these will increase provision of charging infrastructure to residents and enable them to make more sustainable travel mode choices.
- **The Council consulted on its Air Quality Action Plan to tackle air pollution in the City.** The plan sets out an ambitious programme of actions for improving air quality in the City, which includes reducing buildings' and transport emissions and working with a variety of stakeholders to achieve this. The plan would also commit the Council to meeting the World Health Organisation's guidelines for air quality. This will be taken forward as part of the council's response to Covid-19 incorporating a renewal to city management, harnessing some of the air quality improvement gains made during lockdown.
- Satisfaction with Westminster as a place to live remains very high, **with nine in ten (92%) saying they are satisfied with the area. 87% of our residents think they are in good health, which is consistent with 2018 results.**

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.

- **87% of people say that different communities in Westminster get on well together in 2019**, compared to 83% in 2018 and 87% in 2017.
- Almost all residents (95%) continue to feel safe in the City and over four in five (83%) feel safe after dark, **the highest recorded ever.**
- **The Council consulted on its Cultural Strategy 2020-24.** The Cultural Strategy sets out the Council's priorities to increase access to culture for all residents, supporting the connection between health and cultural provision, addressing skills gaps by working with cultural and creative employers, and continuing to find opportunities for creative placemaking.
- **The Community Contribution Fund**, which gives Westminster residents living in high value properties the chance to make a greater contribution to their community, has raised over £1m to date. The first round of funding awarded £258k to 19 organisations (1 direct award, 18 through the round one grant scheme). The second-round grant scheme has been launched and £610k has been allocated to the scheme. During lockdown a covid-19 specific scheme was launched which had £250k allocated to it, £212k of which has already been awarded.

- Introduced in June 2019, the **EU settlement scheme service** available at Charing Cross, Paddington and Victoria libraries had supported 2001 people, of which 63% were residents, to scan the documents needed for the settlement scheme's application process. In addition to enabling people to stay in Westminster by helping them navigate legal processes, the scheme also generated £38,843.

Performance challenges

Headline challenges and pressures

- **Pressures on the local care market, including staffing, training and development and financial pressures, are resulting in the local markets being 'fragile.'** Some of the pressures associated with this are staffing shortages, voids in care homes, and increased usage of personal protective equipment. The impact of these are an inability to provide services to clients requiring care or support. Furthermore, COVID-19 has had a significant impact across the social care sector which has been addressed by staff in the Directorate making daily phone calls to all providers regarding resident welfare, staff health and wellbeing, access to personal protective equipment, and additional financial pressures. The daily calls show that staff morale in the sector has been strengthened through wider public recognition of care workers' roles and the enhanced sense of vocation. However, the daily calls also show staff morale has also been affected by concerns about working in a high-risk environment, being a potential cause of cross infection between home and work and being able to access appropriate personal protective equipment. Staff in the directorate have used emergency funding, partnership working with the NHS, and regular communication to help providers and their staff to address these concerns. For example, emergency funding has been used to provide additional travel payments for staff who may be anxious about using public transport, and the Borough has paid a recruitment bonus so that providers could recruit additional staff when others may have been required to isolate for 14 days. The Directorate has also paid providers 'on plan' in order to ease any concerns about cashflow and viability in the short-term, given the number of vacancies. The Directorate also continues to make sure that contracted providers are paid a rate that enables staff to be paid at least the London Living Wage, which is checked through contract management.
- **Existing financial pressures** will be made worse by the impacts of covid-19 and a second wave. See details in 'Covid-19 Key Issues' section.
- **Delays to significant transformation projects will delay improvement to key Children's Service areas, such as inclusion in schools.** To respond to covid-19, some business as usual (BAU) projects have been suspended. Projects such as reviewing alternative provision and creating an inclusion strategy to secure improved outcomes and their associated benefits will be delayed, and the stakeholder engagement that has been completed could lose traction. Further, the associated savings and efficiencies would also be delayed.
- There has been an **increase in anti-social behaviour being reported** across the borough. Particularly during lockdown, issues, especially noise, are reported more significantly. Mediation and management of reported issues has been facilitated by digital platforms that allow for conversations, coaching sessions, and online self-service accounts.

Covid-19 Key Issues

Issue Description & Impact	Current & Future Controls
<p>ASC/ PH: Public Health Commissioned service delivery. To respond to covid-19, services have had to change the way they work, increase remote working or reduce service offers.</p>	<p>Service delivery updates for Public Health commissioned services have been regular, moving from daily to weekly. Where appropriate, face-to-face services have been delivered remotely, with some in-person visits. As lockdown eases, services will be reinstated, and services will consider how new positive new practices can be further developed and established.</p>
<p>ASC/PH: 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”. Pressures on the local care market’s ongoing sustainability further exacerbated by reduced occupancy and demand as a result of the Covid-19 pandemic.</p>	<p>Establishment of a Quality Team to work with providers with a focus on quality. A focus on users of services with emphasis on safety, wellbeing and security. A more cohesive relationship with the care regulator, the Care Quality Commissioning (CQC) including bi-monthly meetings. 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 partners and providers to better understand their cost pressures and to help manage these. Escalation of commercial risk factors to senior Officers and Leading Members where policy steer on risk appetite/stance is required before finalising strategy</p>
<p>ChS: Low numbers of children attending school. Low school attendance impacts educational outcomes but also presents a challenge for ensuring the safety and wellbeing of our young people.</p>	<p>We have communicated to schools and families that vulnerable children should attend school wherever possible. Where this is not possible, we are ensuring contact with our vulnerable young people by face-to-face or virtual contact. We have supported schools to ensure the provision of free school meals for those eligible and have helped schools source personal protective equipment (PPE). Senior leaders will continue to closely monitor attendance levels.</p>
<p>All: Impact on savings plans, income generation, increasing costs and contracts.</p>	<p>All services have been liaising with Finance Business Partners to monitor the financial impact and the consequences this has for service delivery, transformation, or income generation. Service recovery planning will continue as lockdown eases. Progress in income recovery will be monitored closely and forecasts revised in accordance with actual activity data as it comes to light. This will then be updated in re-forecasts through the coming year.</p>
<p>ChS: Lack of visibility of children as a result of lockdown. The usual referral routes for Children’s Services have been affected and referrals have reduced significantly.</p>	<p>We have launched a communications campaign to encourage community vigilance around safeguarding. We have worked extensively with schools on their provision to vulnerable children and children of key workers. We have also maintained contact with vulnerable children through face-to-face contact and virtual means. We are also working on our recovery and re-enabling provision plans which will consider the mitigations for increased demand as we move out of lockdown.</p>
<p>CMC: Some libraries and Leisure centres continue to be closed. Use of online resources has increased, and customers could be reluctant to return when re-opened.</p>	<p>Discussions continue with the leisure provider on the future shape of the contract. The libraries virtual offer has been enhanced and this will continue once libraries re-open. There will be investment in IT to support the enhanced virtual offer and the phased re-opening of buildings should be complete within 3 months.</p>
<p>CMC: Increase in car use. Parking around key hubs is often at full capacity and kerbside space is being lost to facilitate social distancing measures.</p>	<p>A number of parking dispensations have been withdrawn and we are looking to engage with NHS trusts to ensure that only those critical workers who absolutely need to drive into Westminster a granted a continuation of their parking dispensation.</p>
<p>CMC: Perception of Westminster as an enforcement authority</p>	<p>Concessionary parking was granted for key worker groups, but to ensure this, parking restrictions were still enforced. As concessionary parking is withdrawn and lockdown eases, this must be done in a sensitive manner to avoid a negative perception of the service. Concessions are being withdrawn from a forewarning and a communication of the reasons for our actions. Enforcement is being phased back in by a period of Warning Notice issues rather than full Penalty Charge Notices.</p>
<p>GPH: The Council’s Regeneration and Development programme has been directly impacted. Numerous complaints were received over ongoing operations.</p>	<p>The long-term impacts on the programme are yet to be determined but discussions are underway with contractors to see how these can be mitigated.</p>

Issue Description & Impact	Current & Future Controls
GPH: Impact on rough sleeping. Limited funding from central government has left the Council to fund emergency accommodation, and all services at homeless day centres have been impacted including the closure of day and night centres.	The Council will work with providers to mitigate risk against those impacted by service closures and will identify and source sustainable move-on solutions with associated support for those accommodated. Working with Public Health to jointly design a strategy to manage risk, via an on-street testing regime and provision in place for accommodation settings to support move-on. Full review of future provision of services, including asset strategy, suitability review, and joined up homelessness services. Second wave planning will focus on accommodation services review to ensure it remains fit for purpose to respond to new outbreaks. We will continue to monitor our street population to ensure services meet their needs.
People Services: Covid-19 staff testing. Staffing capacity could be impacted if they do not get tested for covid-19.	We have developed a process to reach all eligible staff and offer testing and monitored absence daily.
People Services: Ensuring critical and frontline services are maintained. The potential impact of covid-19 would have drastically reduced employee numbers and ability to deliver essential services.	Critical business areas were identified, and plans put in place to support existing capacity. This included regular redeployment calls to discuss changes to business need, which was accompanied by a detailed redeployment schedule and tracker.
People Services: Staff wellbeing throughout pandemic. Covid-19 and the continued lockdown having a detrimental effect on staff wellbeing and mental health.	A number of actions have been put in place to support. This included revamping the Wellbeing Hub, providing appropriate equipment for staff to work from home, launching a new special leave policy and reengaging wellbeing pioneers.
PPC: Impact on City for All 2020-23. Having just been published, the Council will need to consider how its existing strategic priorities have been affected and what new areas should be prioritised.	Officers have been working together to identify what the main risks or issues are from covid-19, and how these will impact stakeholders. The newly created Renewal team will focus on identifying the main impact areas and how the Council will respond to these changes. These exercises will inform the development of an evidence and performance framework to evaluate and monitor the Renewal work programme.
PPC/Adults: Protecting the most vulnerable. The most vulnerable in the borough are particularly susceptible to covid-19, and are also at risk of isolation and not being able to receive the care they need.	The Council created the Westminster Connects service to identify the most vulnerable Westminster residents and to connect them with volunteers who can support service delivery to them. The Council regularly sends newsletters to residents to inform them of the latest government updates, public health guidance and opportunities to volunteer in the community.

Key Performance Indicators flagged for attention

The table below provides movement of KPIs flagged for attention since the last quarter.

The full set of KPIs for each directorate can be found in Appendix 1.

Note. The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020). Availability of results for some KPIs vary and may not align to the quarterly performance reporting cycle – in these cases the latest position available is reported in this quarter.

YE Target assessment definitions	Target missed	Did not achieve the minimum target level
	Target exceeded	Exceeded ideal target level
	Target achieved	Met the ideal target level
	Minimum standard met	Met the minimum target below ideal level

Key performance indicator	2018/19 position	2019/20 ideal target	Latest position available at Q4	Target assessment	Movement since last quarter
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New KPIs flagged for this Quarter

Key performance indicator	2018/19 position	2019/20 ideal target	Latest position available at Q4	Target assessment	Movement since last quarter
Less than 4% of calls abandoned (Agilisys)	2.97%	<4%	7.02%	Target missed	↓ Decrease from 4.4% to 3.9%
<p>Service Commentary: The overall 2019/20 position was 7.02% which shows a higher actual than target due to the two incidents in 2019 when new Dynamics CRM platforms had to be implemented. Once the system settled in, this did improve for the last quarter and where we would expect to see it for the coming year. The last quarter saw an improvement with the achievement of a below target percentage.</p> <p>Mitigation: Service levels are constantly monitored. Since mid-March all contact centre agents are working from home and service levels are being met. Some volumes are currently very low but we expect these to ramp back up as services start to resume. From 3rd June the contact centre is taking calls for the Westminster Connects service and volumes and resources will be monitored to ensure there is no adverse impact on any other service.</p>					
Percentage of opiate misusers in treatment, who successfully completed treatment and did not re-present within 6 months	7.09%	7%	6.3% (34/540)	Minimum standard met	↓ Down from 7.36% (Meeting Target) in Q2
<p>Service commentary: This data can fluctuate due to the way this is reported and the time lag. Not all individuals returning to treatment have relapsed but are requesting interventions linked to their wider support needs e.g. Covid19 may have had an impact on some individuals returning to treatment services for support due to being at risk of relapse.</p> <p>Mitigating action: We look at local monitoring data and work with providers to understand why there is a lower percentage and also consider the actual numbers and how these impact on percentage swings. Providers are asked to review all returners and identify themes where lessons can be learned, and improvements can be made. External factors such as Covid19 would be taken into account in this process.</p>					
Social Value: % of WCC suppliers with commitments delivered to profile	N/A	70%	52%	Target missed	↓ Down from 69%
<p>Service commentary: At year end we are actively monitoring 31 of 85 contracts, which is an increase from 26 contracts in Q3. Of the 31 contracts monitored 27 have provided updates. 14 are on track (52%). And 13 are off track, or 48%. The remaining 4 are yet to provide updates.</p> <p>Mitigation: Conflicting priorities due to Covid-19 crisis.</p>					
% of BAME employees in senior leadership roles (band 5 and above)	11%	15%	14%	Minimum standard met	-1%
<p>Service Commentary: The reduction since Q3 is due to a BAME band 5 leaving the council</p>					
<p>No change/significant improvement since the last quarter</p>					
% of children who receive a 2-2.5-year development review	70%	75%	68.5% (1562/2281)	Target missed	% of children who receive a 2-2.5-year development review
<p>Service commentary: The mandated health visiting service is a key component of the pre-birth to five programme and performance continues to exceed the London average across all indicators. This particular target is impacted by children being referred to specialist paediatric services for review and by families leaving the area.</p> <p>Mitigating action: Service monitoring is regularly scrutinising this target and working with providers and key stakeholders to improve data capture and better understand why we are off target. Public Health has been working with partners from across the system to identify how our pre-birth to five services meet the current and future needs of our local population. The redesign of the service and pathways for health visiting interventions at each key stage will aim to improve. The final quarter of the year will be impacted by COVID therefore we are not expecting improvement to be shown in Q4 data.</p>					
% satisfaction with repairs service	82%	84%	83%	Minimum standard met	→ Same as last quarter

Key performance indicator	2018/19 position	2019/20 ideal target	Latest position available at Q4	Target assessment	Movement since last quarter
Service Commentary: Improvement on 2018/19.					
Satisfaction with anti-social behaviour case handling	74%	74%	63%	Target missed	↑ Up from 62%
Service commentary: The service experienced high staff turnover which created a challenge for service continuity and improvement. Delays in triaging ASB enquiries for the service caused frustration for customers.					
Mitigation:					
<ul style="list-style-type: none"> Feedback from dissatisfied customers is used for coaching staff and to create satisfaction improvement plans. Joint working between the ASB team, contact centre and digital team is resulting in better ways of working Detailed training plans are in place for contact centre agents to improve the initial response to residents reporting ASB and the effectiveness of the triage process. Listening to real ASB calls taken by agents and conducting weekly ASB case audits has helped identify and address training issues. 					
No. of days taken to collect debt	N/A	61 to 70 days	108.8 days	Target missed	KPI are based month on month comparisons.
Service Commentary: The debtor days increased from 73.93 in P11 to (Minimum) to 108.08 days in P12 which is beyond our minimum KPI requirement.					
Mitigation: There are factors that remain uncontrollable with this KPI, the main being that income is not raised evenly throughout the year. There will be spikes in some months, where a large value or volume of invoices are raised which will increase the debtor days for payment. P12 saw the third highest number of invoices raised in 2019/20 at £15,138m, coupled the decision to suspend all debt recovery mid-March, caused a spike in the debtor days for P12.					
Marked improvement on Q3					
% of service users receiving an assessment/review	85.8%	90%	93%	Target achieved	↑ Up from 65% (incremental)
Service Commentary: Performance was impacted by COVID-19 response through February and March however strong final position.					
% of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	39%	80%	90%	Target exceeded	Improvement on Q3
Service Commentary: The Licensing Service shifted its focus to ensuring a percentage increase in the number of licences issued following a decision from Licensing Sub-Committee. As a result of streamlining the process, a marked improvement has resulted in 90% of licences being issued within the parameters set by the performance indicator, compared with only 39% in 2018/19.					
To complete all high-risk food premises inspections (category A-B)		100%		Target achieved	
Service Commentary: Year end data not provided.					
Number of Houses of Multiple Occupation improved (buildings with more than one household including shared facilities)	54	65	62	Target achieved	Up from 45 in Q3

Service Commentary: Service commentary: We narrowly failed to meet the ideal target in this financial year. There are some HMO improvements in progress which will contribute to next year's target.

Mitigation: The end of year COVID lockdown had a minor impact on our figures, while work to validate scoping work for Additional3 Licensing proposals also affected final figures somewhat.

Timeframe for improvement: For the coming year, and as part of renewal work following the exit of lockdown, proactive improvement of HMOs will again be factored into officer's caseloads. However, the absence of proactive work during lockdown since April is expected to impact 20/21 figures.

2. Council's Risks

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

Strategic Risks

1. Another Covid-19 outbreak occurring in Westminster and neighbouring boroughs (or other infectious disease)

We work closely with other local authorities, London Fire Brigade, NHS, providers and partner organisation to ensure response efforts are co-ordinated. The Borough Emergency Control Centre leads on co-ordinating delivery and distribution of personal protective equipment across Westminster's services. All services have developed their own business continuity plans, and where required, service provision is monitored regularly by Westminster Gold and adapted to suit the current context. Key public health messages communicated to Westminster's communities are aligned to the government's guidance to discourage the risk of further infection. Additional measures are in place to 'shield' individuals who are particularly vulnerable to infection. Services' capacity and status are also reported frequently through the London Resilience Group. Furthermore, the already detrimental local economic impacts would be exacerbated by a further outbreak / second wave.

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

There are a number of safety, reliability and quality assurance processes in place to keep children and adults safe. Independent scrutiny is provided by the Local Safeguarding Children's Board and the Safeguarding Adults Executive Board to ensure robust policies are in place, drive improvement in practice and support the implementation of lessons from case reviews. Staff are expected to attend safeguarding training as part of their induction and ongoing professional development. In the event of an incident there would be a co-ordinated and multi-agency response to ensure appropriate and timely action is taken. Additional measures are also in place to protect and safeguard individuals. Community development, communications and public engagement workstreams are established to prevent potential incidents. Learning outcomes are also discussed with the London Resilience Forum to feed future action plans.

Lockdown during covid-19 has posed a particular risk, as it has reduced the visibility of children. The usual referral routes for Children's Services have been affected, and referrals have reduced significantly. This has implications on for the safety of our young people and the ability of staff and the community to provide a safeguarding function. Once lockdown eases, there is a risk that referrals will rapidly increase. This could impact on our ability to take timely action and intervene effectively and have staff capacity and financial implications. There are also likely to be delays in the court system's ability to process cases as lockdown eases.

3. Loss of IT systems or data

IT teams continue to focus on improving system availability and reducing the risk of data loss. The council's users and IT systems are under constant attacks by malicious cyber actors (increasing through the covid-19 pandemic) seeking unauthorised access using methods like phishing to compromise systems or targeting vulnerable IT systems. Critical business systems could be taken offline leading to financial loss through ransomware or outages on revenue generating systems as well as data compromise, leading to Information Commissioners' Office (ICO) fines or putting vulnerable residents' data risk with associated reputational damage. Improvements to cybersecurity are being made with investments tools like patching systems, e-mail protecting and training modules along with staff cyber risk awareness campaigns all in line with best practice National Cyber Security Centre (NCSC). To date, the average completion rate for training modules is 54%, with an ideal target closer to 100%. Staff are being asked via management to complete

cyber training and we are publishing on the staff intranet, the Wire, as well, directing staff to the Data Protection and Cyber Security Training page.

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

A series of measures have been established in order mitigate various external financial influences, such as the delay of publishing the Social Care Green Paper by the Government or fragility of the Care market. A protocol is in place to set out key roles and responsibilities and give guidance to officers in order to provide a means of continuing business functions and ensure the wellbeing of residents in the event of a disruption. Saving plans and improvement activity are also in place to increase the efficiency of services, ensuring most effective utilisation of the budget available.

All services have been liaising with their Finance Business Partners to monitor the financial impact of covid-19 and lockdown and the consequences these have for service delivery, transformation or income generation. Service recovery planning will continue as lockdown eases. Progress in income recovery will be monitored closely and forecasts revised in accordance with actual activity data as it becomes available. This will then be updated in re-forecasts through the coming year.

5. 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 currently 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. A new procurement framework has also been developed to introduce improvements to the current operating model and how procurement and contract management activities are governed, delivered and organised.

Garside Nursing Home update - The council is working closely in partnership with the CCG to review current commissioning arrangements that include Garside. In parallel the council is reviewing its possible actions as commissioner of care.

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

We work closely with other local authorities, the emergency services and partner organisations, to ensure that when an incident occurs, our response and recovery plans are ready to be activated. The council has emergency plans in place to ensure that we can provide specialist resources and technical support to the emergency services. The council maintains a generic emergency plan and number of specific emergency plans to deal a wide range of emergencies. These plans cover essential components such as incident response, council service provision and recovery.

7. The impact of Brexit on Council services and communities across Westminster

The UK is now scheduled to leave the EU on the 31st January 2020, with the Government limiting the post-Brexit transition period until the end of 2020. The uncertainty around Brexit relates now to the trade deal that the UK can negotiate with the EU. Brexit creates uncertainty for the economy of the City and the high number of EU nationals that currently work and reside in Westminster. Also, the 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. Policy, Performance and Communications 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.

Appendices

Appendix 1 - Performance by service directorate

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 narrative update on other service risks and issues that have arisen as a result of covid-19
- iii) a set of KPIs for each department
- iv) a comprehensive tracker of the City for All commitments

APPENDIX 1 - Performance by service directorate

1.1 Adult Social Care & Public Health

Achievements

Youth offending and serious youth violence Joint strategic Needs Assessment

Public Health, in partnership with internal and external stakeholders, has undertaken a Joint Strategic Needs Assessment (JSNA). The report responds to the Westminster Youth Crime Prevention Partnerships' recognition that a public health approach to youth offending and serious youth violence is required. With a focus on prevention and addressing the root causes of youth offending and criminal behaviour it acts to provide a better understanding of the health and wellbeing needs of the vulnerable cohorts in contact and at risk of being in contact with the youth justice system.

Outputs delivered

Main findings from the report, due to be published in July 2020, include:

- 100% of 19 year-olds who engaged with the Integrated Gangs Units in 2019 had previously engaged with Children's Services.
- With some exceptions, crime hotspots across the boroughs largely correlate with areas of multiple deprivation.
- 37% of young people in the YOT (Youth Offending Team) were on roll at the Pupil Referral Unit (PRU) at the point when assessed (by YOT).
- 14% of young people engaged with the YOT had a formal mental health diagnosis with a further 40% having engaged with mental health services.

Outcomes achieved

The report makes 17 recommendations centred around four key themes:

1. **Contextual safeguarding** – embed a whole system contextual safeguarding approach across the council and partners: recognising, understanding, and responding to, young people's experiences of significant harm beyond their families (and traditional safe-guarding mechanisms).
2. **Data and Intelligence** – using smart intelligence systems with multi-partner input to fully understand needs, predict at risk cohorts, embed predictive analytics and be able to appropriately respond: this includes community and cultural needs.
3. **Inequalities** – particularly in relation to young BME men and the specific needs of women and girls.
4. **Settings and spaces** – around young people including schools, youth provision and inclusive, fun and safe places for young people to socialise.

Westminster Youth Crime Prevention Partnership will oversee the implementation of these recommendations. The actions aligned with these recommendations and enablers are supported by a named lead, ensuring that the partnership remains accountable to the implementation of these actions and their outcomes.

As a result of Covid publication and sending this report to the Health and Well Being Board (HWBB) has been delayed to July. Once signed off by the HWBB, we can start work on implementing the actions which support the recommendations with the Youth Crime Prevention Partnership (YCPP).

Ofsted Inspection for SEND including young people (14-25 year-olds) and Adult Social Care Services

Ofsted and the Care Quality Commission (CQC) carried out the thorough inspection between March 9 and March 13 - speaking to children and young people with Special Education Needs and Disabilities (SEND), parents and carers, local authority and NHS officers.

An element of the inspection focused on the way in which Adult Social Care (in particular Learning Disability and Mental Health Services) contributed to;

- identification of and responses to the needs of young people with SEND, aged 14 through to 25 years;
- responding to the assessed needs of young people so that their outcomes and chances of having a full and active participation within their community and the exercising of choice and control;
- system coordination and support for young adults as they transition into adulthood;
- operating with systems that evidence effective partnerships to deliver person focused outcomes.

Outputs delivered

The final report complemented services that support young people and their parents/ carers, particularly their whole system approach to service design and delivery. The final report outlines several strengths stating that leaders from education, health and care are ambitious for children and young people with SEND, resulting in great outcomes for young people.

Outcomes achieved

The Ofsted report highlighted that Adult Social Care worked well with Children's and wider partners across Education, Colleges, Employment provision and Health Services. In May, Ofsted rated the service as "Outstanding."

The report recognised that there was shared ambition across services for young people (14 to 25 years of age) with SEND, with evidence that this translated into an improvement in outcomes for young people. The report provides recognition to staff that they are providing good services that help support young people to meet their outcomes.

Business Continuity Planning

Adult Social Care and Public Health reviewed all Business Continuity Plans to prepare for the impact of Covid-19. Plans to pause non-essential business with roles focused on supporting the local response to Covid-19 and delivering critical functions were made as part of these plans. This included ensuring plans were in place to maintain appropriate levels of service in the event of staff shortages, ensuring systems were in place to facilitate agile working for staff and ensuring plans were in place for assessing and reviewing service users. The approach also included liaising with providers of care and support to ensure that their plans were up to date.

Outputs delivered

Business Continuity Plans updated to ensure they facilitate directorate-wide planning and decision-making to enable the department to respond tactically and at speed. New ways established of staff working in an agile manner using technology.

Outcomes achieved

All critical functions in Adult Social Care and Public Health being maintained as outlines in our business continuity plans.

Ensuring the safety and well-being of our residents by delivering assessment, reviews and services in an agile manner.

Risks and issues

Fragility of the Care Market (Ongoing)

Pressures on the local care market, including staffing, training and development, and financial pressures, are resulting in the local markets being “fragile”. This also includes new pressures that are Covid-19 related including staffing shortages, voids due to increase mortality of people in care homes and increased usage of personal protective equipment (PPE).

Impacts and consequences

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

Mitigation and progress

- The Quality Assurance 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 legitimate cost pressures being experienced by the sector, and to support its ongoing sustainability.
- Credit and finance checks are carried out routinely on key strategic providers – care homes and homecare so that officers know their current financial standing.
- Additional Covid-19 support including:
 - Daily telephone calls with provides to regarding residents, staffing, PPE levels, availability and results of testing and to check infection control processes are in place and being followed.
 - Additional staff being provided to enable 1 to 1 support for residents and to assist with new infection contract for residents with challenging behaviours.
 - Establishment of the Supplier Resilience Forum where provides can bring forward claims for additional C-19 related costs so these can be considered and decided quickly.

Timeframe for improvement

Due to the fragility of the Care Market there is no timeframe for improvement as this is an ongoing risk.

Delays to Adult Social Care reforms

The Social Care Green Paper was originally due to be published in the summer of 2017, however, it was delayed. The paper was intended to resolve the ongoing issue of funding of Adult Social Care to ensure that it was financially sustainable over the longer term.

In December 2019, the new Government in the Queens Speech set out the intention of seeking cross-party consensus on proposals for long term reform of social care. The reforms aim to ensure that the social care system provides everyone with the dignity and security they deserve and that no one who needs care has to sell their home to pay for it.

Impacts and consequences

Due to the ongoing delays of these reforms there is an increased reliance on short term funding mechanisms (such as the Better Care Fund / improved Better Care Fund). This short-term funding doesn't provide the longer-term clarity that is need for Adult Social Care.

Mitigation and progress

Savings plans are in place to increase the efficiency of services, ensuring most effective utilisation of the budget available.

Timeframe for improvement

Unknown. The Minister for Health and Social Care has written to all MPs and Peers in early March to forge a cross-party consensus on reforming social care funding, however this has been on hold due to the Covid-19 pandemic.

Childhood immunisations (0-5yr olds) rates are among the lowest in England

Vaccination	Westminster	London	England
Diphtheria, Tetanus, Pertussis (DTap) / Inactivated polio vaccine (IPV) / Haemophilus influenzae type b (Hib)/ Hepatitis B vaccine <i>% of children who have completed their schedule at 1 year old</i>	84.1%	87.4%	92.1%
Diphtheria, Tetanus, Pertussis (DTap) / Inactivated polio vaccine (IPV) <i>% of children receiving their pre-school booster of DTaP / IPV by the age of 5</i>	63.9%	73.9%	84.8%
Haemophilus influenzae type b (Hib) and meningitis C booster <i>% of children vaccinated by the age of 2</i>	75.0%	83.0%	90.4%
Haemophilus influenzae type b (Hib) and meningitis C booster <i>% of children vaccinated by the age of 5</i>	79.5%	88.1%	92.4%
PCV Vaccine (Primary Care Vaccine) <i>% of children vaccinated by the age of 1</i>	84.8%	88.2%	92.8%
Meningococcal B Vaccine – <i>% of children primary dose vaccinated by the age of 1</i>	84.4%	86.9%	92.0%
Meningococcal B Vaccine – <i>% of children secondary dose vaccinated by the age of 2</i>	68.7%	79.5%	87.8%
Rotavirus Vaccine <i>% of children vaccinated by the age of 1</i>	79.4%	85.1%	89.7%
Measles, Mumps, and Rubella (MMR) Vaccine <i>% of children receiving first dose by the age of 2</i>	75.7%	83.0%	90.3%
Measles, Mumps, and Rubella (MMR) Vaccine <i>% of children receiving second dose by the age of 5</i>	64.1%	76.3%	86.4%
Flu <i>% of 2 year-olds receiving a flu vaccine nasal spray</i>	24.6%	31.8%	43.8%
Flu <i>% of 3 year-olds receiving a flu vaccine nasal spray</i>	24.7%	33.0%	45.9%

Impacts and consequences

Immunisation and vaccination reduce the risk of disease outbreaks and preventable morbidity and mortality. A high coverage is required to prevent onward transmission of infections. Low coverage means increased risk of disease outbreaks and pandemics.

Mitigation and progress

Most of our Immunisations work has been paused as we respond to the COVID-19 pandemic. GPs have continued to provide Immunisations throughout the pandemic and there have been national and local communications campaigns to encourage uptake and reassure parents that visiting the GP for Immunisations is safe and necessary.

School aged Immunisations have been paused but will be reinstated in the Autumn with community catch up clinics running throughout the summer.

NHS England have reinstated the NWL Immunisations Performance and Quality Board and are monitoring the effect of the pandemic on the uptake of immunisations. Although all boroughs in London have been affected by a drop-in uptake during the pandemic, interim data indicates that North West London is less severely affected than other London regions.

Public Health are monitoring the uptake data and supporting with local, national and regional comms.

Service issues related to covid-19**Commissioned services' response to COVID-19**

Public Health Commissioned services are responding to Covid-19. Where appropriate, services have changed the way they work, increased remote working or reduced service offers. We have continued to monitor the work closely and agreed delays to end of year reporting during the first quarter to accommodate the providers needing to shift to new patterns of working. Initially we received daily updates which have now moved to weekly. Staffing of services was an initial concern due to shielding and sickness. This has been well managed, and services have been sustained throughout. Some NHS services have stepped down to fully support the wider demands on the NHS.

Impacts and consequences

Some services have changed the way they operate and deliver the service. For some like sexual Health Screening this has meant a reduction in physical screenings taking place and increased referrals to the e-service screening offer. For health visiting this has meant the service reducing output as it steps down to support the NHS. Health checks ceased due to limited access to GP surgeries and as lockdown eases this will be reinstated. Substance misuse services and alcohol services have been working remotely with some face to face and home visits. Clinical interventions have continued where needed. The health and wellbeing service "One You" has delivered the majority of their services using a range of digital platforms.

Mitigation and progress

Overall providers have responded well and flexibly to virtual working we will need to consider, as we move out of lockdown, how and where the positive new practices can be developed and established as an integral part of services. The Public Health team are currently assessing the health impact of COVID-19 to: mitigate the direct risks in the short term should there be a second wave, and to evaluate and meet established and new health need in the future given the ongoing requirement for social distancing.

Timeframe for improvement

This is not clear and based on the governmental response to Covid-19. As lockdown eases it is anticipated that services will return under a new normal and it is expected that this will progress over the course of the remainder of this calendar year.

Some services have changed the way they operate and deliver the service. Service users are notified of changes. Regular contact is made with service providers to ensure that all actions are being taken to adapt services as necessary

Hospital Discharges / Adult Social Care Surge

Adult Social Care has worked with local hospitals since March to ensure that there is safe, effective and rapid discharge from hospital for Covid-19 patients. This has been to support the NHS and ensure that

there are no issues regarding bed blocking, whilst also ensuring that we can meet any potential “surges” of demands from discharges. This has included ensuring we have enough beds in the community to meet these demands.

This work has included monitoring both admissions into hospitals and discharges to Adult Social Care along with community provision on a daily basis and reporting through situation reports (SITREPs). This approach has ensured that Adult Social Care was able to best respond to any potential surges and also to meet the peak of demand that occurred in April.

Impacts and consequences

The potential impact of increased hospital discharges is lack of care home beds to allow discharges or support to allow people to return to their own home. However this was avoided through the various actions that Adult Social Care has taken. This needs to be considered in the event of a second surge.

Mitigation and progress

Daily SITREPs were established to review both the hospital admissions, discharges and care home capacity. Daily telephone calls were completed to providers to provide support with any issues. Additional beds were procured across the North West London region to increase Care Home Bed capacity.

The peak of the demand was in April and through the actions that were taken Adult Social Care was able to meet the demands from hospital discharges.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Target range definitions	Minimum	The minimum level for the KPI that will still allow the service to deliver	YE Target assessment definitions	Target missed	Did not achieve the minimum target level
	Ideal	A level which is acceptable for service continuity		Target exceeded	Exceeded ideal target level
	Aspirational	The level at which the service is improving beyond current capability		Target achieved	Met the ideal target level
				Minimum standard met	Met the minimum target below ideal level

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	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	56	Target achieved	↑ Up from 39, meeting target	Draft Position. ASC statutory submissions have been delayed until July due to COVID 19 response. This KPI has been directly impacted by COVID-19. (lower number is positive)
2. Delayed transfers of care, acute days attributed to social care (cumulative)	848	1,213	→	1,103	→	1,047	471 Data until Feb 2020	Target achieved	↓ Down from 498, still meeting target	Production of data suspended by NHS to focus resources on COVID – 19. No indication of when reporting will re-commence.
3. % of carers (caring for an adult) who have received an assessment or review of their needs	90.6%	80%	→	90%	→	95%	91.2%	Target achieved	↑ Up from 66%	Performance was impacted by COVID-19 response through February and March however strong final position.
4. % of service users receiving an assessment/review	85.8%	80%	→	90%	→	95%	93%	Target achieved	↑ Up from 65%	Performance was impacted by COVID-19 response through February and March however strong final position

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	→ Ideal	→ Aspirational				

Public Health – 2019/20 data below unless otherwise stated

5. % of children who receive a 2-2.5-year development review	70%	70%	→ 75%	→ 80%	68.5% (1562/2281) Quarter 3	Target missed	↓ Down from 69%, previously missing minimum target
<p>Service commentary: The mandated health visiting service is a key component of the pre-birth to five programme and performance continues to exceed the London average across all indicators. This particular target is impacted by children being referred to specialist paediatric services for review and by families leaving the area.</p> <p>Mitigating action: Service monitoring is regularly scrutinising this target and working with providers and key stakeholders to improve data capture and better understand why we are off target. Public Health has been working with partners from across the system to identify how our pre-birth to five services meet the current and future needs of our local population. The redesign of the service and pathways for health visiting interventions at each key stage will aim to improve. The final quarter of the year will be impacted by COVID therefore we are not expecting improvement to be shown in Q4 data.</p>							
6. % of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months	36.96%		→ 35%	→ 40%	36.92% (168/455) October 18 – September 19	Target achieved	↑ Up from 36.23%
7. Community Champions - Number of residents reached through activity	16,962	10,000	→ 12,000	→ 14,000	15,090	Target exceeded	↑ an increase of 2,674 during Q4
8. % of opiate misusers in treatment, who successfully completed treatment and did not re-present within 6 months	7.09%	Mid Percentile	→ 7%	→ 7.37%	6.3% (34/540) October 18 – September 19	Minimum standard met	↓ Down from 7.36%, previously meeting target

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	→ Ideal	→ Aspirational				
<p>Service commentary: This data can fluctuate due to the way this is reported and the time lag. Not all individuals returning to treatment have relapsed but are requesting interventions linked to their wider support needs e.g. Covid19 may have had an impact on some individuals returning to treatment services for support due to being at risk of relapse.</p> <p>Mitigating action: We look at local monitoring data and work with providers to understand why there is a lower percentage and also consider the actual numbers and how this impacts on percentage swings. Providers are asked to review all returners and identify themes where lessons can be learned, and improvements can be made. External factors such as Covid19 would be taken into account in this process.</p>								
9. Stop Smoking Services – number of 4 week quits	1,020	820	→ 920	→ 1,000	1,107	Target exceeded	↑ Up 173 in Q4	
10. Total Sexual Health Screens Undertaken through E-services	5,862	8,000	→ 9,000	→ 10,000	34,354	Target exceeded	↑ Up from 28,629	
11. Screening Positivity rate (% screens resulting in diagnosis)	1.93%	5%	→ 4%	→ 3%	2.59% (890/34,354)	Target exceeded	↑ Up from 2.58%	

City for All Tracker

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

City for All Pledge	Delivery Status	Progress update
Caring and fairer city		
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.	Not provided	<ul style="list-style-type: none"> Not provided
Healthier and greener city		
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.	Completed	<ul style="list-style-type: none"> Not provided

1.2 Children's Services

Achievements

Positive SEND Inspection March 2020

WCC received a positive SEND inspection report after our Joint Local Area SEND Inspection in March 2020.

Outputs delivered

As part of our preparation for our SEND inspection, we worked on strengthening key areas of the SEND service as well as improving SEND governance and looking at the logistics of the inspection. The success of the inspection is testament to the outputs we delivered as part of our preparation journey. We strengthened joint working with health colleagues in the CCG, for instance through our joint Strategic Implementation Group and CFA Board, and improved co-production by developing methods to engage with and consult young people and their families. Every quarter, we identified strengths and areas for development as part of our SEND Self Evaluation Framework.

The inspection recognised the strength of our leadership and governance and reflected the improved outcomes for families and young people and the increased satisfaction of those engaged with our SEND services. Inspectors undertook successful visits to schools and settings and heard positive stories and evidence from focus groups which clearly showed the change journey resulting in improved services and strong practice.

Outcomes achieved

The letter we received from Ofsted was one of the strongest and most positive received by any local partnership. We received recognition of our shared ambition for our children and young people with SEND. As a local area partnership, it was positive that our improvement journey and the hard work of all agencies was acknowledged. The report noted the improvements in quality and completion of Education Health and Care Plans and that all agencies worked well together to ensure that emerging needs were identified and assessed quickly. Inspectors identified that our early years staff work closely with healthcare professionals. Joint working is strengthened by healthcare professionals having a visible presence in the three early help, integrated family hubs.

Transforming our delivery model during lockdown

Transferring our delivery model to digital platforms, supporting schools to remain open throughout the Covid19 lockdown period and enabling our staff to work effectively from home.

Outputs delivered

The pandemic has had a profound impact on frontline services bringing unprecedented challenges. Children's services response has been agile, creative and consistently focused on keeping children and young people safe. Our front-line workers have continued to manage robust duty systems and to visit those most at risk by using dynamic risk assessments throughout. Staff have embraced technology, used digital platforms to undertake statutory tasks, assessment and visits and generally worked creatively to engage children and families in order to maintain critical frontline safeguarding services and key support services.

We have kept in contact with young people and families using digital platforms in the following ways:

- We provided laptops and internet connectivity to families and young people to support our ongoing work and this included the procurement and distribution of old council IT stocks. This

was important to ensure children could keep up with school work and communication with social workers;

- We set up virtual children’s centres providing weekly, age-appropriate activity packs for families and running virtual parenting programmes and other useful activities;
- Our children in care meetings, child protection conferences and looked after children reviews moved to virtual platforms;
- We continued to offer parenting classes online;
- Direct visits were maintained where needed and PPE provided to support safety and wellbeing of staff.
- We supported online activities with children and young people – exercise classes, dance etc.

As part of our response to Covid-19, we have supported schools to work together to create a school based education offer for children of keyworkers and those considered vulnerable (who had a social worker, EHCP) where appropriate. We have supported schools with the sourcing of PPE and the logistics around the FSM offer to children.

We have developed multi-agency practice guidance for staff outlining the changes in service delivery and we have given our staff advice about home working and emotional wellbeing. We initiated a number of mechanisms to support staff wellbeing including daily check ins, mindfulness sessions, online yoga classes, quizzes etc.

Outcomes achieved

Directors have received positive personal testimony from young people and their families about the impact of our work during the lockdown period. There have also been some good interactions through digital media with previously hard to reach young people and good feedback from parents who were feeling isolated and who welcomed digital contact and new ways of working remotely and digitally. Our commitment to digital working and keeping in touch with young people and families has been reflected in positive outcomes in terms of a stability in our KPIs, stability in placements and the undertaking of successful children in care meetings, child protection conferences and looked after children reviews. Schools have offered consistent provision to the children of key workers and to vulnerable children throughout the period using hubs.

Good performance outcomes during lockdown

Good performance outcomes against all key indicators, despite the lockdown.

Outputs delivered

The stability of our KPIs across this period is testament to activities undertaken within Children’s Services to adapt our provision so that children and young people are kept safe during lockdown. We have embraced digital working to conduct key meetings and reviews and also as a way of checking-in with families and young people more informally.

Some of the activities which have helped ensure good performance against key indicators include:

- A safeguarding campaign to promote the best interests of children;
- A DV campaign and working with key partners to promote messages to support victims;
- A review of placement sufficiency was conducted by our Transformation and Innovation team. This including looking at providers’ Business Continuity Plans and creating new placement capacity and spaces in our homes. We have been working with the West London Alliance to ensure placement stability in the bi-borough;
- Direct visits were maintained where needed and PPE provided to support safety and wellbeing of staff;
- Our children in care meetings, child protection conferences and looked after children reviews moved to virtual platforms.

Outcomes achieved

Performance against our key indicators has been steady across the lockdown period. This reflects the fact that children and young people have been kept safe during period and have continued to experience good outcomes. Digital working has ensured steady contact with families and young people and we have met our statutory duties using virtual working, for instance by conducting children in care meetings, child protection conferences and looked after children reviews digitally. Our proactive work has ensured stability and safety for children at this critical time.

Risks and issues**High pressure on SEND Short Breaks**

High pressure on our short breaks SEND service.

Impacts and consequences

Provision of short breaks is a statutory duty. Increased referrals for short break services puts pressure on our team's capacity and on funding (some of which comes from our High Needs Block). We only get a very small amount of money for a portage worker from this in WCC. It is known that supporting families early following the diagnosis enables families to cope better and could prevent the risk of families seeking residential support later.

Mitigation and progress

Due to the growing demand for short break places we have worked to create hubs and satellite services that provide access in north and south of the borough. Our Short Breaks menu has now been created and launched on the local offer website. We are currently looking at further developments to improve our youth and 0-5 offer across both boroughs. As a result of demand on the service we are currently bidding for additional funding to increase our capacity with the Short Breaks Team - as caseloads are expected to further increase in 2020.

Timeframe for improvement

We will continue to monitor pressure on our short breaks service at our Strategic Implementation Group and CfA Board, as well as via our quarterly SEND Self Evaluation Framework.

Serious Harm or Death of a Child

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

Impacts and consequences

The death of a child has a significant and lifechanging emotional impact on all those connected to the child. In addition, there is also an impact on the local authority including potential reputational impact if the local authority and/or partner agencies were in any way at fault or seen to be at fault.

Mitigation and progress

For a child or young people to whom we have a duty of care there are safety, reliability and quality assurance processes in place to keep children safe. How we recruit and train our staff and how we continuously improve work including through Practice Week and focused audits of work with children all supports safe practice. Activities are monitored by the Local Safeguarding Children's Partnership to ensure lessons are learnt from case reviews. Staff are expected and encouraged to attend safeguarding and other relevant training. In the event of harm or the death of a child, there would be a co-ordinated

response (including corporate teams). We would work with other agencies to ensure appropriate action is taken.

Timeframe for improvement

We will continue to monitor and manage this risk.

Postponement of significant transformation projects

Postponement of significant transformation projects means that there will be a delay in improvement to key areas, for example inclusion in schools.

Impacts and consequences

In order to respond to the Covid-19 crisis, we have suspended some business as usual (BAU) projects in order to manage the immediate risks associated with the pandemic. Projects such as our review of alternative provision and creation of an inclusion strategy sought to secure improved outcomes for young people in education and beyond. The realisation of these benefits will be delayed and the postponement of projects risks losing the traction gained through engagement to date with stakeholders and partners. Some transformation projects are also set to deliver savings and efficiencies which will be delayed.

Mitigation and progress

We will continue to monitor projects and identify opportunities for re-starting transformation projects as part of our wider work on recovery and re-enabling provision. There may be ways to engage with stakeholders and partners virtually to ensure that the momentum is kept ahead of restarting projects. The experience of delivering children's services through the pandemic lockdown period may offer opportunities to underline the significance of some of our transformation projects, for instance the importance of the attendance of vulnerable children at schools. Future engagement with stakeholders may also be helped by our close collaboration and collective problem solving with partners during this time.

Timeframe for improvement

We will continue to monitor the status of our transformation projects and work to identify points at which we might re-start work as part of our recover plans.

Service issues related to covid-19

Low School Attendance

Low numbers of children attending at school, particularly low numbers of vulnerable children attending at school.

Impacts and consequences

Lack of attendance at school has a clear impact on educational outcomes among vulnerable children but school attendance is also a key way in which we can help to ensure the safety and wellbeing of our young people. Schools are a major referral route into the Council as teachers and other staff identify safeguarding concerns among their pupils. Increasing time with family also risks tension in the home and pressures on family life. Referrals from schools are down. Furthermore, school provides a social function with peer-to-peer contact which is likely to be lacking at home.

Mitigation and progress

We have worked on our communications to schools and families to ensure a clear message that vulnerable children should be in attendance at school wherever possible. Where attendance isn't possible

or parents and guardians choose not to send their children to school, we are ensuring contact with our vulnerable young people by face-to-face or virtual contact, depending on the level of vulnerability. We have supported schools to ensure the provision of free school meals (FSM) for all of those who are eligible and have helped schools to source supplies of PPE. The re-opening of schools is likely to encourage more vulnerable children to attend.

Timeframe for improvement

Senior leaders in Children’s Services will continue to monitor attendance levels closely and regularly (at least weekly) including attendance of very young children at nurseries and other early years settings. In particular we will review and encourage the attendance of vulnerable pupils at school.

Safeguarding of Children

The lack of visibility of children as a result of the COVID 19 lockdown; the impact of this pandemic on the safety, wellbeing and learning of our children, and the potential for increased demand for social care services as we move out of lockdown.

Impacts and consequences

Our usual referral routes for Children’s Services (e.g. children’s centres, the NHS and the Police) have been affected by Covid-19. Referrals have reduced significantly as children have been ‘out of sight’. This has implications for the safety of our young people and the ability of staff and the community to provide a safeguarding function. Once lockdown eases, there is a risk that referrals will rapidly increase. This could impact on our ability to take timely action and intervene effectively and have staffing capacity and financial implications. There are also likely to be delays in the court system’s ability to process cases as lockdown eases.

Mitigation and progress

We launched a communications campaign to encourage community vigilance around the safeguarding of children and young people. We have worked extensively with schools on their provision to vulnerable children and the children of key workers. Throughout, we have maintained contact with vulnerable children through face-to-face and virtual means, depending on the need and the level of risk. We are currently working on our recovery and re-enabling provision plans which will consider the mitigations for increased demand as we move out of lockdown.

Timeframe for improvement

Children are likely to become more visible and usual referral routes are likely to re-open as lockdown is eased and school attendance increases. Our recovery and re-enabling provision plans will look at increased demand and capacity and set out actions for us to take in one, three and six-month timeframes.

Delivery of Savings Plans

Inability to deliver savings plans in required timescale as a result of Covid19

Impacts and consequences

There have been additional cost burdens on Children’s Services as a result of Covid-19. For instance, there have been cost pressures on our short breaks service because we have enhanced provision and we have sent laptops and ensured connectivity to vulnerable children. We have also postponed some transformation projects which were set to deliver savings and efficiencies for the Council.

Mitigation and progress

Services are liaising with Finance Business Partners to ensure all Covid-19 related spend is mapped. We will continue to monitor our on-hold transformation projects to see when we might be able to re-start work as part of the recovery and re-enabling provision process. There may also be opportunities through this crisis to look at delivering services in new ways that might enable efficiencies.

Timeframe for improvement

We will continue to monitor our savings plans and Covid-related spend as lockdown eases and we begin the recover and re-enabling provision process. Recovery and re-enabling actions will be planned over one, three and six-month timescales as above.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Target range definitions		Minimum Ideal Aspirational		The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability		YE Target assessment definitions		Target missed Did not achieve the minimum target level Target exceeded Exceeded ideal target level Target achieved Met the ideal target level Minimum standard met Met the minimum target below ideal level	
Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight	
		Minimum	Ideal	Aspirational					
1. % of Westminster schools judged to be outstanding by Ofsted	34% (20/59)	27%	→ 32%	→ 37%	34%	Target achieved	Same as at Q3	Data at 31 st March 2020.	
2. % of Westminster's pupils who achieve 9 - 4 (A*-C) in English & mathematics	74% (2018 Year)	74%	→ 76%	→ 78%	75.2%	Minimum standard met	Same as at Q3	Data for the end of 2019. Next results would have been published Autumn 2020 for the end of 2019/2020 academic year. School closure has prevented pupils from completing their curriculum year whether they were in the final year of their key stage or just beginning. Any results will take the form of a teacher assessment	
3. % care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)	63%	50%	→ 60%	→ 80%	68%	Target achieved	Down slightly from 72%	Data at 31 st March 2020.	
4. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks	89%	60%	→ 70%	→ 75%	99%	Target exceeded		On 31 April, the Secretary of State announced a decision to relax the statutory timescales within the Children and Families Act (CFA) 2014 due to coronavirus recognising some health staff had been repurposed and it was likely to impact on the timeliness of their contribution to assessments. This temporary modification, which means that it is allowable to exceed the 20-week timescale for assessments, came into force on 1st May 2020 and applies until 25th September 2020. In the calendar	

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
								months March and April, we completed 100% of assessments within statutory timescales (20 weeks).
5. % of children who reach expected levels for reading, writing and maths at the end of primary school	72% (2018 academic year)	58%	68%	73%	70%	Target met	Same as at Q3	Data for the end of 2019. Next results would have been published Autumn 2020 for the end of 2019/2020 academic year. School closure has prevented pupils from completing their curriculum year whether they were in the final year of their key stage or just beginning. Any results will take the form of a teacher assessment
6. To promote independence of young people by offering Independent Travel Training	2	2	3	4				The launch of the programme has been postponed due to COVID. Our travel trainers have been redeployed to other posts within the team until they are able to begin training.

City for All Tracker

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

City for all Pledge	Delivery Status	Progress update
Caring and fairer city		
<p>We will 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</p>		<ul style="list-style-type: none"> • We have expanded our offer for disabled children during lockdown and we have expanded our number of short break sites. We have been supporting 15 families for three months with shopping and medication runs. All these families were shielding. We have 25 children who are not in school but receiving 2 slots of three hours at Tresham or St Quintin during the daytime. We have three children with complex needs being support for 5 mornings each week at three different centres, on top of the other 25. Saturday support is ongoing at Tresham, St Quintin and Flashpoint. • Half term went well over the five sites with very positive feedback. Chelsea playground is reopening for Saturdays from this week for limited numbers. All parents who have Direct Payment (DP) activities are now converting to our core offer for those families who have a registered carer, this will continue till 1st September. • We are now starting to plan for the summer. We currently have 10 sites but looking for more. We will offer all families who have a Holiday Care Package -2 days a week for August at one of these sites. We are also moving to start assessments from next week for all new referrals as currently have 32 new families waiting. These will be in a centre with the Short break Practitioner/Mum/Child instead of in the home. • Our school inclusion pilot, aimed at preventing school exclusion by bringing together the school, family and child into a new relationship using a trauma informed framework (ARC – attachment, regulation and competency), is gaining momentum amongst schools. We have trained a group of ARC champions (made up of practitioners from across various services, including schools) who will support the offer to our teams and partner organisations. To date, 197 practitioners have attended training, including representatives from 21 schools. We are currently working with 9 schools, 3 of which are helping us to develop the approach across their whole school system. The programme started with the primary sector but already includes 3 secondary schools. Key findings last year included improved behaviour and progress with learning and school enjoyment. Our work is highlighting the importance of support across the transitions from primary school and following children into secondary school.

City for all Pledge	Delivery Status	Progress update
City of opportunity		
<p>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.</p>		<p>34% of Westminster Schools are currently judged outstanding by Ofsted. This compares very strongly to average national figure which currently stands at 21% and a London average of 32% and is exceeding the 'ideal target' 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.</p>
City that offers excellent local services		
<p>We will continue to invest in and maintain the highest standards in our outstanding children's services as rated by Ofsted.</p>		<p>Ofsted inspected the council's children's services in September. Westminster's children's services were judged to be outstanding for the impact of leaders on social work practice; the experiences and progress of children who need help and protection; the experiences and progress of children in care and care leavers and for the service's overall effectiveness.</p> <p>Ofsted concluded that excellent services for vulnerable children in the city result in positive enduring change for children and families. They praised highly skilled, experienced social workers and other frontline practitioners who provide sensitive and innovative child-centred interventions. Early Help services are described as exemplary with highly skilled assistance for children at risk and Ofsted noted that children who do come into care are provided with highly dedicated care and support. Inspectors observed that leaders are tireless and curious in their approach to practice.</p> <p>Our strategy is to drive continuous improvement and innovation by relentlessly focusing on practice and building on our successes. We aim to achieve strong leadership based on open dialogue, collaboration, and co-production; factors we believe drive high performance. We want all our practitioners to have more time with families to build relationships that allow them to get alongside them and create change; ultimately improving outcomes for children. We are committed to listening to and involving children and their families as we work with them.</p> <p>Some areas of innovative practice that we have been focused on includes:</p> <ul style="list-style-type: none"> • launching significant changes to our child protection conferences in September 2019, as part of our work as Partners in Practice; • In the past year we participated in three research studies led by the University of Bedfordshire and Tilda Goldberg Centre for Social Work and Social Care, Cardiff University Research Team (Cascade), and Kantar's Public Division; • We have successfully strengthened the voice of the child and community engagement in service design by ensuring that all service developments are co-produced with children, young people and their parents/carers. <p>At the end of 2019 we launched Westminster Guardians as our new approach to corporate parenting.</p>

1.3 City Management and Communities

Achievements

Electric Avenue

Implementation of 24 electric vehicle charge points, in line with wider plans to have 1,000 new charging points by the end of 2020.

Outputs delivered

In partnership with Siemens and Ubitricity, we launched the UK's first fully electric street on Sutherland Avenue W9 on 16 March 2020, an initiative dubbed 'Electric Avenue'. This involved 24 lamp columns alongside resident parking bays being fitted with electric vehicle charging points as part of broader plans to have 1,000 charge points situated on the public highway by the end of the year.

The launch day was attended by Cllr Smith, Cabinet Member for Environment and Highways, as well as the CEOs of Siemens and Ubitricity. The event attracted significant interest from national, local and trade press.

Outcomes achieved

Westminster suffers from some of the worst air pollution in the country. Electric Avenue gives us a glimpse into the future of streets in Westminster, where we hope to provide the infrastructure needed for our residents to make the switch to greener, cleaner transport. The installation on Sutherland Avenue, chosen because of the significant numbers of electric vehicles (EV) owning residents within close proximity, will extend to include the conversion of all appropriately situated lamp columns in Hall Road, Circus Road and St John's Wood Terrace, that run on from Sutherland Avenue. Westminster's ambitious programme, in which approx. 450 lamp column charge points are being procured, will mean that other parts of the City will also soon see other streets being fully converted in a similar way.

Residential Environmental Health

Improvements to living standards in the private rented sector brought about through the intervention of the Council's Residential Environmental Health Officers.

Outputs delivered

Officer interventions have brought about the removal of 592 Category 1 hazards, i.e. a hazard presenting serious risk to residents' health, from private rented properties across the borough. An example of such work would be the provision of satisfactory fire detection measures to remove a fire hazard. In addition we have overseen the removal of 698 Category 2 hazards, and the overall improvement of 62 Houses in Multiple Occupation (HMOs) across the borough. In addition, officers have issued a total of 70 HMO licences generating approximately £249,000, to ensure that satisfactory standards of repair and management are upheld in these properties.

Outcomes achieved

Ensuring the provision of accommodation in the private rented sector (PRS) which is safe and healthy for residents through education and support provided to landlords and agents, and the pursuit of appropriate enforcement action where necessary.

Residential Fire Safety

Remediation of residential high rise accommodation to ensure fire safety in line with the government's Building Safety Programme.

Outputs delivered

Intensive engagement with building owners, managing agents and residents to raise awareness of fire safety issues in high rise residential properties, and any remediation required. Initial enforcement actions have been taken regarding buildings presenting risk in order to progress remediation, particularly the replacement of hazardous cladding. The Council has facilitated applications to the government's Private Sector Remediation Fund to assist with remediation. Officers have also carried out an extensive audit of buildings across the borough to identify all high rise buildings providing residential accommodation, and have gathered information regarding their wall systems as requested by MHCLG.

The work will help identify high rise buildings where fire safety risks exist due to cladding applied, and direct work to remove these risks. The management of these risks will be the responsibility of the building's owner, or manager, under the new legislative framework to ensure fire safety in the buildings, the new Building Safety Regulator.

Outcomes achieved

The Council now has a clearer picture of the incidence of high rise buildings within the borough, including those of concern in relation to external cladding and fire safety. Building owners, agents and residents are now more informed regarding fire safety risks in these buildings, and remediation works necessary where applicable. Enforcement of remediation in private residential buildings is being progressed alongside key partners such as London Fire Brigade to remove risks where appropriate.

EU Settlement Scheme

The EU Settlement scheme was introduced June 2019. It allows EU citizens who have been in the UK for five years or more by 31 December 2020 (or the date the UK leaves the EU in the event of no deal) to apply to continue living and working in the UK.

Outputs delivered

The service was available at Charing Cross, Paddington and Victoria library from June 2019, with it being extended to Church Street Library in mid-November. The scheme was signposted through the EU settlement pages on the .gov.uk website, where appointments could then be booked on the WCC website. By mid-March 2020, 2001 appointments had been made to scan documents needed for part of the application process. £38,843 was raised by this scheme.

Outcomes achieved

This self-service scanning offer complemented that offered by Registrars, successfully. 63% of the 2,001 appointments were for residents, supporting Westminster residents in future council residence.

Public Realm Schemes

Delivery of £45 million in public realm schemes – this will encompass an array of schemes that will be funded by Transport for London (TfL) and Westminster capital. The purpose of public realm schemes is to improve primarily the walking accessibility but also the quality of the public street environment for socialisation and other human activity.

Outputs delivered

By improving the quality of public streets for alternate uses, walking and cycling can happen while people shop and socialise through the day and night, increasing the potential levels of leisure and business activity. This yields quality of life and economic benefits to the borough. The aim of previous schemes, those of Crown Estates, was to reduce the street from a public highway that is almost entirely a public place to a street suited for wider leisure and business activity so that they could compete with the growth of shopping centres that offer wide open traffic free spaces.

Outcomes achieved

Typical activities in public realm schemes are improving the quality of materials and their layout, pavement widening, tree planting, reducing the size of the carriageway, speed reduction so vehicles are less threatening to pedestrians and cycles, and can include installing mode filters for cycles, cycle lanes and cycle parking, and installing rest points (benches, etc.).

We have implemented cycle hangers on our streets for residents, whilst also offering services such as Doctor Bike and Cycle Station. Diffusion testing has been carried out to monitor air quality purposes, as WCC is a AQMA (Air Quality Management Area).

Greener City Action Plan (GCAP)

Adopted in 2015, the GCAP sets out a wide-ranging programme of environmental schemes and projects for how the Council is making the borough a more sustainable city. Westminster City Council's Greener City Action Plan (GCAP) is a ten-year plan (2015 – 2025) that sets out how the City of Westminster is leading the way to becoming a more sustainable city. It is designed to help top-tier managers to ensure that all of our services and policies work together to create a more sustainable and liveable city. GCAP delivers a wide-ranging programme of environmental schemes and projects and maps out a challenging agenda for the future. We are currently in our fifth year and more information can be found at our [website](#).

Outputs delivered

As part of the Greener City Action Plan (GCAP) officers have delivered a number of successful project and campaigns in 2019/20 as part of City for All priorities. We saw the launch of the Schools Clean Air Fund and the Active Streets programme, creating safe active space and well-being for schools and residents reducing air quality, congestion, noise and improving health. We doubled the number of EV charging points across the City. We currently have 125 publicly available fast chargers, 312 lamp column charging points for residents' use, 6 rapid chargers for taxis & 44 fast chargers for car club vehicles.

Our 'upcycled' EV waste collection hit the streets, the first in London. We are in our second year of award-winning campaign Don't Be Idle which has over 14,000 pledges, alongside this campaign we had 20 Air quality action days running throughout the year with local volunteers. The greener jobs project was launched by the economic team supporting 41 residents into green jobs over a 2 year period. The GCAP is also supporting the climate change programme to be zero emissions by 2030 and a carbon neutral city by 2040.

Outcomes achieved

Continuing delivery against the established targets within the Greener City Action Plan. All current GCAP priorities are on track. We are also looking to see how the GCAP priorities set out in the plan, can support our Climate Emergency response that will deliver on our wider sustainability agenda to be zero emissions by 2030.

Noise

Managing Increased demand across the service – noise, implementation of a noise Simple Messaging Service (SMS) and virtual triaging of noise complaints

Outputs delivered

By the adoption of new technology, we have changed our delivery model for noise (pre-COVID-19) and delivered further improvements during this unusual time. The implementation of the SMS service means that we have been able to reduce the number of call backs (by approximately 30%) and visits undertaken, despite an increase in the number of noise complaints of 16% (FY1920)

COVID-19 has allowed us to move to a virtual triaging model which involves officers working from home assessing noise calls and managing them remotely which has further reduced our need to physically visit addresses.

Outcomes achieved

More efficient delivery of the noise service and deployment of officers. Noise complaints are managed more effectively with our response based on risk. We have changed our delivery model for noise (pre-COVID-19) and delivered further improvements during COVID-19. The implementation of the SMS service means that we have been able to reduce the number of call backs (by approximately 30%) and visits undertaken, despite an increase in the number of noise complaints of 16% (FY1920)

COVID-19 has allowed us to move to a virtual triaging model which involves officers working from home assessing noise calls and managing them remotely which has further reduced our need to physically visit addresses.

Risks and issues

Finance

Despite being broadly on line for income targets for 19/20 across CMC, COVID-19 has significantly interfered with operational delivery, enforcement and compliance, impacting the year end totals for 19/20.

Impacts and consequences

Due to the number of dependencies and the unpredictability of COVID-19, it is currently not possible to detail what the impacts and consequences are.

Mitigation and progress

In many areas we are beholden to legislation and government guidelines dictating when elements of the economy may reopen whilst also being mindful of the need to support businesses to reopen post lockdown using enforcement as a last resort. Availability of staff will also impact on income generation.

However, to mitigate we have put in place the following:

- Following up on outstanding debt/enforcement notices to maximise income/cost recovery where possible
- Moving to a virtual delivery model to maintain operational delivery where possible
- Tracking legislation and guidance to help us identify where and when we can resume our compliance and enforcement activities.

Timeframe for improvement

- Highly dependent on legislation and government guidelines around exiting lockdown/reopening the city
- Potential remapping of income targets across 20/21 to account for loss of 3/4 months + income
- Working across the City to identify opportunities for new income streams

Parking Income

In part as a result of a number of internal and external policies and initiatives implemented over the last few years, and in part as a result of a shift in modal trends, we are seeing income from casual parking and other traditional parking revenue streams such as resident parking drop.

Impacts and consequences

Whilst we are not permitted to introduce initiatives just for the financial gain they may bring, parking income helps pay for a number of highways-related initiatives and this income is important in allowing the City Council to maintain its highway and to develop new initiatives.

Mitigation and progress

New initiatives are being considered and developed as part of a comprehensive Parking Policy Review which look to repurpose the kerbside, in part to reduce the reliance on paid-for parking and other traditional income streams as demand for the kerbside changes over time.

Timeframe for improvement

- Parking Policy Review measures are looking to be approved by the end of 2020
- However, COVID has just exacerbated this issue.

Libraries Contracts

Failure to renew or re-procure contracts for self service solutions. There is currently limited support and maintenance contracts on ageing equipment, essential to service delivery.

Impacts and consequences

The library service relies on IT equipment, both for staff and public use. Poor or inadequate equipment will impact on service delivery, both real and virtual for customers, affecting the reputation of the council.

Mitigation and progress

Limited maintenance contracts have been extended to end June 2020. Re-procurement is underway, with an award expected July 2020. Impact risk to libraries offset by Covid19 closure of libraries.

Timeframe for improvement

- Re-procurement contract due July 2020. Virtual offer being developed whilst closed, and will be absorbed into business as usual after re-opening.

Traffic Camera Installations

With the installation of new traffic camera sites and the expansion of our camera estate, we run the risk of objections and challenges against our motives to install further sites.

Impacts and consequences

With the installation of new traffic camera sites and the expansion of our camera estate, we run the risk of objections and formal challenges against our motives to install further sites, which could ultimately result in us being forced to decommission active sites and suffer the negative reputational consequences this would cause.

Mitigation and progress

Under the camera review, processes have been finessed and made more robust. All new installations are subject to a comprehensive governance programme and are only installed where there is a clear traffic management justification to do so. This is explained in our online content.

Timeframe for improvement

- Ongoing, we can only mitigate against the likelihood of a challenge through following due processes and clear communications.

Service issues related to covid-19

Financial Impact

The impact of the current of Covid 19 crisis has had a direct impact on the finances of the Department. Impact on the budget has been seen in three distinct areas. These are:

Impacts and Consequences

- *Decline in Income* – this has most notably experience in the Parking and Commercial Waste
- *Increasing Costs* – re-opening the City and the subsequent adoption of the new Movement Strategy will inevitably lead to an increase in costs in both the short and long term
- *Contracts* – key suppliers e.g. Everyone Active, have struggled over the Covid 19 lockdown due to the sudden loss of income. In order to ensure continuity of services moving forward, financial support has been made available to contractors in the short term to support the continuation of the service moving forward.

Mitigation and Progress

In many areas we are beholden to legislation and government guidelines dictating when elements of the economy may reopen whilst also being mindful of the need to support businesses to reopen post lockdown using enforcement as a last resort. Availability of staff will also impact on income generation.

However, to mitigate we have put in place the following:

- Following up on outstanding debt/enforcement notices to maximise income/cost recovery where possible
- Moving to a virtual delivery model to maintain operational delivery where possible
- Tracking legislation and guidance to help us identify where and when we can resume our compliance and enforcement activities.

Building Closures

All Libraries and Leisure Centres continue to be closed, with a possible re-opening in the government's Phase 3. Customers have had to find alternative options which affect the future use of these facilities.

Impacts and consequences

Service delivery for all of these facilities has been affected, with customers possibly reluctant to return when re-opened. Whilst online alternatives have been provided – Active Westminster and Virtual Libraries, only a limited essential computer offer has been able to be set up within two library buildings.

Mitigation and progress

For the Leisure contract, discussions continue with the provider on the future shape of the contract. In libraries, a simpler online registration has been implemented for new customers, to enable quick access to online resources. Use of eResources have increased by 20% but this has now plateaued. Although the physical events ceased, many events were able to be moved online, and they are being delivered by either video or one-off sessions. This enhanced virtual offer will continue when they re-open and complement the physical offer. Libraries will be used as key community tool in engaging with communities/supporting digital isolation.

Timeframe for improvement

- Phased re-opening of buildings should be complete within 3 months. investment in IT to support the enhanced virtual offer and different way of working is planned for within 3 months.

Kerbside pressure post-lockdown

Linked to the above, as COVID lockdown measures are relaxed we are seeing a rise in car use as people are reluctant to use the public transport system.

Impacts and consequences

Parking around key hubs is often at full capacity and kerbside space is being lost to facilitate social distancing measures

Mitigation and progress

We have withdrawn a number of parking dispensations and are looking to engage with NHS trusts to ensure that only those critical workers who absolutely need to drive into Westminster are granted a continuation of their parking dispensation.

Timeframe for improvement

Again, difficult to predict a timescale as the matter is largely out of our hands.

The perception of Westminster as an enforcement authority**Impacts and consequences**

The Council has a statutory obligation to ensure effective and safe traffic management, but at the same time must be sensitive to the needs of critical workers helping in the fight against COVID. Authorities were praised for providing concessionary parking for key worker groups but at the same time there was criticism of local authorities for continuing to enforce some parking restrictions during full lockdown, but this was an essential service to ensure that key workers could continue to park where they needed to. As enforcement ramps back up to pre-lockdown levels and concessionary parking is withdrawn, this must be done in a sensitive manner to avoid a negative perception of the service.

Mitigation and progress

Concessions are being withdrawn with forewarning and a communication of the reasons for our actions. Enforcement is being phased back in by a period of Warning Notice issue rather than full Penalty Charge Notice (PCN).

Timeframe for improvement

The initial phase of withdrawing concessions has been completed. We aim to liaise with NHS trusts to manage the further withdrawal of non-essential concessions to NHS staff and social care workers and are awaiting approval to do this.

Changing Legislation

Changing government guidance and legislation impacting on operational delivery, compliance and enforcement

Impacts and consequences

Change in activity required from officers (city inspectors for example) due to COVID-19 and new legislation requiring a much more flexible approach required due to changing legislation, guidance, priorities and lack of clear guidance in some circumstances.

Mitigation and progress

- More collaboration across directorate and wider council
- Better engagement with businesses/light touch enforcement
- Regularly discussed at relevant meetings
- Planned activity to support reopening of city and renewal with clear leads and deliverables
- Coordination and alignment with Movement Strategy
-

Timeframe for improvement

- Ongoing, but activity in line with (in advance of) changes to legislation and government guidance
- Requirement for us to adapt to changes in legislation and guidance until we are able to return to BAU
- Potentially at least the next three months, with additional activity if any form of lockdown returns (e.g. second wave of infections).

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Target range definitions	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	YE Target assessment definitions	Target missed Did not achieve the minimum target level Target exceeded Exceeded ideal target level Target achieved Met the ideal target level Minimum standard met Met the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight	
		Minimum	→	Ideal					→
City Highways									
1. % of urgent lighting defects made safe within agreed timescale	97%	95%	→	98%	→	100%	97%	Minimum standard met	
2. % of carriageway and footway defects repaired or made safe within 24 hours	99%	95%	→	98%	→	100%	98%	Target achieved	
Public Protection and Licensing									
3. % of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	39%	70%	→	80%	→	90%	90%	Target exceeded	Improvement on Q3 The Licensing Service shifted its focus to ensuring a percentage increase in the number of licences issued following a decision from Licensing Sub-Committee. As a result of streamlining the process, a marked improvement has resulted in 90% of licences being issued within the parameters set by the performance indicator, compared with only 39% in 2018/19.
4. To complete all high-risk food premises inspections (category A-B)	420	100%	→	100%	→	100%		Target achieved	

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
5. Number of Houses of Multiple Occupation improved (buildings with more than one household including shared facilities)	54	50	→ 65	→ 75	62	Minimum standard met		
<p>Service commentary: Service commentary: We narrowly failed to meet the ideal target in this financial year. There are some HMO improvements in progress which will contribute to next year's target.</p> <p>Mitigation: The end of year COVID lockdown had a minor impact on our figures, while work to validate scoping work for Additional Licensing proposals also affected final figures somewhat.</p> <p>Timeframe for improvement: For the coming year, and as part of renewal work following the exit of lockdown, proactive improvement of HMOs will again be factored into officer's caseloads. However, the absence of proactive work during lockdown since April is expected to impact 20/21 figures.</p>								
6. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety	436	400	→ 500	→ 600	592	Target achieved		
7. % of licensed premises that are safe and well managed following a single inspection.	82%	65%	→ 70%	→ 100%	80%	Target achieved	Approximately 893 licensed premises inspected over the financial year. This is lower than previous years but is accounted for by the Covid 19 pandemic resulting in a reduced number of inspections being undertaken in March 2020. In line with the general trend it is Special Treatment premises that are the highest group found non-compliant upon initial inspection.	
8. Number of vulnerable residents supported to continue living in their homes	1,065	600	→ 800	→ 1,000	1,057	Target exceeded	We exceeded target and spent the Allocated Better Care Fund spending £1,525,000 supporting residents to remain safe at home.	
9. % of women accessing specialist domestic abuse services who report a reduction in abuse	95%	75%	→ 75%	→ 80%	92%	Target exceeded	Improvement on Q3	

Physical Activity, Leisure & Sport (PALS)

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
10. Total participation in Council sports, leisure and wellbeing activities	4.07m	3.5m	→	3.7m	→	3.8m	4.7m	Target exceeded + 1,075,415
Parking								
11. Ensuring parking compliance across the City is over 97%	98%	97%	→	98%	→	99%	98%	Target achieved Survey only carried out bi-annually
12. Availability of residents parking in Westminster (Ratio of residential permits issued against parking bays available on the street)	99%	85%	→	90%	→	95%	97%	Target exceeded
Waste & Parks								
13. % of streets in Westminster that pass the street score survey for litter	97%	98%	→	98%	→	98%	97%	Target missed
Libraries & Registration Services								
14. 2% increase in real and virtual visits to libraries	-3.4% (1.96m visitors)	1%	→	2%	→	3%	2,00,421/ 5%?	Q3 was 15% up against target for Q3. Figure does not include Mar 2020 visits as lockdown since 23/3/20 and visits kept manually at sites till end of each month. Above aspirational increase without March totals.
15. % of appointments to register births available within 5 days of enquiry	95%	95%	→	95%	→	98%	96% (4262/4422)	Target achieved
16. % of satisfied users across the Libraries Services (City Survey)	94%	85%	→	90%	→	95%	95%	Target exceeded
City Management and Communities								
17. Number of Emergency planning exercises completed	17	6	→	7	→	10	19	Target exceeded 6 A lack of major events and demands on emergency planning teams mean this number will be significantly lower for 2020/21

City for All Tracker

The table below provides a progress update for the year end 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
<p>City that offers excellent local services</p> <p>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.</p>	<p>Off track</p>	<p>The council continue to take forward the introduction of a new Street Entertainment Policy</p> <p>Licensing Committee in January 2020 heard the proposals for a new policy which included a voluntary Code of Conduct for the City, a dedicated busker and street entertainment forum, support for performer led management schemes in Covent Garden and Trafalgar Square, and council led licensing regulation in Oxford Street, Piccadilly, Chinatown and Leicester Square.</p> <p>Committee approved the proposals to go out to consultation and a 6-week public consultation was held between 14th January and 24th February 2020.</p> <p>712 completed surveys were received from a mixture of businesses, residents, performers and visitors. The results indicate 62% of respondents were supportive of the policy. However, results also demonstrated a familiar trend of mixed views amongst stakeholders</p> <p>Some key themes arising from the consultation include:</p> <ul style="list-style-type: none"> • concerns that regulation would effectively end street culture and vibrancy in Westminster • the control of amplification (divisive views – removing amplification would impact on performers ability to work and their income; amplification causes a nuisance) • potential displacement of performers from licensed areas to other un-regulated busking hotspot areas • ability for the council to carry out enforcement <p>Officers are considering changes to be made to the policy in light of these concerns.</p> <p>The impact of Covid-19 has been considered in relation to the development of this policy. Busking and Street Entertainment in the short term is unlikely to present concerns as footfall is low, domestic and international travel is not feasible (Westminster attracts a high number of transient buskers from across the UK and abroad), and the gathering of crowds is currently prohibited.</p>

City for all Pledge	Delivery Status	Progress update
		<p>Going forward, buskers and street entertainers (as well as their crowds) must comply with the social distancing guidance set by government or be subject to police enforcement action under the Coronavirus Act 2020.</p> <p>The detailed consultation analysis and a full report will be heard at Licensing Committee on 8th July</p>
<p>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.</p>	<p>On Track</p>	<p>The Council’s Statement of Licensing Policy under the Licensing Act 2003 must be reviewed every 5 years. The current 5-year cycle ends on the 3rd January 2021. The council has a statutory duty to review and adopt its Statement of Licensing Policy before the end of the calendar year so that it can be published in the first week of January 2021.</p> <p>It was planned prior to the Covid-19 Pandemic that a substantially different policy would be produced. However, due to the lock down measures and the closure of all licensed premises it has not been possible to undertake any preliminary engagement on this approach. With the effect of the long-term closure, social distancing requirements for licensed premises when they can open and the potential impact on business survival post lock down the future for the licensed hospitality sector is not certain. Therefore, it was agreed that to comply with the statutory requirements for the 5-year review of the Statement of Licensing Policy the current policy would be amended with minor updates relating to legislative changes or slight tweaks policy for clarification purposes.</p> <p>The council is also required by the Licensing Act 2003 to produce a Cumulative Impact Assessment before the publication of its 5-year review of its Licensing Policy. This is the first time the council has been required to produce such an assessment since this became a new statutory requirement back in 2018.</p> <p>Officers are in the final stages of undertaking this assessment and the results of the assessment will be considered shortly. The Cumulative Impact Assessment will review the cumulative stress that licensed premises cause on the Licensing Objectives (prevention of crime and disorder, public safety, prevention of public nuisance and the protection of children from harm). The Cumulative Impact Assessment must be consulted upon before it can be considered and adopted.</p> <p>Officers intend to publish both the amended version of the current Statement of Licensing Policy and the Cumulative Impact Assessment in August for a period of 6 weeks. Any feedback will be considered, and the final draft of this policy and the Assessment will be put forward for Full Council’s adoption in November.</p> <p>The data provided for the Cumulative Impact Assessment was from the past 3 years and prior to the impact of Covid-19 on this sector. It is not clear how long this sector will take to get back to the pre pandemic levels of operation. It is therefore likely that we will need to undertake a repeat of the Cumulative Impact Assessment later next year taking into account the impact post Covid-19.</p> <p>It is intended that officers will continue to progress a fundamental rewrite of the councils Statement of Licensing Policy. This will now include any policy approaches that the council feel is appropriate to further support this sector as part of the recovery</p>

City for all Pledge	Delivery Status	Progress update
		from the pandemic restrictions and implications on trade. This policy development will include a significant level of engagement in the early part of 2021 and we will link this work with a possible further Cumulative Impact Assessment.
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.	Completed	Improvements to services from utilities continue to be delivered in terms of greater reductions of impact on residents and better sharing of information with all parties. Final versions of formal letters are with the utilities and agreement is being chased.
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.	Completed	In 2019/20 the Housing Standards Taskforce served 110 notices in the financial year, made 11 homes decent, secured 24 new HMO applications, improved 6 HMOs, and served 8 civil penalty notices. In total £122,500 was issued in CPN fines and £70,000 was paid to the Council in fines. Highlights of the year included a successful appeal defence at the first-tier tribunal and the issue of an Emergency Prohibition Order on an HMO which resulted in the revocation of the HMO licence. HST analysts also created an interrogable database of potential HMOs for use with the proposed Additional HMO licensing scheme.
Caring and fairer city		
We will consult on a new gambling policy, leading the way nationally on setting the standards for the industry and protecting the most vulnerable in our neighbourhoods by providing better regulation of betting shops across the city.	On track	We are reviewing the approach to licensing policy across the council. It is proposed to develop a more strategic approach to licensing so that it supports strategic City for All aims. This approach is being developed as part of the statutory review of the Licensing Act 2003 Licensing Policy review. A new revised licensing policy, which will include our approach to gambling will be out before Full Council for adoption in November 2020.
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.	Not provided	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, the Council did indeed fund a dedicated officer during 2019/20 to establish an independent hate crime commission to develop a report, with recommendations for the Council to consider. This work was put on hold once we went into lockdown.
Healthier and greener city		
We will deliver a new £1m Schools Clean Air Fund, giving schools the resources, they need to tackle poor air quality.	Not provided	We have audited 31 schools so far and 11 schools have cancelled due to Covid-19. We are looking at running a trial Virtual Air Quality Audit for those remaining schools. All schools were written to at the start of the academic year by Cllr Scarborough who is the lead member for the Fund, and the first audits for the School' Clean Air Fund have been undertaken by WSP. Additional information on the audits and funding are on the council's websites and are being disseminated to schools through our forums (teachers forums, governors forums etc). We have audited 31 schools so far and 11 schools have cancelled/postponed due to Covid-19. WPS are currently looking at running a trial Virtual Air Quality Audit for those remaining schools.

City for all Pledge	Delivery Status	Progress update
<p>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</p>	<p>Moberly Leisure Centre Completed</p> <p>Active Westminster Strategy</p>	
<p>We will expand our network of 165 electric charging points by 25%, making it as easy as possible for people to switch to EVs.</p>	<p>Completed</p>	<p>There are currently 488 electric vehicle charge points including 295 lamp column chargers for residents, 6 rapid charge points for taxis, 125 7kW and 22kW publicly available fast chargers, as well as 44 charge points serving the car club. Sales of EVs and their corresponding new registrations to Westminster addresses and plug-in hybrid vehicles (PHEVs) have continued to grow in recent years and the Council has tried to complement this growth by expanding the number of charge points available to drivers. There are currently 2,626 active resident Eco permits, which is up 40% from the previous year. Westminster currently has more charge points than any other authority in the UK and has ambitious plans for the coming year to have 1,000 charge points on street.</p>
<p>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.</p>	<p>Completed</p>	<ul style="list-style-type: none"> • Recycling Champions Scheme - 103 residents are now signed up to the scheme. The Champions were involved in running 8 reuse and recycling events during this period. • The Food Waste Recycling Trial - was launched in pilot areas (5 housing estates, 15 streets in the north of the City and selected Mansion Blocks, including in Paddington Basin) in Autumn 2019. Around 7,500 households receive this service currently. Kerbside properties (15 streets) that are part of this trial have also had one of their two residual waste collections removed as part of this project. Monitoring and evaluation work is currently underway.
<p>We will expand #DontBeldle, setting the ambition for 1,000 businesses to sign up and play their part in reducing their own and their customers' emissions.</p>	<p>Completed</p>	<p>To date, over 14,000 individuals have signed our #DontBeldle pledge, 16 national businesses have joined the campaign, training over 15,000 drivers, and our team has engaged with over 30,000 people at anti-idling days. In the last quarter, we held 12 action days to engage the public in different areas around Westminster. We continue to target businesses to join the campaign and encourage their drivers not to idle. The latest businesses to sign up include UPS, Bouygues and Big Bus Company. All schools in Westminster have been issued with #DontBeldle banner signage to help prevent idling outside the school gates. 200 new lampposts signs have been installed across Westminster calling on drivers to cut their engine. We continue to lobby government to increase the council's powers to fine idling drivers.</p>

City for all Pledge	Delivery Status	Progress update
City that celebrates its communities		
<p>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.</p>	<p>Completed</p>	<p>The strategy has been published and we are working closely with traders to ensure Westminster’s markets are thriving in the heart of our neighbourhood. Work is ongoing to introduce WiFi into our markets in 2020. Improved storage facilities are planned for January onwards. A new scheme to reduce single use plastics has been implemented at Tachbrook Market in partnership with traders.</p>
<p>We will introduce 20mph speed limits where residents tell us they want them.</p>	<p>Completed</p>	<p>As of June 2020, the Council has now implemented 20 mph speed limits on all of its roads. The consultation showed that 66% of respondents were in support of the proposed scheme.</p>

1.4 Growth, Planning and Housing

Achievements

Development Programme

Despite the effects of lockdown, some positive news can be shared on the Council's development programme.

Outputs delivered

First residents moved into Dudley House

Dudley House, an entirely affordable development comprising 197 new homes for intermediate rent, opened its doors to residents at the end of 2019.

First residents moved into Lyons Place

Residents have started moving from Site A (Blackwater House) into Lyons Place, a new development close by.

Queen's Park Court infill scheme gained planning approval

In March, Queen's Park Court, an infill development in Kensal Rise, North Westminster was awarded planning permission. Queen's Park Court will be made up of 23 social homes, including a mix of one, two- and three-bedroom family homes.

Successful re-housing of Phase 1 residents at Ebury Bridge

March saw the successful rehousing of all residents impacted by Phase 1 of the Ebury Bridge renewal project. In partnership with the onsite regeneration team, re-housing officers supported over 100 households in their move to a temporary or permanent home, paving the way for the delivery of phase 1. Vacant possession was successfully achieved without the requirement to execute legal powers.

Outcomes achieved

Moving in just in time for Christmas, Dudley House residents are thrilled with their new homes in the heart of Paddington. To hear what they think of their new home in Dudley House, watch this [video](#). Once messaging approval is received, we will interview a number of Lyons Place residents to create a short film which will share their experiences and highlight our commitment to keeping people in the local area, and the quality of the new homes.

Livestreaming and Virtual Planning Committees

Outputs delivered

On the 11 February 2020 the [live streaming project](#) went live with the full stream coverage for the Holocaust Memorial Committee Meeting. Due to the controversial nature of application, arrangements were made for over 500 audience members at City Hall with several overflow rooms set up, linked to the live stream output from the main committee room. The technology worked well and has now been adopted as a standard feature to all planning committee meetings.

The recording of that Sub-Committee meeting and subsequent meetings are now available on the Council's website at the following link: <https://streaming.westminster.gov.uk/>, with over 350 views so far. Although, due to the lockdown, the meeting platform has been temporarily migrating over to Microsoft Teams, feedback has been overwhelmingly positive in terms of the quality of the recordings and the presentation of the meetings,

[Virtual planning sub-committees](#) began on 14 April and are held bi-weekly. Five such meetings have now successfully been held and streamed and recorded, also using Microsoft 'Teams'.

Outcomes achieved

Complementing the City for All pledge of reforming the planning system in Westminster, the livestreaming and recording of committee meetings is a major improvement in transparency and greater local democracy, particularly in high profile applications where there is high demand to attend.

Housing Call Centre – move to virtual working**Outputs delivered**

Prior to the pandemic, the Housing Contact Centre did not have the flexibility to work remotely due to using PCs rather than laptops. With the support of the Bi-Borough IT team, Surface Pro devices were built, tested and deployed with the specialist software required within ten days to ensure that the contact centre could operate safely and remotely prior to lockdown. This ensured that there was no downtime for this critical service and residents were able to continue to seamlessly access Housing. During this time the Contact Centre continued with recruitment and in the first week of lockdown they held a virtual induction for a team of new starters. Learning and development has continued with over 250 training hours delivered to ensure that staff are supported, and additional coaching provided on knowledge and call handling skills, in particular empathy and customer engagement.

Outcomes achieved

This ensured that there was no downtime for this critical service and residents were able to continue to seamlessly access Housing. From the learning and development effort to ensure staff are supported and additional coaching provided on knowledge and call handling skills, in particular empathy and customer engagement, Customer satisfaction rates increased from score **86% to 94%** during lockdown.

Risks and service issues related to covid-19**Impact on Financial Budget****Impacts and consequences**

The impact of the current of Covid-19 crisis has had a direct impact on the finances of the Department. Impact on the financial budget has been seen in three distinct areas. These are:

- Decline in Income – this has most notably experienced in the Place Shaping and Town Planning team with the number of planning applications having declined by 30%;
- Increasing Costs – lockdown across the country has directly impacted on our development programme and has meant the supply of resources to sites has been constrained. The price of materials has also increased;
- Fund Raising – Parts of our Regeneration and Economy team is heavily dependent on funding from external sources / partners and due to the current situation financial discussion with partners has come to a halt. This could have a major long-term impact.

Mitigation and progress

We are looking at opportunities for reducing costs in the context of the current crisis, including recovering income whilst being acutely aware of the impact on business and society and will re-engage with external partners on how we can re-establish priorities moving forward. All of this will be supported by continual monitoring of the financial situation for the Service.

Timeframe for improvement

Whilst it is difficult to be precise at the moment, continual monitoring will inform timescales moving forward.

Development Sites

The Council's Regeneration and Development programme has been directly impacted by the lockdown with 17 out of the 19 development sites being closed down.

Impacts and consequences

For those sites that were able to remain open, numerous complaints were received over their ongoing operation and this had to be carefully managed.

The temporary closure of schemes impacts on the Council's regeneration and development plans and slowed down Affordable Housing delivery.

Mitigation and progress

The long-term impact on the programme is yet to be determined but discussions are underway with contractors to see how this can be mitigated.

Timeframe for improvement

At present we still anticipate meeting the City for All target of delivering 1850 new affordable homes by 2023.

Impact on Rough Sleeping

The logistics of moving many rough sleepers into hotels and managing the associated health and community issues has proven difficult. Due to limited funding from central government, meeting the cost of hotel accommodation is a significant challenge and successfully moving complex individuals to sustainable move on solutions, within a defined timeframe also presents challenge.

Moving forward there continues to be a risk of increased street homelessness as a result of COVID-19 and the expected economic downturn that different people will become homeless and some of whom will end up on the street. With Brexit approaching, on the government's current policy many EEA nationals will have no access to welfare as of 1st January 2021. We will continue to monitor our street population to ensure services meet their needs.

Impacts and consequences

Limited funding from central government has meant the Council has been left to fund much of this emergency accommodation. WCC received £249,000 of the ringfenced money under the 'Everybody In' scheme from MHCLG. Following lobbying from the Leader and Council officers, limited additional funds have been made available for targeted interventions and groups in relation to move on. Lobbying continues by the Leader and Council officers particularly in response to those with no eligibility or access to public funds, however funding limitations on emergency accommodation have meant that we still have 180 rough sleepers on the streets of Westminster.

The movement of rough sleepers from shelters with shared sleeping spaces to hotels commenced on 18th March, followed by a concerted effort to accommodate those from the streets, resulted in 266 individuals being brought into emergency accommodation funded by the Council. This exercise was to support a section of society considered high risk by Public Health officials and medical professionals. Since then the Rough Sleeping Team, Housing Teams and the Homelessness Support Services along with our partners have been assessing all those in emergency accommodation and moving them on to appropriate settled accommodation. There are challenges to managing the emergency accommodation

and move on, such as anti-social behaviour in and around hotels, procuring solutions for move in volume, and moving vulnerable and complex individuals.

Mitigation and progress

- We have hosted showers for rough sleepers at leisure facilities in Little Venice and Soho and have worked extensively with the faith and community sector to facilitate on street food provision for rough sleepers who normally rely on handouts and donations from commuters and tourists.
- Through our emergency COVID accommodation response we have had successes in engaging with individuals that have been hard to reach, and we have seen the impact of this engagement and early indications of positive change.
- A comprehensive and well-developed Rough Sleeper move on strategy and plan has been developed and implemented, offering a suite of solutions with support ranging from existing rough sleeper provision through to private rent options, our statutory homelessness services and social housing provision.
- Review and renewal of existing rough sleeper provision, including review of existing accommodation, commissioned delivery model and need of those accessing existing services, to ensure that they remain fit for purpose.
- Second wave planning includes working with Public Health to produce a proactive response and management of risk, with a focus on how existing process and provision is utilised to meet demand and avoid reactive solutions being sought.

Timeframe for improvement

- Rough Sleeper move strategy and plan outlines 3 phase approach, phase 1 focusses on implementation of plan until 3rd July, phase 2 focuses on a transition period which begins in July and phase 3 focuses on review and renewal is dependent on outcomes of phase 1 and 2.

Increase in Anti-Social Behaviour (ASB)

There has been an increase in ASB reports across the borough during lockdown.

Impacts and consequences

Particularly during lockdown, the effects of ASB, particularly issues such as noise are being felt more significantly.

Mitigation and progress

While working remotely we are keeping in contact with complainants more via phone and email and have received good feedback. We continue to work with partners and other services to take a holistic approach towards ASB. Every customer has been contacted within 2 working days of making an ASB report.

During Lockdown, weekly online conversations are being held with our housing teams, estate services teams and local police to quickly address ASB issues that arise on our estates.

The team has been having greater success with mediation since the lockdown and residents have had the opportunity to speak with mediators on a one to one basis and receive conflict coaching sessions. Residents can sign up for an online account that allows online reporting of ASB direct to the ASB team. Customers with an account also have the ability to update their open ASB cases - this is a new initiative and will avoid delays and the necessity to have to make new reports to the contact centre.

Timeframe for improvement

It is hoped that the success of this work will be reflected in satisfaction levels reported in 2020/21.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Target range definitions	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability			YE Target assessment definitions	Target missed Did not achieve the minimum target level Target exceeded Exceeded ideal target level Target achieved Met the ideal target level Minimum standard met Met the minimum target below ideal level			
Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	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	573	Target exceeded	↑ Up from 438
2. Reduction in rough sleepers spending more than one night out	83%	75%	→	85%	→	90%	See comment	Target achieved	<ul style="list-style-type: none"> Year end data not yet available: The CHAIN team at St Mungo's commissioned by the GLA have delayed due to responding to COVID-19. Q4 data shows 87% of new rough sleepers to Westminster's streets only spent one night rough sleeping.
3. Affordable Housing units delivered in 19/20 (1,850 by 2023)	105 (303)	350 (648)	→	470 (768)	→	591 (889)	491 (794)	Target achieved	↑ Up from 344 <ul style="list-style-type: none"> Slight adjustment to Q3 figure. 338 previously reported.
Housing Management Service Performance									
4. % satisfaction with repairs service	82%	82%		84%		86%	83%	Minimum standard met	→ Same as last quarter <ul style="list-style-type: none"> Improvement on 2018/19

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
5. Satisfaction with ASB case handling	74%	72%	74%	76%	63%	Target missed	↑ Up from 62%	
<p>Service commentary: The service experienced high staff turnover which created a challenge for service continuity and improvement. Delays in triaging ASB enquiries for the service caused frustration for customers.</p> <p>Mitigation:</p> <ul style="list-style-type: none"> • Feedback from dissatisfied customers is used for coaching staff and to create satisfaction improvement plans. • Joint working between the ASB team, contact centre and digital team is resulting in better ways of working • Detailed training plans are in place for contact centre agents to improve the initial response to residents reporting ASB and the effectiveness of the triage process. • Listening to real ASB calls taken by agents and conducting weekly ASB case audits has helped identify and address training issues. 								
6. Contact centre - % calls answered in 30 seconds	63%	65%	70%	75%	72%	Target achieved	↓ Down from 75%	
Development Planning								
7. % of 'non-major' planning applications determined within 8 weeks	80%	68%	68%	80%	80% (5,465/6,840)	Target exceeded	N/A	MHCLG requires performance to be reported over a 2 year period Oct to Sep. Figure reported is Oct 17 – Sep 19. 2019-20 annual performance 73%.
8. % of 'major' planning applications determined within 13 weeks i.e. larger scale development.	79%	60%	60%	79%	77% (67/87)	Target achieved	N/A	MHCLG reporting period Oct 17 – Sep 19. 2019-20 performance 74%.
9. % planning appeals determined in favour of the Council (Excluding telephone boxes)	67%	60%	63%	67%	77% (331/432)	Target exceeded	↑ Up from 74%	

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	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	1320	Target exceeded	↑ Up from 880	
11. 400 Westminster residents into jobs through our Westminster Employment Service (WES)	305	300	→ 400 →	450	390	Target missed	↑ Up from 252 (Nov 19)	
Service commentary: Marginally fell short of Ideal target.								
Mitigation: Recruitment activity effectively stopped in March due to Covid-19, plus a number of the WES team were redeployed to Westminster Connects, impacting on the support for clients.								
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%	60% (174/291)	Target achieved	↑ Up from 53% (Nov 19)	
Service commentary: Employment sustainments are measured as someone staying in work for six months. As such we monitor them as they occur, depending on each individual’s job start date. One of our teams changed target client group in May (Requested by the commissioner) and therefore was starting with a new cohort of clients. This means the team have not been contacting their old clients to check sustainment rates systematically, but have now been asked to do so by the Head of Coaching.								
Mitigation: Plan in place to identify previous clients’ sustainment rates.								
13. 2,000 young people engaged in enterprise and sector-based experiences	3,582	1,500	→ 2,000 →	2,500	2830	Target exceeded	↑ Up from 1076	
14. Social Value: % of WCC suppliers with commitments delivered to profile	N/A	65%	→ 70% →	85%	52%	Off track	↓ Down from 69%	
Service commentary: At year end we are actively monitoring 31 of 85 contracts, which is an increase from 26 contracts in Q3. Of the 31 contracts monitored 27 have provided updates. 14 are on track (52%). And 13 are off track, or 48%. The remaining 4 are yet to provide updates.								
Mitigation: Conflicting priorities due to Covid-19 crisis.								

City for All Tracker

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

City for all Pledge	Delivery Status	Progress update
City of opportunity		
We will deliver the most ambitious house building programme in the city for a generation. We are on track to deliver nearly 2,000 new council and affordable homes by 2023 and have identified sites for a further 2,000 homes.	On track	<ul style="list-style-type: none"> 795 new affordable homes delivered at end of 2019-20. Despite the effects of the COVID-19 crisis on a number of schemes, it is still anticipated that the 2023 target will be achieved.
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.	On track	<ul style="list-style-type: none"> Annual target achieved. 1,010 people into jobs in 2018-19 of which 343 were long term unemployed.
Caring and fairer city		
We will continue to support our new £6m state-of-the-art assessment centre, outreach services and accommodation for rough sleepers, helping people to get off the streets at night	On track	<ul style="list-style-type: none"> The Passage House Assessment Centre continued to perform to a high level in 2019/20; having moved on 122 rough sleepers across the year, of whom 91% did not return to rough sleeping within 3 months of reporting.
City that celebrates its communities		
We are reforming the planning system so that, for the first time, members of the public will be able to speak at planning meetings. This is one of a range of measures to make the UK's busiest planning authority more transparent.	Achieved	<ul style="list-style-type: none"> Public speaking introduced in 2018-19. On the 11 February 2020 further reforms were introduced in the form of the first live streaming and recording of a Planning Committee meeting. The format proved a major success and has since been rolled out to other committee meetings.
We will remove unwanted and misused phone boxes from our streets.	On track	<ul style="list-style-type: none"> The Planning Enforcement Team continues to pursue action against the poor condition of telephone boxes to ensure that their condition is improved to a satisfactory standard, notably including seven which were removed in the Oxford Street area.
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.		Not provided

City for all Pledge	Delivery Status	Progress update
City that offers excellent local services		
<p>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</p>	<p>On track</p>	<ul style="list-style-type: none"> • A number of key initiatives have helped us to shape the required improvements including: • The introduction of repairs satisfaction monitoring over the customer journey by text, supported by a powerful analytics tool providing immediate insight. This has allowed for immediate issue resolution across our term contactors, repairs and contact centre teams. • A review of customer contact using speech analytics to review improvements delivered since April 2019, including detailed customer journey mapping and sentiment analysis. A key output of this work has been the development of a specialist leaks team in contact centre to improve diagnosis and triage at first point of contact. • Procuring a replacement Contact Centre telephony platform. This project aims to enhance the capability of the current Centre in line with WCC priorities and recommendations set out in the 2018 Housing, Finance and Customer Services Policy and Scrutiny Committee Report. The required improvements to operational and resident experience will be supported by a new system that can utilise more efficient and modern channels of communication such as Social Media, SMS and Web Chat. • The first phase of a CRM for Housing - knowledgebase will ensure consistency of service delivery across teams. A discovery piece is in progress to validate customer personas developed and to understand our user needs when interacting with the service. • We have re-established our relationship with the Institute of Customer Service and form part of their trusted advisory network. This will be developed further this year with the customer service training and accreditations across the Housing service. • Overall satisfaction with the contact centre was 84.1% with 5415 customers surveyed.

1.5 People Services

Achievements

Gender and BAME pay gaps analysis and action plan

A detailed analysis of the Council's Gender and BAME pay gaps was undertaken by People Service in collaboration with the Strategy & Intelligence team.

Outputs delivered

The analysis highlighted that three of the four key metrics have improved since last year's report (Gender mean, BAME mean and BAME median).

The one area where the gap has widened is the Gender median measure. This is mainly due to the fact that women have a higher turnover in the organisation as a proportion of their group compared to men. In particular, turnover in Bands 4 to 6 is higher for women (17.5%) than men (14.6%) and in the year preceding the 2018/19 gender pay gap report, 43 women who would have been recorded in the upper-pay quartile left the organisation compared to 22 men. This higher turnover of women in the upper-pay quartile is a contributory factor to increasing median pay gap. Furthermore, female new starters were over-represented within the lower, lower-middle pay quartiles and upper quartiles (63%, 72% and 64%, respectively) whilst they were under-represented in the upper-middle quartile (53% women and 47% men).

Outcomes achieved

There has been a great focus on Inclusion and Diversity over the past 18 months as part of our people strategy the Westminster Way. This pay gap report is based on data at 31st March 2019 and therefore whilst an important milestone on our cultural transformation journey, it only shows the impact of actions leading up to March 2019. Therefore, some of our bold actions to address our BAME pay gaps that were introduced in April 2019 will not be reflected in these results. These bold actions include positive action for all middle and senior management roles, where we have committed to have at least one candidate from a BAME background on every shortlist and diverse recruitment panels where all interview panels for middle and senior manager roles must be gender and BAME diverse. These changes are delivering real impact: since April 2019, 40% of all roles have been filled by BAME candidates. This is building on the increase of BAME staff in leadership roles from 5% in 16/17 to 11% in 18/19 and currently 15% at the end of 2019.

Additional actions have already been agreed and some more are being explored in collaboration with our thriving staff networks to ensure we continue to address and close our pay gaps. Examples of these actions are:

- Increased Annual Leave allowance to 30 days for Band 1, 2 and 3 staff to ensure there's equitable leave benefit across the entire workforce
- Revamped our Special Leave policy to allow managers full discretion on how many special leave days can be granted on any given circumstance to best support their staff
- Reviewing our Pay & Reward policy to ensure hiring managers can offer same salary steps for external as well as internal appointments
- Revamping our exit questionnaire and interview process to ensure we continue to improve talent retention and maintain a healthy staff turnover, in particular around female leavers
- Working on a deep dive into our female leavers data to identify potential pattern/issues which can be addressed internally
- Considering having diverse panels for all recruitments (not only band 4 and above)

Our Voice 2019

This was the third year of our revamped staff survey, Our Voice. It ran from 16th September- 4th October 2019. The survey provides a measure of the level of engagement staff have with the council and therefore highlights areas of focus for the wider people strategy, the Westminster Way.

Outputs delivered

The response rate to the survey was 70% which has increased significantly compared to the last two years when it was 62%. This shows that staff are taking the time to fill in the survey as they continue to place more trust in the organisation.

Outcomes achieved

Westminster City Council's overall Engagement Index for 2019 is 73% excluding the housing team (previously City West Homes). This is an increase of 3% from last year (70%). In addition, this result is 4% above the 2019 local government benchmark. The council's engagement index including the housing team (formerly CWH) is 72%. The appendix details the full survey results for this year.

This result is a very positive indicator that people are engaged by our vision of City for All. The response to the question "I believe the work I do will help us deliver a City for All" has increased by 15% since 2017, and is now 79% positive.

Excellent progress is being made in making Westminster a great place to work: the answer to this question is now 67% positive, an increase of 14% since 2017. The council cares about my health and wellbeing has also increased by 9% from 2018 and is now 56% which is 2% above the benchmark.

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

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

Outputs delivered

Following on from the launch last year, and to continue to support the embedding of the Westminster Way, we have:

- Further developed The Westminster Way performance dashboard which is an innovative solution that brings together performance data from multiple sources in one place. It promotes a more open, engaged and transparent performance culture and establishes a golden thread from our vision of a City for All to the Westminster Way as an enabler.
- Further developed our Inclusion and Diversity action plan with a number of programmes including:
 - Positive Action: For all middle and senior management roles we will have at least one candidate from a BAME background on every shortlist;
 - Reverse mentoring: Championed by our Executive Leadership Team, this enables leaders in the council to improve their cultural intelligence by being reverse mentored by colleagues from different backgrounds;
 - Diverse recruitment panels: All interview panels for middle and senior manager roles are gender and BAME diverse;
 - Focus on equity in terms of gender and ethnicity in how our staff are rewarded by ensuring step-ups and rewarding your contribution payments are equitable;
 - Only working with recruitment partners who have a track record in this area.
- Developed a holistic talent strategy which has been signed off by ELT and will focus on "everyone has talent" by the council providing resources and tools for everyone to lead on their career

development. The talent strategy includes programmes such as senior leaders, emerging leaders and apprenticeships.

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

Outcomes achieved

The Westminster Way demonstrates the development opportunities and support available to everyone and signifies how we want our culture to be in Westminster.

Through the Westminster Way we are creating a culture of openness, transparency and integrity in everything we do and enable the delivery of City for All.

We have seen a significant increase in our engagement scores last year and the Westminster Way enables us to maintain our focus on the key drivers of engagement.

Risks and issues

There are no BAU risks or issues to report. However, risks arising from covid-19 have been recorded in the Council's corporate risk register and are further detailed in the report.

Service issues related to covid-19

Covid-19 testing for staff

Covid-19 staff testing process – impact on staffing capacity across the Council and especially in ASC and Children's

Impacts and consequences

If staffing capacity is not maintained, this will impact on staffing of key services. This is reported and discussed twice a week by Gold and generally staffing capacity across the Council is between 90-95%. The reporting is now done on a 7 working day average.

Mitigation and progress

Since the launch of the government testing programme in late April we developed a process to reach out to all our eligible staff and offer testing via the various options available.

A combination of sickness data pulled from IBC and local intel provided via the Sit reps from ASC and Children's was used to identify staff and relevant contact details.

To date the occupational health team reached out eligible staff to offer Covid-19 testing via the different options available at the time, which were:

- Signposting to self-service booking via Gov website;
- Direct referral via the employer portal which we received access to in early May;
- Directing staff who could drive to their local MTU (mobile testing units).

Timeframe for improvement

- Wellbeing follow up calls were also done to all individuals (regardless of the testing eligibility) by the OH team to ensure they were receiving the appropriate support and, for those tested, to ask if they had received their results and needed further advice on that aspect.
- Numbers are reported to Gold twice a week and we continue to monitor absence daily via IBC reporting

Ensuring critical and frontline services are maintained

Ensure that critical and front-line services are maintained during the period of crisis. Potential impact of Covid-19 would have been the drastic reduction in the numbers of employees and external resources available to deliver essential services to residents, businesses and employees across the whole council.

Impacts and consequences

Covid-19 would potentially have led to frontline and critical services ceasing to be delivered in the most dire scenarios. This would impact on the most vulnerable in society and those who fall within the council's responsibility. This would include vulnerable adults, both at home and in care, vulnerable children/young people, safeguarding, homeless and street population. Many of these activities are statutory or a legal obligation and failure in any of these areas would have been unconscionable for the council.

Mitigation and progress

A completely new approach designed and set up within very short timescales to deal with the potential unprecedented demand for wholesale redeployment of WCC staff, including:

- With the involvement of ELT/ Westminster Gold - Critical Areas identified. List of critical areas that included any skills requires. Plan put in place to support critical business needs;
- Creation of a set of detailed FAQ's - Sent out FAQ's on the recruitment process covering RTW, new starters, interviews and interviewers. General questions on what is critical and what is non-essential recruitment;
- Created Specific Points of Contact (SPOC) within each directorate - Established SPOCs for each business area who attend redeployment calls who then put requests in on behalf of the business area;
- Established daily Redeployment calls - Discuss any need of the business for up to 7 days in advance. Recommendation can be made which will then go through silver and gold for approval;
- Detailed redeployment schedule - Agreed protocol for redeployment. Compiled a list of staff members who could be redeployed, what teams might they be redeployed to and identified members of staff who may be in a vulnerable category;
- Redeployment Tracker - Log of all decisions made on the Redeployment calls. Keep details of where members of staff have been redeployed;
- Redeployment confirmation - Provide a template confirmation of redeployment message for redeployee;
- HR Support to business HRBP to work alongside SPOC and Executive Leadership Team (ELT) member who ensure communication is clear and upskilling of redeployees and redeployed staff are fully aware and appraised of what will be expected;
- Proud to Care – engaging with ASC&H to ensure pipelines of social care staff were available within the council should external providers see a dramatic reduction in front line staff due to Covid.

Timeframe for improvement

The Redeployment process was set up within a very short time scale and considered issues of deployment within days of being established. The process continues to be utilised as and when large scale deployment issues need to be considered due to Covid. In part, thanks to the process, no service has failed in its provision of services to the vulnerable or at risk.

Staff wellbeing throughout pandemic

Impacts and consequences

Covid-19 and the continued lockdown having a detrimental effect on staff wellbeing and mental health. Although agile working during lockdown has helped some of our people and supported them in managing their work/life blend we recognise this may not be the case for all.

Mitigation and progress

To address this concern a number of actions have been put in place to support our people's wellbeing:

- Revamped our [Wellbeing Hub](#) to include resources and support on resilience, help and training for front line workers, mental and physical health resources (from yoga classes to mindfulness session), PH guidance around Covid-related queries and resources, specific IT support and webinars on how to make the most out of our software and much more.
- Supported home working by providing staff with a range of appropriate equipment such as chairs (despatched almost 600 to date), monitors, key/mice etc.
- Recently launched our new Special Leave policy which grant manager full discretion around how much paid leave people can get when special circumstances do occur
- We are re-engaging our Wellbeing Pioneers and revamping our H&W strategy led by our new ELT lead, to ensure this is fit-for-purpose given the new normal we're all adapting to
- As we start reopening our buildings, there will be spaces made available to staff who struggle with home working and who needs to use the offices for wellbeing reasons.
- We had our first Wellbeing Newsletter (attached) and encouraged people to share tips on how they look after their mental health. This were collated into a video which featured in the newsletter.

In the recent staff pulse survey, staff were asked if they believe the council cares about their health and wellbeing. There were as 71% positive response to this question compared to a score of 56% in the annual staff survey in September 2019, which seems to indicate we're moving in the right direction.

Timeframe for improvement

- Continuing to monitor health and wellbeing of staff through line managers, staff networks, LoopLive and OH feedback.
- Adapting interventions and support to people's need as we move onto uncharted territory.
- Aim for even improved results on Wellbeing at the next Our Voice survey.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Key performance indicator	2018/19 position	2019/20 target ranges				Position at Year End	Target assessment	Movement since Q3	Other contextual insight	
		Minimum	→	Ideal	→					Aspirational
1. % of staff turnover is managed at appropriate benchmark levels (excluding redundancies)	15.6%	16%	→	15%	→	14%	13% (306/2403)	Target exceeded	-1%	
2. % of BAME employees in senior leadership roles (band 5 and above)	11%	14%	→	15%	→	19%	14% (22/157)	Minimum standard met	-1%	The reduction since Q3 is due to a BAME band 5 leaving the council
3. Hampshire target – HR transactions made via self-service	71%	75%	→	77%	→	80%	92%	Target exceeded	0%	
4. Increase the number of women in senior leadership roles (band 5 and above)	41%	42%	→	44%	→	46%	43% (67/157)	Minimum standard met	-1%	The reduction since Q3 is due to a female band 5 leaving the council
5. % of apprenticeship starts in relation to the public sector target of 2.3% of total headcount	1.7% (Including schools) 1.8% (Excluding schools)	2% including schools	→	2.3% excluding schools	→	2.3% including schools	3.7% (Including schools) 4.6% (Excluding schools)	Target exceeded	+1.3% (including Schools) +1.6% (excluding Schools)	
6. Positive action - % of Band 4 roles which have BAME candidate on the shortlist	New KPI	75%	→	80%	→	100%	99% (98/99)	Target achieved	+3%	

1.6 Legal Services

Achievements

Client satisfaction

Continuing to improve client satisfaction.

Outputs delivered

A Case Management System was rolled out in Q3 18/19 to ensure Legal Services were fully equipped with the right facilities, systems and resources to deliver responsive and effective legal services from any location. It was also to ensure compliance with the high levels of security and performance demanded by the Solicitors Regulation Authority. The system continues to be developed and client satisfaction surveys returned show an improvement in satisfaction levels. Further opportunity for feedback has been built into the Service's new Client facing SharePoint site which went live at the beginning of December 2019. The service has continued to expand its programme of client liaison meetings and the provision of management information packs to both improve service quality and assist with managing demand. Management information quality continues to improve as reporting is developed and refined in collaboration with clients.

Outcomes achieved

88% of the responses in 19/20 showed that clients were satisfied with the service.

Grenfell Tower Inquiry

The service managed the staffing resources required to provide legal services in relation to the Grenfell Tower Inquiry. Service staff were lead members in the project group and key to the successful co-ordinating of a complex stakeholder group ensuring delivery to tight and dynamic deadlines.

Outputs delivered

Specifically, this meant:

- Prioritising this area and diverting 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.

Business Continuity and Response to Covid-19

The service materially improved its Business Continuity Preparedness up to and during 19/20. This enabled it to quickly and effectively respond to the challenges of providing legal advice during lockdown.

Outputs delivered

- The service mobilised early, ensuring all its legal matters were saved digitally and managed through the Case Management System (CMS).
- All Court Bundles were able to be produced electronically through the CMS.
- Where courts allowed, these bundles were shared electronically via a data room.

- Specifically, in response to Covid 19 and to support front line services respond to the pandemic, the Service:
 - quickly enabled the efficient procurement of new types of supplies and services on behalf of the Council
 - reviewed and amended council protocols to allow virtual meetings
 - provided legal advice to help WCC address challenges as they emerged and evolved.
 - responded to lots of new legal questions, from GDPR and information sharing, to closing businesses operating unlawfully to press queries.
 - established a Legal Services COVID-19 Legal Advice page on The Wire
 - delivered GDPR training and webinars across a number of departments.
 - conducted judicial reviews and planning appeals online, attended hearings via video and telephone conferencing, and used Teams to collaborate with other departments.
 - changed the way the service signed documents. Pre Covid 19 the Service manually signed over 2000 documents a year using pen and paper. The Service successfully introduced DocuSign, an electronic signing application in March. It stopped staff being placed at risk and having to travel to the office during lockdown. The new system and process is much quicker and is environmentally sustainable.

Outcomes achieved

A flexible IT enabled service that is able to respond virtually to the needs of clients.

Risks and issues

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 reports to the Director of Law. The service has established and focused information management and GDPR procedures. These include ensuring external suppliers handling Council data are meeting their data protection obligations. A new SharePoint communication site has been set up and socialised with council staff. Training on GDPR has been added to the Learning and Development offer for Staff and is included in induction. Legal Services have attended a data protection webinar, and will complete mandatory online Data Protection and Cyber Security training. The service has a GDPR team who meet regularly to implement improved processes and procedures and identify issues.

Implementation of eBundling and eFiling using a digital case management system continues to reduce the risks associated with information management including loss of sensitive data on paper.

Timeframe for improvement

Continuous improvement is ongoing, and an audit scheduled for Q1 2020 will be used to measure progress and any areas requiring focused improvement.

Service issues related to covid-19

Income

As Legal Services operate a trading account, it requires income from advice provided to clients to deliver a balanced budget. The service achieved this in 19/20 and had robust plans for 20/21. Covid 19 has introduced uncertainty about the level of demand for the service in 20/21.

Impacts and consequences

A material drop income would result in the service not delivering a balanced budget that would potentially impact on its ability to provide the current level of service.

Mitigation and progress

- Horizon scanning of the impact of Covid 19 on service income
- Weekly and monthly monitoring of income targets against forecast. This information is shared with both management and individual members of the service.
- Working closely with clients to have a clear understanding of their pipeline of work.
- Continuing to develop the Legal Case Management System to support the delivery of efficient ways of working
- Identify areas of work where fixed fees can be introduced.

The impact on demand for internal advice has been material, with a 30% increase in some areas and demand dropping by up to 50% in others. The overall impact has however been neutral.

There will be a lag on any impact of Covid 19 on external income with income on track at present. New instructions are also consistent with previous periods. Legal Services is forecasting that responses to the changing operating environment of Covid 19 will mean increased work for the contract team as in addition to business as usual the team is advising on grant applications submitted by the council's contractors and suppliers and varying contracts as a result of this. Also for the licensing team as licensed premises seek variations.

Timeframe for improvement

All mitigation measures will continue through 20/21 and variances reported through the usual corporate monitoring processes.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020).

Target range definitions	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	YE Target assessment definitions	Target missed Did not achieve the minimum target level Target exceeded Exceeded ideal target level Target achieved Met the ideal target level Minimum standard met Met the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	→ Ideal	→ Aspirational				
1. Percentage of clients satisfied with Legal service as measured by the satisfactory survey		70	→ 80	→ 100	88%	Target achieved		
2. Percentage of cases that meet the agreed time frames for Legal cases in each area		80	→ 90	→ 100	N/A	N/A	N/A Due to implementation of a new Case Management System, this data will not be available until 2020/21.	

1.7 Finance and Resources

Achievements

Treasury team

Treasury team were able to lock in longer term local authority investments at a high yield as a result of the 1% Public Works Loans Board pricing increase. This is more significant now following the two base rate decreases which saw the Bank of England bank base rate reduce to 0.1% in March 2020. Treasury income resulted from higher yielding investments with higher cash balances also being a major contributing factor. Treasury team have been able to ensure liquidity has been present at all times for emergency payments, ensuring term loan repayments were received and then kept short dated for use by the Council's service departments.

Outputs delivered

Treasury deals with two local authorities at 1.80% and 1.70% versus a base rate of 0.75% at the time of investment, essentially risk-free excess return due to cash scarcity/liquidity issues nationwide at the time of investment. Treasury income for 19/20 was £12.9m versus an initial budget of £9.8m.

Outcomes achieved

Outcomes/objectives for Treasury is to preserve security of capital, whilst ensuring liquidity at all times. Surplus cash will then be invested with the most appropriate investments in line with the Council's Treasury Management Strategy Statement. Achievement is on target.

Statement of Accounts

Reporting on the production of the statement of accounts which gives a comprehensive analysis of the Council's financial position at the end of March 2020. It is a statutory requirement to produce the statement of accounts as part of the Council's financial reporting responsibilities. However, this involves a huge amount of work across finance and the wider council. It was made additionally difficult this year due to remote working.

Outputs delivered

The accounts summarise the Council's financial performance for the 2019/20 financial year.

Outcomes achieved

In order for the Council to achieve its wider objectives, strong financial management is required. The production of the statement of accounts in the time we have been able to do it is evidence of this.

PPE and food

The logistical support provided to source and organise the distribution of PPE to front line staff and Care Homes in the borough and two meals a day to those sleeping rough in Westminster throughout the lockdown. This was started from scratch and has enabled the council to respond effectively to a real need.

Outputs delivered

The principal clients for both PPE and food have been Rough Sleeping and ASC services, but as the crisis evolved, included Westminster Connects, Children's Services, City Inspectors, Registry Office and other dependent organisations.

The service involves both contractors and Workplace Property teams working together at all times. PPE orders are assembled in the 18th floor storage facility each morning by property and picked up early by the vans. Building load ins and outs are always joint efforts. Meanwhile, upstairs on the 19th floor, Unity Kitchen prepares the food orders for the day. Unity Kitchen operates seven days a week, PPE is generally five days a week, but emergency weekend deliveries are not unheard of. The current hot food runs must be done at exact times to coordinate with the Unity Kitchen production, so currently, it's PPE runs in the morning and food runs at midday/early afternoon. Each van does two hot food runs per day. We pick up some, but not all major food inbounds from supplies and supermarkets for the food production.

No runs have been missed. No sick days reported, which under the circumstances is remarkable. Crews are provided with appropriate PPE themselves due to their contact with frontline facilities and proper distancing is maintained at City Hall, despite the activity.

PPE:

Total items distributed to date: approximately: 550,000

Average items per week: 47,000-56,000

Current stocks:

- Gloves: 142,000
- Masks: 165,000
- Aprons: 173,000
- Face protection: 5,100
- Sanitiser (all sizes): 9,000

Approximate resiliency at current levels: 3-4 weeks

Food:

Number of meals delivered to date: 64,500 (approximately)

Average per day: 840

Total number of runs undertaken: approximately 640

Outcomes achieved:

The outcomes being sought are to ensure that front line staff and care home workers are able to work safely using appropriate PPE, and that direct help and support is provided to rough sleepers in an environment where the places they would normally go for support and food are shut.

IT Support for move of council to remote working

The pandemic lockdown led to majority of Westminster staff needing to work from home at very short notice with requirement to still be able to access council IT services. With the council premises being closed there was also an increased need for council staff and members to meet and collaborate remotely. IT also had to deliver urgent IT projects to support covid19 council response.

Outputs delivered

- (1) The Surface Pro tablet PC devices and associated Always On VPN that majority of Westminster staff had been allowed for access to all IT services from home facilitating a relatively easy switch to home working.
- (2) The deployment of Microsoft Teams with PSTN conferencing as the council wide conferencing and collaboration platform allowed all staff and members to meet and collaborate remotely include having virtual committee and full council meetings. The recent months have seen 20+ increase in use of Microsoft Teams for conferencing and collaboration by council staff.



Outcomes achieved

Council staff and members were able to work, meet and collaborate effectively during lockdown. At onset of pandemic lockdown, the majority of Westminster staff had IT equipment (Microsoft Surface Pro tablet PCs) allowing for access to all IT services from home facilitating a relatively easy switch to home working.

The recent months have seen significant increase in use of Microsoft Teams for conferencing and collaboration by council staff.

Creation of the new Procurement & Commercial Service

After an extensive period of preparation and following formal consultation last year the new Procurement and Commercial Service formally came into being on the 6th April. Recruitment of the head of service and new professional posts has continued through the pandemic and interviews will run through June and July as planned. The new service has brought together procurement activity previously devolved within ASC and CHS and coordinated the supply chain response to COVID-19.

Outputs delivered

The new service has continued to deliver BAU and respond to immediate COVID-19 supply chain issues whilst transitioning into the new operating model.

Outcomes achieved

Launched the new service including the transition of existing staff, maintained service resilience, both on BAU, COVID supply chain issues and managed the integration of all devolved procurement activity.

Risks and issues

Treasury health

A prolonged period of interest rates at effectively zero will further erode the investment return that the Council can receive on its cash holdings. The current environment may see the credit quality of approved counterparties diminish to a point where it is not possible to provide the necessary diversification as set out in the Treasury Management Strategy Statement.

Impacts and consequences

Investment income would reduce and maturing deals would be replaced at a lower than current rates, meaning the service would not achieve its investment income budget. As an emergency measure, the team would be able to place cash into Treasury Bills until a solution could be proposed to Council in a revised approved Treasury Management Strategy Statement.

Mitigation and progress

Officers will continue to engage with the Link treasury consultant and external bodies to identify where there may be investment opportunities within suitable risk parameters. The team is already equipped to purchase government backed securities.

Timeframe for improvement

Ongoing engagement

Major cybersecurity breach

The council's users and IT systems are under constant attacks by malicious cyber actors (increasing through the Covid19 pandemic) seeking unauthorised access using methods like phishing to compromise systems or targeting vulnerable IT systems.

Impacts and consequences

Critical business system could be taken offline leading to financial loss through ransomware or outages on revenue generating systems as well as data compromise, leading to Information Commissioner's Office (ICO fines) or putting vulnerable residents' data at risk with associated reputational damage.

Mitigation and progress

Improvements to Cybersecurity are being made with investments tools like patching systems, email protection and training modules along with staff cyber risk awareness campaigns all in line with best practice from National Cyber Security Centre (NCSC). To date, the average completion rate for training modules is 54%, with an ideal target closer to 100%. Staff are being asked via management to complete cyber training and we are publishing common the Wire as well directing staff to the [Data Protection and Cyber Security Training](#) page.

Timeframe for improvement

Ongoing.

Increased risk of supplier failure/market instability

The impact of COVID-19 and the economic consequences arising from ‘lockdown’ and measures arising will continue to affect providers and markets for some time – particularly as the immediate relief measures are withdrawn. This also affects VCS markets where alternative funding streams have been interrupted.

Impacts and consequences

Loss of providers (financial administration)/contracts handed back or resulting price increases to recover margin pressure or additional costs.

Mitigation and progress

The supply chain resilience forum will continue for the medium term, and measures to assess financial stability pre/post contract award is being intensified.

Timeframe for improvement

Work will continue for the rest of this year.

Service issues related to covid-19

Financial impact

Financial impact of the Covid-19 restrictions on the economy of Westminster is impacting on the fees, charges and commercial income collected by the council, both in the short and medium term. Debt collection is impacted for NNDR, council tax, tenants’ rent and sundry income. Additional costs are being incurred and savings initiatives will not all be deliverable. Government grants to compensate the council will not cover all of these. There will be a longer-term detriment from reduced commercial income as businesses in Westminster do not survive the crisis.

Impacts and consequences

Impact is being modelled based on a set of assumptions, but it is clearly an unpredictable situation in terms of: government restrictions, duration of impact and level to which activity post-Covid-19 will recover. This will vary by industry sector with hospitality and leisure likely to be hit hard.

Mitigation and progress

Renegotiation of contracts to be expected for outdoor media advertising, leisure contract, but a need to protect ongoing viability of both contractor and council revenues. Debt collection unable to be progressed with tenants due to government regulations protecting tenants. Concessions offered to a number of licence holders to defer payment and waive some fees in the short term. Government lobbying and monthly returns to clarify financial impact on council and press for further funding. Ultimately reserves can be used to mitigate losses, but this is not a long-term solution.

Timeframe for improvement

The council has limited ability to influence the economic recovery and timeframe on this but is focused on the recovery and renewal of both the council internally and enabling activity in the borough to recover as quickly and safely as possible. Progress in income recovery will be monitored closely and forecasts revised in accordance with actual activity data as it comes to light. This will then be updated in reforecasts through the coming year.

Second spike

Depleting cash reserves and urgent payments could once again accelerate should the COVID-19 impact with a second spike, it may also impact future asset valuations in the pension fund, impacting investment returns and funding levels.

Impacts and consequences

Incorrect or inappropriate strategies could lead to pressure on making treasury funds available when needed.

Reduced funding levels could impact future employer contribution rates to be assessed at the 2022 actuarial valuation.

Mitigation and progress

Planning ahead and engagement with internal and external partners will minimise unexpected fluctuations in cashflow. Asset values could have recovered sufficiently by the time of the next actuarial valuation.

Timeframe for improvement

Ongoing engagement

Collection of commercial rent income

Government directives requiring certain premises to close has meant loss of trade and the council has responded by offering affected businesses and organisations a 3-month rent free period from March to June. This has impacted on the commercial income of the council. The longer-term risk however is the loss of local business who may not be able to withstand the economic pressures.

Impacts and consequences

Loss of businesses in Westminster will affect the vibrancy of local economy. The direct impact of the 3-month rent free period is a loss of income of £1.11m (General Fund £370k and HRA - £740k) but should help to provide a buffer for business who have lost all their trading revenue.

Mitigation and progress

The issue is created by external factors and will be resolved by the extent to which the UK economy recovers. Being managed through direct discussions with each tenant to understand impact on their business. Considered that measures put in by government – business grants and 12 months business rates holiday, along with the easing of the lockdown restrictions provides a basis for many businesses to be able to afford their rent.

Timeframe for improvement

Mitigations are already in place and resolution will depend on the economy and actions taken by government.

Initial impact is on the council's revenue income, but the longer-term impact will be on the local economy if support is not provided to local businesses.

Cash flow impact as a consequence of Covid-19

NNDR collection is expected to reduce this year from the original budget and the council's cash position may be impacted depending on the extent of this. In addition, it is expected that the impact from lost income and additional costs will not be fully offset by additional government grants, also impacting cash and reserves.

Impacts and consequences

The council collects £2.4bn in NNDR annually and circa £140m in fees, charges and commercial income. Nearly £1bn of business rates is being waived by the government for the retail and hospitality sector for which we are now receiving a monthly grant. The remaining c£1.4bn is indicating a suppressed, although improving, rate of collection compared to normal years, whilst the council faces having to make payments

to Government, the GLA and the London pool based on budgeted figures. The government has delayed the Q1 payments due to it until Q3 and Q4 but if the absolute amount collected is significantly down it will impact on the council's cash flow.

Mitigation and progress

May showed an improvement on April's collection rate and this will continue to be monitored and the cash flow impact modelled. We will remain in close discussion with MHCLG over developments in this with a view to lobbying for further cash concessions if necessary.

Timeframe for improvement

This will continue to be modelled through the year. Any downside is ultimately limited due to the safety net mechanism, but the cash shortfall may only be recovered over the following financial year.

Management of supply chain issues arising from COVID 19

The supply chain impact of COVID-19 required an immediate re focussing of resource in the Procurement and Commercial Services Team to support the acquisition of emergency critical supplies and services across the Council and to respond to those suppliers who are facing financial distress or becoming unable to meet contractual commitments. This support extended to securing emergency accommodation, PPE, transportation and mortuary facilities amongst others. The Supply Chain Resilience Forum was created to review and respond to relief requests and to proactively engage with the provider market.

Outputs delivered

Provided effective support and co-ordination to the relief effort – responding quickly to fast changing needs, and co-ordinating pan London responses for some services. The Resilience forum has reviewed and provided support to over 30 providers who have expressed 'distress'.

Outcomes achieved

We have maintained critical supplies and commercial oversight and responded consistently to providers who are facing difficulties as a result of the pandemic.

Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at year end (April 2019 – March 2020). Figures reported below are for November 2019 unless indicated.

Target range definitions	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	YE Target assessment definitions	Target missed Did not achieve the minimum target level Target exceeded Exceeded ideal target level Target achieved Met the ideal target level Minimum standard met Met the minimum target below ideal level
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Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				

Finance

1. Number of days to collect debt	New KPI	71 to 90 days	→	61 to 70 days	→	1 to 60 days	108.08 days	Target missed	64.10 days (Q3 position) KPI are based month on month comparisons. Full figures provided separately.	Uncontrollable factors distorting stat are mainly that income is not raised evenly throughout the year, which will cause spikes in some months.
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Service Commentary: The debtor days increased from 73.93 in P11 to (Minimum) to 108.08 days in P12 which is beyond our minimum KPI requirement.

Mitigation: There are factors that remain uncontrollable with this KPI, the main being that income is not raised evenly throughout the year. There will be spikes in some months, where a large value or volume of invoices are raised which will increase the debtor days for payment. P12 saw the third highest number of invoices raised in 2019/20 at £15,138m, coupled the decision to suspend all debt recovery mid-March, caused a spike in the debtor days for P12.

2. Debt position 90-day change	N/A	Decline on last year	→	Improvement on last year	→	Improvement on last year	£32,386m total debt outstanding	Target achieved	21.981m (Q3 position) KPI are based month on month comparisons. Full figures provided separately.	All invoices raised are considered debt regardless of payment due date. Invoices raised in the last six months were twice the value of invoices raised in the first six months; and invoices raised in the last quarter accounted for 1/3 of all invoices.
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Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
<p>Service Commentary: Debt position has improved in all three categories 90 – 180, 181 – 365 and >365 days.</p> <p>Mitigation: Continuous debt recovery by the IBC and Central debt team at WCC aim to reduce this figure in each period.</p>								
3. Variance between budget and full year outturn	£0.530m	On budget	→ <£5m underspent	→ As per ideal	£0.530m	Target achieved	Movement of £0.231m since Q3	The 2019/20 outturn was impacted by £1.4m due to the pandemic.
4. Variance between capital budget and FY outturn	£71.527m	On budget based on forecast	→ On budget based on forecast	→ On budget based on forecast	£71.527m (March 2020)	Target achieved	Movement of £71.527m since Q3	Forecasts presented at Q3 were re-profiled budgets. On track because re-profiled. I.e. the 5-year capital programme hasn't changed, just the year in which we will be incurring the expenditure.
5. Percentage of council tax collected (forecast)	96.7%	95%	→ 96.5%	→ 99%	94.52% (Feb 2020)	Target missed	↑ Up from 85.37%	Insights: £96,949,050 collected from total of £102,566,740 owed. There has been a cessation of recovery action against council tax payers that have late or unpaid taxes and this includes the suspension of enforcement agency work and the despatch of summonses since April. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted.

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target assessment	Movement since Q3	Other contextual insight
		Minimum	→ Ideal	→ Aspirational				
6. Percentage of business rates collected (forecast)	98%	96%	→ 98.5%	→ 100%	95.53% (Feb 2020)	Target missed	↑ Up from 76.47%, still meeting target	Insights: 2,274,613,303 collected from total of 2,380,969,642 owed. there has been a cessation of recovery action against businesses that have late or unpaid taxes and this includes the suspension of enforcement agency work and the despatch of summonses since April. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted.

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Complaints

7. Percentage of stage 2 responses signed by Chief Executive with no need to return	98%	95%	→ 98%	→ 100%	98% (3/190) (March 2020)	Target achieved	↓ Down from 100%, still meeting target	
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ICT

8. Number of major business impact Priority 1 incidents per quarter (could affect more than 100 people)	23	22	→ 18	→ 12	13 (March 2020)	Target achieved	↑ Up from 10, still meeting target	
9. Significant incident attracting fines under new GDPR legislation such as Information Commissioner intervention regarding handling of data protection	0	3	→ 1	→ 0	0 (March 2020)	Target exceeded	→ Same as last quarter, still meeting target	

1.8 Policy, Performance and Communications

Achievements

City for All 2020-23 Launch

The Council published its updated City for All 2020-23 Strategy.

Outputs delivered

Westminster launched the new City for All strategy on 5 March 2020. The strategy focusses on tackling climate change and poor air quality, supporting the borough's vibrant communities and ensuring Westminster is one of the best connected and most technologically advanced cities in the world. The Leader of the Council presented the new strategy at Westminster City Hall on 5 March to officers and external partners, encouraging them to work together to achieve the City for All ambitions.

Outcomes achieved

The new strategy sets out ambitions that the Council is committed to achieving in order to create a City for All. The strategy sets out a framework for monitoring outcomes related to the City's natural environment, built environment, population health, employment opportunities, connectivity and service provision.

Cultural Strategy Consultation

The Council has set out a Cultural Strategy to ensure Westminster's communities can benefit from the borough's world-class cultural and creative activities.

Outputs delivered

Westminster launched a consultation on its Cultural Strategy 2020-24, which sets out the Council's priorities to increase access to culture for all residents, supporting the connection between health and cultural provision, addressing skills gaps by working with cultural and creative employers, and continuing to find opportunities for creative placemaking.

Outcomes achieved

The strategy demonstrates the Council's commitment to ensure Westminster remains at the heart of London's diverse arts offer and creative economy, while supporting local residents, of all backgrounds and ages, to take advantage of the vibrant cultural opportunities on their doorstep.

Air Quality Consultation

The Council consulted on its Air Quality Action Plan to tackle air pollution in the city.

Outputs delivered

Westminster consulted on its new Air Quality Action Plan from 30 December to 26 February. The plan sets out an ambitious set of actions for further improving air quality in the City, including reducing emissions from buildings and transport, and working closely with partners such as schools, businesses and universities to reduce emissions.

Outcomes achieved

The plan will commit Westminster to meeting the World Health Organisation’s guidelines for air quality, which exceed the targets set by national law. Setting this ambitious target emphasises our commitment to improving the air we all breathe in Westminster.

Risks and issues**City Promotions, Events and Filming Income**

Whilst the volume of event activity has remained strong, the service is continuing to forecast a shortfall in line with period reports.

Event Income

As a market driven service, this is largely attributable to external factors and their impact on commercial events, with uncertainty around Brexit and the economic climate reducing external marketing and event budgets, reducing demand which has a direct impact on the service.

Similarly, there has been an industry shift away from high footfall and branding-led commercial events, with organisations seeking to use digital platforms that allow for more targeted, cost effective campaigns without the need to hire public spaces.

Internal corporate priorities have also impacted on income generation, with public health and sustainability policies restricting the acceptability of some commercial brands and organisations that had previously operated in Westminster.

Restrictions on the use of parks and open spaces for commercial events has affected the income generation potential of key sites, namely Berkeley Square and Victoria Embankment Gardens.

Following the lockdown, the events and filming calendar is decimated and as such there is currently nothing planned which obviously puts significant income at risk. Current assumptions are that only approximately 30% of budgeted income will be achieved this financial year (2020/21).

Filming Income

Given the majority of filming activity takes place on street, there are limitations on what the council can charge which means that the increase in filming is unlikely to result in a significant rise in income.

Westminster remains the most expensive borough to film in – not just as a consequence of the direct service costs, but also on account of ancillary costs such as parking and road closures.

Due to lockdown, filming has come to a standstill.

Advertising Income

The council’s two large-format sites are on long term licence agreements and therefore continue to generate significant income, though vulnerability around business rates in relation to the Piccadilly Underpass remains.

Following lockdown: From a banner perspective, our main clients are theatres which are obviously closed until further notice with many unlikely to open until next year. No income has been earned to date and the assumption is that that banner income will not recover until Quarter 4.

For large format advertising, both contracts we hold are at risk of termination under Force Majeure and therefore under negotiation. But currently no rental is forthcoming due to FM and the assumption is that income will be significantly reduced this financial year.

Mitigation and progress

In November 2019, the service implemented a fees and charges increase.

Outside of the business as usual application process, the service continues to explore new commercial opportunities across each of its key platforms to maintain levels of income. In addition, the service is seeking to build relationships with new sectors that will be looking to promote and market their products in the coming years and which are more aligned with the council's priorities – i.e. electric vehicle agendas.

As a result of the lockdown, our revenue streams are very much market driven and dependent on events being held. Until the market returns to normal there is no ready option available to mitigate this loss of income.

Further to this, with theatre productions on hold, there are no banner sales to generate income. In relation to the larger format advertising, Force Majeure has been invoked. Existing contracts are being reviewed with a view to renegotiate. For City Promotions and Filming, the estimated income under recovery as a result of Covid-19 this financial year is £3.48m.

Service issues related to covid-19

City for All 2020-23 Impact

The covid-19 outbreak occurred shortly after the publication and launch of the new City for All vision and strategy. Though the full impacts of the disease on Westminster's communities is still being determined and quantified, it is likely that the pandemic has had an impact on the emphasis of the strategy. In particular the council and partners will need to consider how to mitigate the economic impacts of COVID-19 within our vibrant communities agenda, including the need to look at how ethnic minority communities have been impacted. COVID-19 has also enabled significant opportunities to turbo boost our green and smart city agenda.

Mitigation and progress

Officers have been working together to review planned activity in 20/21 through a COVID-19 lens and identify where activity needs to be pivoted accordingly to meet these opportunities and impacts. Underpinning this is the newly created Renewal directorate, led by Interim Executive Director Greg Ward. The Renewal team's work will focus on seven themes: protecting the worst affected by covid-19, improving health outcomes, residents' economic prosperity, the City's economic recovery, civic engagement, organisational effectiveness and Medium Term Plan. The results of this review will inform the development of refreshed short/medium term strategic corporate plans and performance frameworks.

Timeframe for improvement

A review is already underway is expected to complete in late Summer.

Public engagement in council democracy

Typically, members of the public and other interested parties can attend Westminster’s decision-making committees. However, with the outbreak of covid-19 and social distancing requirements, in-person attendance is no longer possible.

Impacts and consequences

If members of the public are unable to speak at committees, decisions will not be made in their usual transparent and democratic manner, placing the Council’s reputation and relationship with its communities and stakeholders at risk.

Mitigation and progress

The Committee Services team has set up a system in which future committees are live streamed, with members of the public having to register in order to speak.

Timeframe for improvement

Although the new arrangements are in place, these are reviewed regularly to ensure they are accessible for those who want to attend.

Connecting with the most vulnerable in Westminster

The most vulnerable in Westminster are particularly susceptible to covid-19, and with strict ‘shielding’ guidance for them, they are also most at risk of isolation or not being able to receive the proper care they need.

Impacts and consequences

Without contact from the relevant service, the health and wellbeing of the most vulnerable residents could deteriorate. While lockdown presents a risk of worse health outcomes for residents, it also poses a reputational risk to the Council. If it is unable to communicate with its residents and ensure they have the services needed to keep them healthy and safe, this could damage the Council’s reputation and relationship with its communities.

Mitigation and progress

The Council has set up the Westminster Connects service to identify the most vulnerable Westminster residents and to connect them with volunteers who are able to support service delivery to them, such as food shopping. Additionally, the Council sends newsletters regularly to residents to inform them of the latest government updates, public health guidance and opportunities to volunteer in the community.

- As of 5 June, 4354 residents were recorded on the Council’s Customer Relationship Management database, and of these, 96.95% (3722) had been proactively contacted, with 3.05% (117) to be contacted.
- As of 5 June, 2797 volunteers were deployed to support the service, including Council officers and local residents.
- *Westminster Connects Volunteers* e-mails have an average open rate of 53%, which is almost twice as high as the industry rate. However, these rates have gradually decreased.

Timeframe for improvement

Due to the ongoing concern of a second wave of covid-19 and the lack of a vaccine, the service will continue as long as it is needed.

Key Performance Indicators

The table below presents the latest cumulative outturns available at year end (April 2019 – March 2020) unless indicated.

Target range definitions	Minimum	The minimum level for the KPI that will still allow the service to deliver	YE Target assessment definitions	Off track	Failing to achieve the minimum target level
	Ideal	A level which is acceptable for service continuity		Projected to exceed target	Projected to exceed ideal target level
Aspirational	The level at which the service is improving beyond current capability	Target achieved	On track to meet ideal target level	Minimum standard met	Meeting the minimum target below ideal level

Key performance indicator	2018/19 position	2019/20 target ranges			Position at Year End	Target Assessment	Movement Since Q3	Other contextual insight
		Minimum	Ideal	Aspirational				
1. Less than 4% of calls abandoned (Agilisys)	2.97%	<5%	<5%	<4%	7.02%	Off track	↓from 4.4% to 3.9%	
<p>Service Commentary: The overall 2019/20 position was 7.02% which shows a higher actual than target due to the two incidents in 2019 when new Dynamics CRM platforms had to be implemented. Once the system settled in, this did improve for the last quarter and where we would expect to see it for the coming year. The last quarter saw a below target percentage.</p> <p>Mitigation: Service levels are constantly monitored. Since mid-March all contact centre agents are working from home and service levels are being met. Some volumes are currently very low but we expect these to ramp back up as services start to resume. From 3rd June the contact centre is taking calls for the Westminster Connects service and volumes and resources will be monitored to ensure there is no adverse impact on any other service.</p>								
2. Residents feel informed about services and benefits	68% (2018)				69% (2019)		Results are up (1%) on the previous year.	
3. Residents feel informed about plans for your local area	63% (2018)				69% (2019)		Results are up (6%) on the previous year.	
4. Residents have seen the Westminster Reporter	60% (2018)				56% (2019)		Results are marginally down (4%) on the previous year – more analysis will be undertaken, but age (younger people not reading) seems to be a key factor.	

City for All Tracker

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

City for all Pledge	Delivery Status	Progress update
City of opportunity		
We will roll out our #MyWestminster City Lions Programme for 13 to 16 year olds, making sure that young people from a variety of backgrounds have access to all of the opportunities the city has to offer	Achieved	<ul style="list-style-type: none"> Placements allocated to a variety of young people that met the targeted cohort, however we had to cancel 90% of our activity. This includes the mentor programme with Wilmot Dixon and the Youth Offending Team achieve 10% of KPI. Programmes have been aimed at schools with a high level of students from deprived or high need backgrounds (St Augustine's, Beach Croft, Marylebone Bridge & Pimlico Academy & KSA). City Lions quickly responded to lockdown by moving to an online offer, creating a new and innovative response, and using an Easter Virtual programme over three days to help inform future engagement. We have since had live engagement programmes every week and have advised London boroughs of Richmond & Wandsworth on online engagement. <p>In response to creative industry partners inability to participate in activities, a digital festival has been created for July 2020, if schools are engaged to meet expectation, we should be able to balance CL's targets.</p>
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.	On track	<ul style="list-style-type: none"> Westminster's City Plan is currently under public examination by two independent planning inspectors. They have issued formal Matters, Issues and Questions to help form their opinion on the soundness of the Plan. The Public Hearings have been delayed and are likely to take place virtually as a result of covid-19. Nonetheless it is hoped that the examination process will be completed by the end of the year allowing the Plan to be adopted late 2020/early 2021.
We will launch a new enterprise partnership bringing together businesses from across the city to shape a new economic development strategy.	N/A	<ul style="list-style-type: none"> Cllr Barnes is currently looking at the Skills agenda and is forming a Youth Strategy Board that will look at skills progression for people up to the age of 25. Various initiatives including: Bi-borough Careers Cluster supporting education and training providers to improve the effectiveness, quality and industry relevance of CEIAG, specifically adapting this to reflect the composition of the post-COVID economy; Cities of Learning which will build a new local ecosystem of informal and formal education of our young people.

City for all Pledge	Delivery Status	Progress update
<p>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.</p>	<p>N/A</p>	<p>In light of the COVID crisis we will be re-examining the needs of our businesses and residents as part of the Renewal programme. There will be a number of priorities including:</p> <ul style="list-style-type: none"> • Programmes to stimulate job opportunities for and prepare young people entering the workforce for the first time. • Establishing a Bi-borough Careers Cluster supporting education and training providers to improve the effectiveness, quality and industry relevance of CEIAG, specifically adapting this to reflect the composition of the post-COVID economy. • Rolling out Cities of Learning, as above. • Ensuring that central Governments pledges around apprenticeships and FE work with our employer base and our young people • Scale up WES to up-skill, re-skill, skills match and provide job brokerage support for residents.
<p>Healthier and Greener City</p>		
<p>We will expand #DontBeldle, setting the ambition for 1,000 businesses to sign up and play their part in reducing their own and their customers’ emissions.</p>	<p>Not provided</p>	<ul style="list-style-type: none"> • London’s sightseeing tour operator Big Bus Company has joined the campaign, and there are on-going discussions businesses, including UPS, Uber and Stuart Delivery, to join campaign. • 200 lamppost signs, incorporating eye-catching new designs, were installed in idling hotspots. • There was media coverage in the Times of the removal of parking bays in Horseferry Road • Air quality action days: 20 January/Cavendish Sq; 2 March/Marylebone Station; 24 March/Knightsbridge (cancelled due to COVID-19) • A pledge pack for Members that was jointly branded with the Northbank BID is now on hold due to COVID-19. • Letters from Hallfield Primary School pupils’ letters to CEX now on hold due to covid-19.
<p>City that offers excellent local services</p>		
<p>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.</p>	<p>Off track</p>	<ul style="list-style-type: none"> • Policy is mid-development. We consulted on a draft policy design earlier this year (Jan – Feb 2020). Consultation results are due to be presented to Licensing Committee on 8th July where we are proposing that that design is changed to ensure our residents and workers/business interests near to busking hotspots are better protected from the nuisance they are experiencing. Because of the changes we are recommending this will require further engagement and another consultation later in the year prior to the policy being adopted and implemented next year.

City for all Pledge	Delivery Status	Progress update
City that celebrates its communities		
<p>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.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> No further update
<p>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.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> No further update
<p>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.</p>	<p>Not provided</p>	<ul style="list-style-type: none">
<p>We have identified three priorities chosen by residents that will receive funding from the £900,000 raised so far through our voluntary community contribution scheme'.</p>	<p>Achieved</p>	<ul style="list-style-type: none"> The community contribution has to date raised more than more £1m to be allocated to its three priorities. The first round of funding awarded £258k to 19 organisations (1 direct award, eighteen through the round one grant scheme). The second round grant scheme has been launched and £610k has been allocated to the scheme. During lockdown a COVID-19 specific scheme was also launched which had £250k allocated to it, £212k of which has already been awarded (depending on the deadlines for this by the end of the week we should be able to say the whole £250k has been awarded). The CCF team has also improved communications with contributors and has produced a leaflet informing contributors about the projects they are funding. The scheme continues to receive positive press coverage and a number of other Local Authorities have contacted the council seeking advice on establishing their own scheme.

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City of Westminster

Audit and Performance Committee

Decision Maker:	<i>Audit and Performance Committee</i>
Date:	<i>15th July 2020</i>
Classification:	<i>General Release</i>
Title:	<i>P2 Budget Monitoring Report</i>
Wards Affected:	<i>ALL</i>
Report of:	<i>Gerald Almeroth – Executive Director of Finance and Resources</i>

1. Introduction

1.1. The Covid-19 pandemic has had a significant impact on the Council and Westminster's local economy. Since the beginning of this crisis the Council has had to adapt its working practices and change its operational priorities in line with the needs of the Council's communities – both residents and businesses. The financial impact of this for the Council has been three-fold:

- The Council has had to incur additional costs that have resulted from supporting the most vulnerable people in the City;
- The impact on the local economy has led to significant drops in income from sales, fees and charges, or the collection rates thereof;
- Saving proposals have been delayed or are considered no longer deliverable.

1.2. The government has recognised that local authorities are at the forefront of responding to this crisis and have agreed a number of measures, including additional funding and cashflow support. This is in addition to support given directly to businesses and individuals, through grants and other schemes such as staff furlough.

1.3. The Period 2 monitor reviews the Council's financial position as at the end of May 2020 and compares this to the amount of additional government funding received so far. As this is only the second month of the financial year and the full impact and duration of the pandemic is as yet unknown, the assumptions underpinning the financial impact looking forward can only be an approximation based on limited and imperfect information. Therefore, a range of potential scenarios are set out at this stage and the financial pressures are based on a set of assumptions pertinent to the complexity and drivers of

each area, which will be continually reviewed and updated. A formal report to Cabinet in July will consider the potential implications of this on the Council and will set out a financial framework for budget planning in the medium term.

- 1.4. As at the end of May 2020 the Council had a year date cost variance of £17.5m – compromising income losses of £15.2m and additional expenditure of £2.3m. The Council has received additional core funding from the government in two tranches so far, which amounts to £16.4m. This is close to covering the net costs to date. It is not yet clear if further funding for Councils will be made available in addition to this and the other specific grants mentioned later in this note. The full year impact, which is difficult to estimate with any great certainty, is likely to be in the region of £50-60m excluding government support, however as indicated above this is based upon a set of assumptions which are likely to change so should be viewed as indicative only. The Council is looking at measures to reduce spending on non-essential functions where possible in order to reduce this impact over time. It is difficult at this stage to accurately assess how long the recovery will take, how much of the past levels of income will return, whether subsequent surges will arise and the impact of these. This report goes into more detail on the breakdown of this potential financial impact over the different services of the Council.

2. Government's Financial Support

2.1. The government's financial support can be categorised into three areas:

- Grant funding, both general and specific, for local authorities to cover expenditure and income losses arising from the pandemic.
- Grant funding provided to local authorities to act as an intermediary for funding that then needs to be passed on to businesses and individuals.
- Cashflow support for local authorities, including the deferral of certain payments to government and the bringing forward of grants.

2.2. These are summarised below:

Scheme	National Funding	WCC Share	Purpose
General Support	£3.2bn support	£16.4m	Un-ringed fenced funding to help councils respond to the current crisis
Emergency Support for Rough Sleepers	£3.2m	£0.250m	Funding to help rough sleepers self-isolate during the pandemic. Significant levels of further funding has been announced, but not individual authority allocations as yet.
High Street Funds	£50m	£0.233m	Reopening High Streets Safely Fund
Track and Trace	£300m	£2.890m	Funding to support the new test and trace service and to implement outbreak control plans.
Infection Control	£600m	£0.598m	Infection Control in care homes. 75% of the funding must be passed straight to care homes within our geographical area – even if the Council does not have a contract with them. Councils can decide how to allocate the remaining 25% based on needs, but it must be used for infection control.
Small Businesses	£12bn	£88.7m	Grants paid to businesses of £10k or £25k each depending on their rateable value. The Council has paid out all the funding it has received and paid 4,979 businesses.
Discretionary Local Authorities Grants	£617m	£3.9m	Additional to the above £12bn to help businesses who did not benefit from the first round of business grants.
Council tax Hardship Fund	£500m	£2.2m	Help residents with council tax payments by £150. The council has supported 1,413 households.
Cashflow support			
Deferred Rates	£2.6 billion	£0.769bn	The deferral of local authority Q1 payments of the Central Share of retained business rates until the second half of the financial year.
Advance payment of reliefs	£1.8bn	£0.09bn	Up-front payment of business rates reliefs

3. Recommendations

3.1. That the committee notes the content of the report

4. Reasons for Decision

4.1. To inform members on how the Council is delivering against it's budget.

5. Revenue Budget – 2020/21

5.1. As at period 2 the Council has an adverse variation of £17.45m compared to the general grant funding of £16.4m received to date. Indicative forecasts for the rest of the year estimate an adverse variance of between £50m to £60m against budget before taking additional government funding into account. This is summarised in the table below and shows the potential upper limit of £60m which is inclusive of risks and opportunities:

General Fund

ELT Portfolio	FY Budget (£m)	FY Forecast (£m)	FY Variance (£m)	P2 YTD Variance	Risks Identified (£m)	Opps Identified (£m)	Projected FY Variance inc Opps and Risks (£m)
Adult Social Care	53.259	54.959	1.700	0.350	-	-	1.700
Public Health	(1.029)	(1.029)	-	-	-	-	-
Growth, Planning & Housing	24.751	34.651	9.900	1.400	0.400	(0.470)	9.830
Finance and Resources	59.199	62.699	3.100	3.000	3.770	(0.560)	6.310
Environment and City Management	(1.667)	33.333	35.000	11.800	2.150	-	37.150
Children's Services	33.219	34.519	1.300	-	0.310	(0.600)	1.010
Other Corporate Directorates	12.245	16.245	4.000	0.900	-	-	4.000
NET CONTROLLABLE BUDGET	179.977	235.377	55.000	17.450	6.630	(1.630)	60.000
Council Tax	(59.477)	(59.477)	-				
Business Rates - Net of Tariff	(120.501)	(120.501)	-				
CORPORATE FINANCING	(179.977)	(179.977)	-				
Covid-19 Grant Funding		(16.529)	(16.529)				
Net (Surplus) / Deficit	-	38.870	38.471				

5.2. The year to date variances are due to financial pressures arising from the pandemic. An approximate split of these variances by income and expenditure is given in the table below.

Income/Expenditure	Full Year	YTD Covid Variance
Expenditure	£6-10m	£2.3m
Income	£40-50m	£15.2m
Total	£50-60m	£17.5m

5.3. Further detail on this is set out in the section below.

6. Income

6.1. The biggest impact of the pandemic on the Council's finances is resulting from income reductions. The variance to date is £15.1m. As noted in the table above, the full year impact of this could be in a range of £40-£50m depending on a number of factors. The key income streams impacted are summarised in the table below with indicative forecasts for the full year:

Major Income Streams with Losses	Full Year Budget £m	Full Year Forecast £m	Full Year Variance £m	YTD Budget £m	YTD Actuals £m	YTD Variance £m
Parking - Paid for Parking	40.391	30.641	9.750	6.243	2.314	3.929
Parking - PCNs	19.912	13.312	6.600	3.319	1.061	2.257
Parking - suspensions and dispensations	22.942	17.492	5.450	5.023	2.960	2.063
Parking - Residents permits	4.671	4.471	0.200	0.720	0.606	0.114
Commercial Waste	18.199	9.100	9.100	1.944	0.875	1.069
Licensing (top three income streams)	5.118	4.158	0.960	1.018	0.204	0.814
Road Management	8.880	7.080	1.800	1.475	1.178	0.297
Community Services	5.974	4.074	1.900	0.996	0.004	0.992
Registrars	2.302	1.062	1.240	0.384	0.107	0.277
Planning	7.336	3.936	3.400	1.223	0.683	0.539
City Promotions, Events and Filming	4.810	1.310	3.500	0.706	0.000	0.706
Local Land Charges	1.794	1.394	0.400	0.310	0.107	0.203
Property income - General fund	25.736	25.136	0.600	4.297	2.480	1.817
Total	168.063	123.164	44.900	27.657	12.580	15.077

6.2. Further detail for these income streams is given below.

6.3. Parking

6.3.1. Parking income has seen a significant drop. As at the end of May 2020 the Council has only generated £7m in parking income. This is in comparison to £16m at the same point last year and equates to a variance of over 50% compared to May 2019. The Council has issued significant numbers of on-street parking dispensations for NHS staff and other key workers during this period.

6.3.2. It is estimated that the full year impact of parking losses could be approximately £20m. This range is based on demand gradually returning back closer to pre-Covid-19 levels during the year. The key income streams within parking that are contributing to this variance are:

- Paid for Parking
- PCN's
- Suspensions and dispensations
- Resident permits

6.4. Commercial Waste

6.4.1. Due to the lockdown measures many of the Council's commercial waste customers have had to close, which has inevitably led to a reduction in income. In comparison to this time last year, the Council has generated £2m less. The forecast included is likely to move significantly as there are many uncertainties on how businesses will recover due to Covid-19. Sales of bag products will increase once businesses re-open but will be very dependent on how well these businesses trade as lockdown eases. Forecasts include an assumption for some further recovery to occur, but it is unlikely to return to pre-Covid-19 monthly income levels this financial year with social distancing requirements and concerns about travelling on public transport into the City.

6.5. Planning Income

6.5.1. Planning applications are significantly down due to the economic impact of the pandemic. In comparison to this point last year planning income is 50% less and it is currently assumed that this will not pick up for some time, however, as the economic conditions improve this may increase in the second half of the financial year.

6.6. Road Management Income

6.6.1. Road Management income levels have declined by approximately 20% in the first two months of the year against profile. The forecast is based on the assumption of a 20% reduction continuing in the short term with gradual recovery.

6.7. Community Services

6.7.1. Income across Community Services is down from Leisure Centres, Paddington Recreation Ground and Sayers Croft. Total impact across all of Community Services has been assumed £1.9m in a full year. There is further risk in respect of these services as the future impact on the service delivery model is currently very uncertain given current social distancing restrictions.

6.8. Registrars

6.8.1. Although it is anticipated that services will restart sometime in the near future there has been no information given by government on what type of ceremony or service will be permissible and what demand will be. Birth and death registrations and income from citizenships are likely to meet original budget expectations by the end of the year. However, there will continue to be significant downturn in ceremonies income.

6.9. Public Protection and Licensing

6.9.1. The shortfall in Licensing income is due to deferring payments and waiving and reducing fees for certain licence regimes while businesses were forced to stay closed. The majority of this forecast income loss is due to income from street trading, tables and chairs and Licensing Act 2003 income.

6.10. City Promotions, Events and Filming

6.10.1. The service is heavily impacted by the economic disruption and the Council has not generated any income so far this year against the £0.7m budget to date. It is assumed that with the gradual easing of lockdown measures the service may still generate some income in due course but will not recover income lost to date.

6.11. Investment Property Income

6.11.1. It is estimated that property income will be £0.6m below budget. This is primarily due to the Council's commercial tenants most impacted by the lockdown measures, who the Council has provided some support to. The inflationary increase to car

parks income is also being deferred to 2020/21. Quarter 1 collection of invoiced rents currently stands at 79%.

6.11.2. All the above income streams will be kept under constant review and the eventual year end position will be highly dependent on how well the public health recovery and the subsequent economic recovery progress.

7. Expenditure

7.1. The main expenditure variances as at the end of May 2020 are set out below:

7.2. Rough Sleeping

7.2.1. To date the Council has incurred costs of £0.9m in relation to supporting rough sleepers off the streets. This is one of the Council's most significant operational areas in its response to the pandemic and the Council has higher costs and demand due to the number of rough sleepers in the city. The Council has directly sheltered 246 rough sleepers and has paid all costs of all accommodation. Food and sundry items were paid for until the middle of May, when costs were handed over to charity partners. Charity partners on behalf of the Council have also been able to place an additional 400 rough sleepers found in Westminster into GLA commissioned hotels – at no extra cost to the Council. Since May under the move on strategy the rough sleepers have started to be moved into alternative accommodation (Rough Sleeping Pathways, Private Sector rented tenancies and reconnected with home boroughs) with the aim of ensuring they are no longer staying in hotels by early July 2020. The full impact on the rough sleeping service is estimated to be in the region of £1.1m - £1.2m.

7.2.2. The Chancellor announced £643m of funding for Rough Sleeping at the budget in March 2020 and a further announcement was made at the end of May that £160m of this funding would be accelerated into this year to help build/create 3,300 places over the next 12 months. The government have not made any announcements on allocations yet, but the Council will continue to lobby and discuss with government to assist with the response.

7.3. Adult Social Care

7.3.1. Adult Social Care is projecting an underspend of £0.2m based on the business as usual activities against annual budget of £53.3m. This is primarily driven by an underspend on contract savings and placement and packages, underspend on physical support and dementia activities but offset by an overspend of from placements and packages activities in Mental Health.

7.3.2. As a result of Covid-19, additional spend of c£1.2m is expected to be incurred in financial year 20/21 largely due to the projected spend on PPE, c£0.5m, (this is an initial estimate and Adult Social Care share of PPE is 80%), support for the Homecare provider market c£0.3m, increased staffing c£0.2m, and the remaining £0.2m is across a range of different spend lines. To date the actual Covid-19 related spend is £0.35m, with the majority of this expenditure on PPE. In addition, financial savings of £0.725m are anticipated to be deferred into the next financial year due to Covid-19.

7.3.3. For information, the Council have been allocated infection control grant of which £0.298m has been received of the total £0.598m allocation. Of this, £0.224m has been distributed to Care Home providers in Westminster. The remaining £0.300m of the grant is expected in June from the Department of Health and Social Care.

7.4. Temporary Accommodation

7.4.1. The Council is estimating a c£3m overspend on temporary accommodation with demand that is likely to come through as lockdown eases and the full impact of the economic situation starts to come through. The forecast overspend is based on a 10% increase in numbers by year end.

7.5. Movement Strategy

7.5.1. Following the ongoing implementation of the movement strategy works, with total costs for Phase 1 of around £1m, a bid has been submitted to the DfT via the Active Travel Fund for funding of £0.1m, with another bid totalling £0.9m submitted to TfL as part of the London Streetspace Plan which will cover the costs of these works.

8. HRA – Revenue

8.1. The projected full year variance in the HRA is outlined below.

Housing Revenue Account:	Full Year Budget (£m)	Full Year Forecast (£m)	Full Year Variance (£m)		Risks Identified P2 (£m)	Opps Identified P2 (£m)	Projected Variance inc. Opps and Risks P2 (£m)
Growth, Planning & Housing	0.000	4.700	4.700		0.000	0.000	4.700

8.2. The HRA is forecasting an overspend of c£4.7m. Approximately £3.9m of this overspend is due to additional costs and reduced income as a result of the impact of Covid-19. The majority of this is due to concessions given to the most affected commercial tenants, a potential increase in bad debts and reduced future income. It also includes a sum for tenants rent as it is anticipated there will be an increase in arrears and collection rates may be affected in the short term.

9. The Council's Financial Measures to Support the Community

9.1. In responding to the pandemic, the Council has taken steps to support its residents, businesses, suppliers and the wider community over and above requirements from government. This has included:

- Concessions for the Council's commercial tenants who are most impacted by the lockdown
- On-street parking dispensations for the NHS staff and other key workers
- The Westminster Connects service that is offering both emotional and practical support to residents. The service has over 3,000 volunteers redeployed to the service to offer these support services, including a personalised shopping service for residents who are self-isolating.
- The Council has also been proactive in supporting suppliers. It communicated with suppliers in early April, informing them of the government reliefs available

(with guidance also on the Council's website) and the steps to take if they were still 'at risk'. To date, 31 relief requests have been received and 23 processed – with 8 still being assessed. Examples of the relief measures include variations to contract terms, relaxation of performance related contract obligations and faster invoice settlement. Where service volumes have reduced, operational flexibility has been ensured by maintaining historic payment patterns and redeploying any surplus capacity to support the Council in other Covid-19 response activities.

10. 2020/21 Funding

- 10.1. The Council has a variation to date of £17.5m, which is largely offset by the additional general government funding of £16.4m to date. It is very difficult to forecast with any certainty what the financial impact will be for the rest of the year, however the indicative potential range of this is in the region of £50-60m before government support is taken into account.
- 10.2. This is a significant financial impact against this year's approved budget and the implications of this in both the short and long term cannot be underestimated. This crisis will have a lasting impact on the Council beyond the current financial year and is likely to require change to structural elements of the Council's budget. As at the start of the new financial year the Council has an unallocated general reserve of £63.3m, which can be utilised to fund any overspend in the absence of further support from government.

11. Capital Budget – 2020/21

- 11.1. The table below summarises the Council's budget and forecast position on the 2020/21 capital programme, which reflects a projected £44m in year underspend. It should be noted that the budget figures exclude 2019/20 re-profiling. This will be updated once the re-profiling is approved by Cabinet in July and the budgets will be revised.

ELT	2020/21 Expenditure Budget £m	2020/21 Income Budget £m	2020/21 Net Budget £m	2020/21 Expenditure Forecast £m	2020/21 Income Forecast £m	2020/21 Net Forecast £m	2020/21 Expenditure Variance £m	2020/21 Income Variance £m	2020/21 Net Variance £m
Adult's Services	0.883	(0.883)	0.000	0.822	(0.822)	0.000	(0.061)	0.061	0.000
Children's Services	17.740	(13.744)	3.996	14.931	(13.744)	1.187	(2.809)	0.000	(2.809)
Growth, Planning & Housing	81.558	(19.697)	61.861	60.926	(17.856)	43.070	(20.632)	1.841	(18.791)
Environment & City Management	78.085	(38.912)	39.173	70.357	(35.281)	35.076	(7.728)	3.631	(4.097)
Finance and Resources	20.335	0.000	20.335	19.707	0.000	19.707	(0.628)	0.000	(0.628)
Westminster Builds	44.538	0.000	44.538	26.882	0.000	26.882	(17.656)	0.000	(17.656)
Projects Funded from FCR*	1.075	0.000	1.075	1.075	0.000	1.075	0.000	0.000	0.000
Total for Council	244.214	(73.236)	170.978	194.700	(67.703)	126.997	(49.514)	5.533	(43.981)

- 11.2. The majority of this variance is due to the following projects:

Project	2020/21 Variance to Budget £m	Comments
Westminster Builds	10.673	This is due to Covid-19 impact on construction projects
Luton Street	6.983	Re-profiling due in line with revised cashflow management for the LLP
Temporary Accommodation OOB	4.980	Acquisitions programme has slowed due to the Covid-19 pandemic. Assumed 72 properties over 2 years, but think they will achieve 20 year and c20 over the next couple of years.
Oxford Street District	3.500	Delays due to the appointment of the contractor
Lisson Grove Programme	3.370	Primarily related to acquisitions that have been delayed partly as a result of Covid-19
Total	29.506	

11.3. As can be seen in the table above, five projects contribute to the majority of the expenditure variance. By way of comparison there are over 500 projects in the 2020/21 capital programme, and therefore, 1% of the projects are causing 60% of the expenditure variance.

12. HRA Capital Budget

12.1. The HRA budget and forecast position is summarised in the table below.

HRA Capital Programme	2020/21 FY Budget £m	2020/21 P2 Forecast £m	2020/21 Budget Variance £m
Major Works	46.368	50.752	(4.384)
Housing Regeneration	101.930	66.886	35.044
Other Projects	38.682	31.114	7.568
Total	186.980	148.752	38.228

12.2. In total the HRA is forecasting an in-year underspend on its capital programme of £38.228m, which will be re-profiled into future years. This is primarily due to the Housing Regeneration programme, and in particular the following projects:

Project	2020/21 Variance to Budget £m	Comments
Ebury Acquisitions	8.000	Due to the impact of Covid-19 on the property market.
Cosway	7.822	Re-profiling of the scheme into future years by the contractor.
Ashbridge	5.159	Re-profiling of the scheme into future years by the contractor.
Parsons North	3.500	Reflecting the impact of Covid-19 as the site has only been running at 70% capacity.
Ebury	1.670	Reflecting the impact of Covid-19 as the site has only been running at 70% capacity.
Total	26.151	

13. Covid-19 Impact on the 2020/21 Capital Programme

13.1. The most immediate impact on the Council's capital programme will result from the postponement of projects that have been affected by the lockdown restrictions and social distancing. These delays will mean that projects will complete later than planned and this will create slippage in the capital programme. This amounts to c£50m as at P2.

13.2. However, another significant impact will be the drying up of external funding the Council normally receives to undertake certain types of project. This is particularly the case in Highways. Where the Council was due to start on sites for short term highway projects based on the availability of external funding (e.g. TfL and third party developers) and where this funding source has now been removed, the Council will have to make a decision on whether it wants to continue these schemes.

14. Council Tax and Business Rates

14.1. The collection of council tax has been severely impacted by the Covid-19 outbreak as residents face an uncertain financial situation. The Council's decision to temporarily suspend recovery action for unpaid bills, to help residents, has reduced cash receipts by £3m in the year to date. May's collection rate to date is 26.40% which is 4.10% lower than the same month last year. The cessation of recovery action against council tax payers that have late or unpaid bills includes the suspension of enforcement agency work and of the despatch of summonses since April. These measures have therefore had a negative effect on income collected to date. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted.

Overview

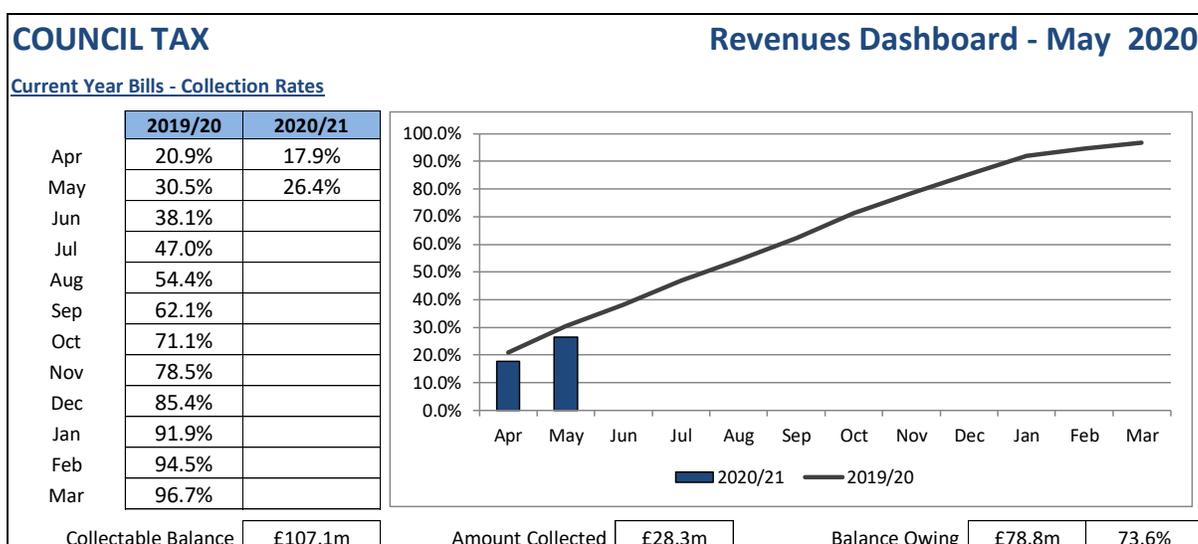
14.2. Council Tax and Business Rates are the Council's largest income sources and the Council has responsibility to collect council tax and business rates on behalf of the GLA and government as well. In total, the Council should receive gross income of:

- Gross Council Tax (including GLA share): £98m
- Gross Business Rates (after retail relief given by government): £1.5bn

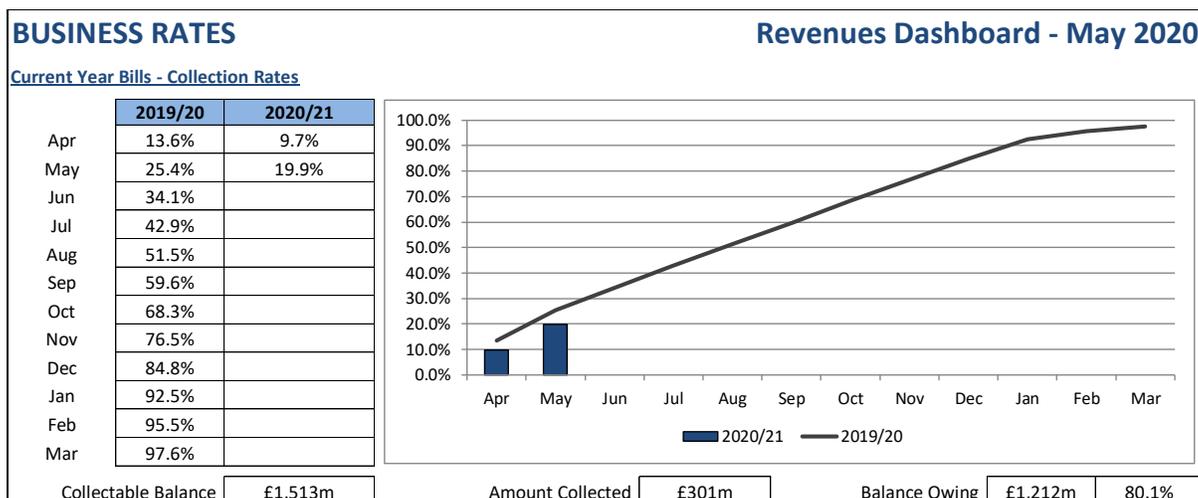
14.3. The Council only retains £185m of this income (Council Tax £60m & NNDR £125m) for its own use, however it should be noted that the collection figures in this section are based on gross income and collection rates for May 2020 are summarised in the table below:

	May 2020 Collection Rate	May 2019 Collection Rate
Council Tax	26.4%	30.5%
Business Rates	19.9%	25.4%

14.4. Council Tax Collection:



14.5. Business Rates Collection:



15. Treasury

15.1. Investment balances as at 31 May 2020 stood at £734.9m. The weighted average return in period 2 was 0.87%. This compared to an average investment balance of £767.6m in period 1, which generated an average return of 0.90%.

15.2. As at 31 May 2020, these investments are placed in fixed term deposits (banks and local authorities), money market funds and a notice account. This is summarised below:

- Fixed Term Deposits – 78%
- Money Market Funds – 18%
- Notice Accounts – 4%

15.3. The five largest holdings were:

Counterparty Name	Amount (£m)	%
Aberdeen Sterling Liquidity Fund	60.00	8.16
Federated Sterling Liquidity Fund	53.30	7.25
Standard Chartered Bank	50.00	6.80
Goldman Sachs Bank	50.00	6.80
Santander UK Plc	40.00	5.44
Total	253.30	34.45

15.4. Prudential indicators to 31 May 2020 have all been complied with. All investments are currently within the limits set out in the 2020/21 Treasury Management Strategy Statement.

16. Pensions

16.1. The valuation of the City of Westminster Pension Fund at the end of period 2 increased by £61m from period 1 (£1.425bn) to £1.486bn. This was largely due to positive returns within the global equity markets, following the downturn in February and March 2020 as a result of the Covid-19 outbreak. The estimated funding level for the City of Westminster Pension Fund has fallen by 1.4% to 97.2% as at 31 March 2020 (98.6% at 31 March 2019). There is potential for this to reduce further over the coming months as actuarial smoothing mechanisms continue to take effect. There is also a good possibility that equity dividends may be cut or suspended later this year. The funding level for Westminster City Council as an employer remains stable at 86% as at 31 March 2020, this is in part due to the Council's deficit recovery payments made to the Pension Fund.

Asset Values

16.2. The table below shows 12 months valuations to 31 May 2020.

	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20
	£m											
Market Value	1,477	1,504	1,480	1,499	1,495	1,525	1,545	1,546	1,481	1,320	1,425	1,486

Pension Fund Cashflow

16.3. The balance on the Pension Fund bank account at the end of period 2 was £740k (£1.875m in period 1). Payments from the bank account will continue to exceed receipts on a monthly basis, during the year cash withdrawals from fund managers are expected to take place to maintain a positive cash balance. A total of £5m was withdrawn from fund managers over the quarter.

Total Receipts and Payments in the quarter to 31 May 2020 (£000)

	Bank Opening Bal	Mar-20	Apr-20	May-20
	£000	£000	£000	£000
Total Receipts		4,589	6,133	4,644
Total Payments		4,956	5,066	5,779
Net Cash Flow		-367	1,067	-1,135
Cumulative Bank Balance	1,175	807	1,875	740

Update on London CIV

16.4. The value of pension fund investments managed by the LCIV at the end of period 2 was £416m (£389m in period 1), this increase was largely due to exceptional performance within the Baillie Gifford mandate. The LCIV holdings represents 28% of the pension fund investments of £1.486bn at 31 May 2020. A further £605m continues to benefit from reduced management fees, LGIM having reduced their fees to match those available through the LCIV.

Investment Strategy Review

16.5. A review of the Pension Fund's investment strategy and asset allocation is currently being undertaken with the reports to be taken to the June committee for approval.

Covid-19 Impact

16.6. Following the global Covid-19 outbreak during the first quarter of 2020, global equity markets were significantly impacted and saw the greatest fall in equity markets since the financial crisis of 2008. Despite the market volatility of the last few months, equity markets have been calmer in recent weeks, with the “fear index”, the Vix, falling back considerably from highs of 82 on 16 March 2020 to 32 at 5 May 2020.

16.7. As at 31 May 2020, markets have somewhat recovered with the Pension Fund market value increasing by 13% from 31 March 2020. The majority of this recovery has been seen within the global equity funds; Baillie Gifford and LGIM.

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Audit and Performance Committee Report

Meeting or Decision Maker:	Audit and Performance Committee
Date:	15 th July 2020
Classification:	General Release
Title:	2019/20 School Balances Outturn Position Report
Key Decision:	No
Report of:	Gerald Almeroth, Executive Director of Finance and Resources.

1. Executive Summary

- 1.1 The 2019/20 School Balances Outturn Position Report presents an update on the level of school balances at the end of the 2019/20 financial year. 14 schools have a deficit balance at the end of 2019/20, a net increase of 2 over the previous year. Schools are facing increasing and ongoing funding pressures particularly due to falling school rolls and with the agreement of the Schools' Forum, ISOS have been commissioned to undertake a strategic review of school finances and pupil projections.

2. Recommendations

- 2.1 That the Committee notes the content of the report.
- 2.2 That the Committee indicates any matters that require further investigation.

3 Reasons for Decision

- 3.1 The outturn on school balances is presented as agreed at a previous meeting. No decision is required as the paper is for noting only.

4 Background, including Policy Context

- 4.1 This report sets out how the Council is challenging and supporting schools in managing their school balances and deficit recovery.

5 Key Messages

- 5.1 14 schools have deficit balances as at 31st March 2020, totalling £1.893m. The remaining schools have surplus balances totalling £3.749m. The schools with deficits are required to produce deficit recovery plans for review and approval by officers of the Council.

6 Schools' Balances

Overview

- 6.1 The responsibility for school budget management transferred to school governing bodies when Local Management of Schools was introduced in 1988 which was fully implemented in 1992. All school governing bodies are responsible for setting and approving the annual budget plan for their school, including the development of deficit recovery plans (where necessary) which officers review and determine whether to approve.
- 6.2 The 2020/21 pupil headcount reduced by a net of 61 (-0.3%) pupils as per the October 2019 census. Primary school numbers fell by 272 (-2.5%), and conversely secondary schools increased by 211 (+2.3%). 76% of school funding is based on pupil numbers. Per pupil funding increased by an average of 3.5%.

Schools with deficits

- 6.3 Westminster's annual statement of accounts reported an aggregate total of School Balances of £1.839m at 31st March 2020, based on the best information available (including an element of estimates) at the time of closing the accounts. Following this, further work to refine the balances and verify the final position shown on the financial systems shows the final schools balances to be higher by £0.008m at £1.846m. This is a reduction of £1.375m from the balances at 31st March 2019
- 6.4 There are now 14 schools with deficit balances at 31st March 2020 compared to 12 at 31 March 2019. Of the 12 in deficit at 31 March 2019, only two schools have delivered an underspend in the year to get back to an overall surplus this year. Four schools have gone from a surplus to a deficit position in the year.
- 6.5 The Council's Scheme for Financing Schools does not permit a school to plan for a deficit budget. Where in exceptional circumstances deficits cannot be avoided, then such deficits need to operate under licence. This requires the school to agree with the Council, a deficit recovery plan, to clear the deficit within three years before the first formal budget is set in the financial year of the planned deficit. The status of the recovery plans for schools in deficit is set out in Table 1.
- 6.6 The 14 schools with deficits at the end of 2019/20 have been contacted and offered support to develop deficit recovery plans where necessary, to bring their budgets back to a balanced position within an agreed timescale. Collectively, these schools had an aggregate deficit of £1.893m. The total of all school balances is a net surplus of £1.846m, within which the total of surplus balances in schools is £3.739m. The schools with deficits are in the following position with regard to their recovery plans:

Table 1 – Recovery Plan Position

School Name	Deficit at 31 March 2020 (£)	Deficit Recovery Plan Position
The following schools were in deficit at the end of 2018/19:		
Portman Early Childhood Centre	166,472	Deficit recovery plan approved
All Souls CE	86,909	Deficit recovery plan approved
St Augustine's CE Primary	77,968	Deficit recovery plan approved
St Mary Bryanston Square CE	29,568	Deficit recovery plan approved
St Luke's CE	357,575	Deficit recovery plan submitted, however over 4 years
Westminster Cathedral RC	246,569	Deficit recovery plan submitted, however over 4 years
St Mary of the Angels RC	233,781	Revised deficit recovery plan requested
Essendine	111,575	Revised deficit recovery plan requested
St George's Hanover Square CE	21,728	Deficit recovery plan to be submitted - plan to eliminate within 2019/20 not achieved
St Vincent de Paul RC	118,882	Deficit recovery plan to be submitted - plan to eliminate within 2019/20 not achieved
The following schools went into deficit at the end of 2019/20:		
Burdett Coutts CE	89,904	Deficit recovery plan approved
Soho Parish CE	136,323	Revised deficit recovery plan requested
St Saviour's CE	133,909	Deficit recovery plan to be submitted
Dorothy Gardener Nursery School	82,243	Deficit recovery plan to be submitted
Total	1,893,406	

- 6.7 Of the 5 schools with licensed deficit recovery plans, 1 of these is ahead of schedule in their deficit reduction. The other 4 had not reduced their deficit by as much as planned by the end of 2019/20.
- 6.8 Of the 5 schools that had planned to recover their deficit within 2019/20, 4 of these have an increased deficit position at the end of 2019/20 compared to the end of 2018/19. The other one has improved their position but is still in deficit.
- 6.9 The 4 schools with further work needed to establish a deficit recovery plan have been offered further support.
- 6.10 Deficit recovery plans need to be reviewed annually and revised as necessary. Monthly reporting to the Council is compulsory for schools with deficits and monitoring reports are actively pursued.

6.11 It is known that schools are facing increasing and ongoing funding pressures particularly due to falling school rolls, which means that the potential for WCC schools to encounter difficulties needs to be taken seriously. Looking ahead the impact of Covid-19 regarding additional costs incurred that may not be claimable from the Department for Education (DfE) and the partial loss of school generated income means that all schools will need to apply further tight financial management to avoid significant worsening of school balances through the year if they are not to dramatically worsen by March 2021.

Managing the risk

6.12 The school roll projections produced by the GLA have not resulted in the projected number of pupils within Westminster schools. There has been a decline of 1,040 pupils within the primary sector since 2017. Since September 2018, almost 6 forms of entry have been removed from primary provision to address the increasing surplus. Population trends suggest further reductions to pupil admission numbers in primary school and longer term impact on secondary schools.

6.13 Further action is needed to not only further reduce overall primary capacity, but also to address the financial viability of schools that are either in deficit or soon will be. Careful thought and consideration must however be applied before permanently removing any education provision that cannot be re-instated if demand then materialises as a result of affordable/social housing developments.

6.14 The level of financial expertise contributing to effective financial management at each school particularly those in financial difficulty is variable, as is each school's willingness to engage sufficiently with Finance.

6.15 There is an increasing anxiety across the system surrounding falling pupil admission numbers, financial allocations and budget deficits. In addition, schools are facing increasing costs in both staffing and non-staffing budgets.

6.16 Headteachers have asked the Local Authority for support in the development of a clear future vision for the school's estate. In addition, how to address the continued financial viability of schools resulting from the decline in pupil numbers.

6.17 It is also acknowledged that schools are requiring additional support for both Headteachers and Governing Bodies in strategic budget planning and financial modelling.

Strategic Review of Schools Finances and Pupil projections

6.18 With the agreement of the Schools' Forum, ISOS have been commissioned to undertake a strategic review with the following objectives:

6.18.1 To develop a robust school placement planning model and uniform budgetary principles to promote accuracy and consistency across the system in the future.

- 6.18.2 The development of a full options appraisal for future options for consideration by officers, members and schools.
- 6.18.3 Use the Schools' Forum as a lever for challenge and change with the objective of improving financial planning/ admissions planning across the school's system.

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City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	15 July 2020
Classification:	For General Release
Title:	Annual Report on Internal Audit and Internal Control - 2019/20
Wards Affected:	All
Key Decision:	No
Financial Summary:	There are no financial implications arising from this report
Report of:	Director for Audit, Fraud, Risk and Insurance
Report author:	Moira Mackie, Senior Manager; email: moira.mackie@rbkc.gov.uk Tel: 07800 513 192

1. Executive Summary

- 1.1 This report summarises the work of Internal Audit in 2019/20, including an update on work completed since the previous report to the Committee, and provides the audit opinion of the Shared Services Director of Audit, Fraud, Risk and Insurance on the adequacy and effectiveness of the Council’s framework of governance, risk management and control. This opinion is provided for the use of Westminster City Council and is used to support its Annual Governance Statement.
- 1.2 From the Internal Audit work undertaken in the financial year 2019/20, reasonable assurance can be provided that systems of internal control in place are effective with 83% of the audits undertaken receiving a positive (substantial or satisfactory) assurance opinion.
- 1.3 In all areas where control improvements are required and compliance with agreed systems could be improved, action plans are in place to remedy the weaknesses identified. These will be followed up by the internal audit team until they are completed.

- 1.4 The Council was found to be effective, in most areas, at implementing recommendations where concerns in respect of controls were identified.

2. Recommendation

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

3. Background, including Policy Context

- 3.1 The Audit and Accounts Regulations 2015 require the Council to conduct a review of effectiveness of the system of internal control. With effect from 1 April 2015, the Council's internal audit service has been provided under a shared service arrangement with the Royal Borough of Kensington & Chelsea (RBKC) and the London Borough of Hammersmith and Fulham (LBHF). RBKC are the host authority for the provision of this service which is managed by the Shared Services Director of Audit, Fraud, Risk and Insurance.
- 3.2 The in-house internal audit team is supplemented by resources from Mazars LLP under a Framework arrangement with the London Borough of Croydon and PwC under a Framework arrangement with the London Borough of Islington. The London Borough of Islington Framework was recently re-procured with the London Borough of Barnet taking the lead. This new Framework is operational from 1 April 2020 and will be accessible to the Council through the Shared Services Director of Audit, Fraud, Risk and Insurance.
- 3.3 Detailed reports on the performance and outcomes of the internal Audit work undertaken, have been presented quarterly to the Council's Section 151 Officer and at each meeting of the Audit & Performance Committee during 2019/20, with a further update provided in Appendix 3 to this report for recently completed reviews.
- 3.4 Where appropriate, audits were undertaken on a bi-borough basis where the underlying services operate in such a manner. Additionally, where the opportunity arose, audits considered the controls across all three Councils in services that remained sovereign. This approach provides the opportunity to compare and contrast systems to identify and disseminate best practice.
- 3.5 Wherever possible, when planned audits had to be postponed, alternative audit work was identified from the original plan's contingency list of audits or from in-year requests from senior management.
- 3.6 The internal audit service has been provided in accordance with the UK Public Sector Internal Audit Standards (PSIAS). During 2019/20 the Internal Audit Service undertook a self-assessment to verify PSIAS compliance which has identified general

compliance with the Standards with minor improvements required which will be addressed during 2020/21.

4. Internal Audit Opinion

- 4.1 As the provider of the internal audit service to Westminster City Council, the Shared Services Director of Audit, Fraud, Risk and Insurance is required to provide the Section 151 Officer and the Audit & Performance Committee with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control arrangements. In giving this opinion it should be noted that assurance can never be absolute. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- 4.2 The opinion is that, at the time of preparing this report and based upon the work completed this year, the Council's governance, risk management and internal control systems in the areas audited were adequate, with the exception of those areas detailed as "amber", all of which have been reported to the Audit & Performance Committee. This is a positive opinion which means that the Council generally has effective internal control systems with 83% of audits receiving a positive (substantial or satisfactory) assurance opinion. Although this is a reduction from 91% in 2018/19, some of the limited assurance reviews were in areas where there had been significant change in the last two years, such as disaggregation of shared services and the transfer of housing management to the Council. Following this level of change, it is to be expected that some processes, procedures and controls were not fully embedded at the time of the audit.
- 4.3 To provide context to the audit opinion ratings assigned to our assurance work, these have been summarised below:

Assurance Rating	Description
Substantial	There is a sound system of control designed to achieve the objectives. Compliance with the control process is considered to be substantial and no material errors or weaknesses were found.
Satisfactory	While there is a basically sound system, there are weaknesses and/or omissions which put some of the system objectives at risk, and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited	Weaknesses and / or omissions in the system of controls are such as to put the system objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
None	Control is generally weak, leaving the system open to significant error or abuse, and/or significant non-compliance with basic controls leaves the system open to error or abuse.

- 4.4 In the above context it should be noted that:
- This opinion is based solely upon the areas reviewed and the progress made by the Council to action internal audit recommendations;
 - Assurance can never be absolute neither can internal audit work be designed to identify or address all weaknesses that might exist;
 - Responsibility for maintaining adequate and appropriate systems of internal control resides with Council management, not internal audit.
- 4.5 Follow up reviews confirmed that the implementation of medium and high priority recommendations has been consistently effective.
- 4.6 Issues arising from Internal Audit work which have significant implications for the Council's control assurance framework have been included in the Annual Governance Statement which is reported separately to this Committee. The monitoring process in respect of the Annual Governance Statement also ensures that follow up action is taken to remedy the key control weaknesses found.
- 4.7 There were some areas where improvements in compliance with controls were needed with a total of five audits being designated as "limited assurance", namely:

Service Area	Audit	Reported to A&P Committee
Growth, Planning & Housing	Housing H&S Compliance**	September 2019*
	Housing Complaints (integration in corporate systems)	July 2020
Environment & City Management	Cemeteries – Contract Monitoring	September 2019*
Finance & Resources	Client Affairs	July 2020
	Cyber Security	July 2020

*The findings from these audits have been reported to the Audit & Performance Committee as indicated above.

**The implementation of recommendations arising from this audit has been reviewed during 2019/20 with good progress made to implement them.

4.8 **Hants CC Managed Services (Finance, HR & Payroll)**

- 4.8.1 Following the implementation of the new Managed Service in December 2018, the Head of Internal Audit and the Shared Services Director of Audit, Fraud, Risk and Insurance have been liaising with the HCC's Internal Audit Service, Southern Internal Audit Partnership (SIAP), to ensure that appropriate audit work can be planned to provide the Council with assurance over the adequacy of controls following the implementation of the new finance, HR and payroll systems.
- 4.8.2 As reported to the Committee in July 2019, HCC commissioned an external review of the suitability of the controls and control objectives operated within the Integrated Business Centre (IBC), with a Service Organisation Controls Type 1 Report provided

on the suitability of the design of controls as at 31 March 2019, which was based on International Standard Assurance Engagement (IASAE) 3402.

- 4.8.3 During 2019/20, HCC commissioned a Type 2 Report on the suitability of the design and operating effectiveness of controls which was prepared in accordance with ISAE 3402 and covered the period 1 April to 31 December 2019. It was reported that, the controls operated effectively to provide reasonable assurance that the Control Objectives were achieved if complementary user entities assumed in the design of the IBC controls, operated effectively throughout the period reviewed.
- 4.8.4 In addition to the assurances provided by HCC, Internal Audit have been reviewing compliance across the Council with the local controls in respect of Finance, HR and Payroll processes. In the first half of 2019/20, Internal Audit liaised with a sample of Council services to establish how they were utilising the new system to effectively manage their budgets which is a fundamental local control. Although some had experienced challenges when the system and processes were first implemented, these had been overcome and a good level of online training and help functions are available to the system user with support provided by Finance and Resources Business Partners. Internal Audit were provided with additional enquiry and reporting tools in the final quarter of the year, which will enable us to develop more comprehensive audit testing on a continuous basis of local compliance with system controls.

4.9 **Schools Audit Work**

In addition to full audits at three schools, two surveys were undertaken to provide a quick assessment of the budget management and procurement processes of the Council's maintained and voluntary schools. The responses to these surveys provided some assurance that, in most cases, the schools had appropriate controls in place in respect of how they manage their budgets and procure goods and services. However, the responses also indicated areas where improvements could be made and Internal Audit will be working with the Schools Finance Team on how to implement improvements, identify potential training requirements and consider where good practice can be shared across the schools.

5. **Assurance on Risk Management**

- 5.1 The Council must ensure that it is delivering against priorities and requirements (political, community and statutory), that it is managing its processes effectively (finance, procurement, governance) and making the best use of its resources (money, assets, people). To ensure that outcomes are achieved for residents, businesses and visitors, the Council has adopted recognised best practice in the identification, evaluation and control of risks and issues to ensure that they are managed at acceptable levels. The risk management process has clearly defined steps to support better decision making through the understanding of risks, whether a positive opportunity or a threat and the likely impact.

- 5.2 Risk and issue management are aligned to the Council's business planning, financial management, transformation activities and performance management processes to ensure that it is a live process. A combination of strategic and operational registers is used to ensure that risks and issues are captured and addressed in an integrated way.
- 5.3 The Executive Leadership Team reviews the Council's strategic risk on a regular basis and the top risks for the coming year were published in the Executive Director's Report in the Council's Annual Accounts.
- 5.4 The Audit and Performance Committee receives regular reports on achievements against the Council's 'City for All' commitments, key performance indicators and risks. In areas of concern, Directors are requested to provide additional information to the Committee and during the financial year 2019-20, the following were reported to the Committee:
- Housing Service Updates (September 2019 and February 2020);
 - HRA Capital Programme (September 2019);
 - Review of Procurement Services (September 2019);
 - Met Police – Basic Command Unit (February 2020); and
 - Transition of finance, HR and payroll systems to Hampshire CC SAP and the IBC Managed Service (September 2019 and February 2020).
- 5.5 An audit of the Council's risk management process was also completed at the end of 2019/20. Whilst not all service areas could be reviewed due to the pressures of Covid-19, satisfactory assurance was given that the controls within the risk management process were suitably designed, consistently applied and effective in their application.

6. Assurance on Corporate Governance Arrangements

- 6.1 To Support the Annual Governance Statement, all Council directors are required to complete an annual Director's Assurance Statement which covers their arrangement for managing risk, performance and statutory/policy compliance in their areas or responsibility.
- 6.2 In addition, from the work undertaken by Internal Audit, the Council's corporate governance framework is considered to comply with the best practice guidance on corporate governance issued by CIPFA/Solace.

6.3 Appendices to this report are as follows:

- Appendix 1 - A list of audits completed in 2019/20 with assurance opinions;
- Appendix 2 - A summary of the Internal Audit Service performance indicators; and
- Appendix 3 – A summary of Internal Audit outcomes since the last report to Committee.

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

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BACKGROUND PAPERS

Internal Audit Reports;
Committee Progress Reports

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Internal Audit Plan – 2019/20

Adult Social Care:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Placements Brokerage	Green	SATISFACTORY	1	5	1	February 2020
Interface with CNWL Mental Health Trust (draft)	Green	SATISFACTORY	2	3	0	July 2020

Children's Services:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Bi-borough Framework Procurement – Minibus Service	Green	SATISFACTORY	0	0	0	November 2019
Supporting Families – compliance checks on claims	Green	SATISFACTORY	n/a	n/a	n/a	July 2020

Schools:

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
George Eliot Primary School	Green	SUBSTANTIAL	0	1	2	July 2020
St Augustine's Primary School	Green	SUBSTANTIAL	0	0	3	July 2020
Barrow Hill Primary School	Green	SUBSTANTIAL	0	1	2	July 2020
Thematic Reviews	n/a	N/A	n/a	n/a	n/a	July 2020

Internal Audit Plan – 2019/20

Growth, Planning & Housing

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Housing – Compliance Data	Amber	LIMITED	2	5	5	September 2019
Capital Programme Assurance (phase 1)	n/a	ADVISORY	n/a	n/a	n/a	September 2019
Capital Programme Assurance (phase 2)	n/a	ADVISORY	n/a	n/a	n/a	July 2020
WAES – Discretionary Learner Support Fund	Green	SATISFACTORY	0	4	1	July 2020
Complaints – Housing integration with corporate systems (draft)	Amber	LIMITED	1	6	2	July 2020

Environment & City Management (was City Management & Communities):

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Cemeteries Contract Monitoring (2018/19 cfwd)	Amber	LIMITED	4	7	2	September 2019
Certified Enforcement Agents – Contract Monitoring (2018/19 cfwd)	Green	SATISFACTORY	0	4	6	September 2019
Registrar Service - Income	Green	SUBSTANTIAL	0	2	2	September 2019
Street Works Permits	Green	SATISFACTORY	0	6	1	February 2020
S278 Income	Green	SATISFACTORY	0	6	1	February 2020
Community Safety	Green	SUBSTANTIAL	0	0	1	July 2020
Arboriculture (Trees Maintenance & Management)	Green	SATISFACTORY	0	2	2	July 2020

Internal Audit Plan – 2019/20

Finance & Resources

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
BT Agilisys – Contract Monitoring (2018/19 cfwd)	Green	SATISFACTORY	1	4	0	September 2019
Payment Card Industry (PCI DSS) Compliance	n/a	ADVISORY	0	2	0	November 2019
Procurement of Estate Services (2018/19 cfwd)	n/a	ADVISORY	0	1	0	November 2019
Housing Benefit	Green	SUBSTANTIAL	0	0	1	February 2020
NNDR	Green	SUBSTANTIAL	0	0	0	February 2020
Council Tax	Green	SUBSTANTIAL	0	0	1	July 2020
Bank Reconciliation	Green	SATISFACTORY	0	3	0	July 2020
Client Affairs (ASC)	Amber	LIMITED	1	9	1	July 2020
Cyber Security	Amber	LIMITED	2	5	2	July 2020
WESTCO – Governance (draft)	Green	SATISFACTORY	0	6	2	July 2020
Westminster Housing Investment (and Development) (draft)	Green	SATISFACTORY	0	6	1	July 2020
Integrated Business Centre (IBC) and local compliance	ongoing	SATISFACTORY	n/a	n/a	n/a	July 2020

Renewal (was Policy, Performance & Communications):

Auditable Area	RAG Status	Assurance level given	No of High Priority Recs	No of Medium Priority Recs	No of Low Priority Recs	Reported to Committee
Strategic Objectives	Green	SATISFACTORY	0	3	0	November 2019
Risk Management	Green	SATISFACTORY	0	1	2	July 2020

Audits in progress

The audits listed below could not be completed prior to the end of the financial year and the outcomes from these audits will be reported to the Committee during 2020/21:

Adult Social Care	<ul style="list-style-type: none"> • Direct Payments • See Financial Assessments under Finance & Resources
Children's Services	<ul style="list-style-type: none"> • Cost Sharing Arrangements
Growth, Planning & Housing	<ul style="list-style-type: none"> • Housing integration of Emergency Planning; • Westminster Community Homes – Governance.
Finance & Resources	<ul style="list-style-type: none"> • Financial Assessments (delay due to Covid-19); • Review of Compliance (corporate buildings transfer).

Audits deferred

The audits listed below were not undertaken during 2019/20 for the reasons shown and where appropriate will be undertaken during 2020/21 or included in a future year's audit plan:

Plan Area	Auditable Area	Reason Audit not Undertaken
Adult Social Care	Deprivation of Liberty Standards	Start delayed by Covid-19 – cfwd to 2020/21 audit plan.
Children's Services – Schools	Charging for SEN	Start delayed by Covid-19 – cfwd to 2020/21 audit plan.
Growth, Planning & Housing	Capital Programme (phase 3)	Included in 2020/21 plan.
Growth, Planning & Housing	Building Control	Delay requested by the service to include in 2020/21 plan.
Growth, Planning & Housing	Apprenticeships	Delay in agreeing the scope then delayed by Covid-19. Reviewing priorities to consider if required in 2020/21 audit plan.
Growth, Planning & Housing	Lillington & Longmore RA	Halted by Covid-19. To discuss audits relating to community halls in 2020/21.
ICT – RBKC & WCC	Asset Management	Timing not appropriate to consider inclusion in future year plan.
F&R – Data Protection	GDPR – agreed advisory work to support Bi-borough Data Protection Officer	Ensuring the Terms of Reference were accurate and appropriate for the bi-borough work. Already commenced in 2020/21
F&R – Property	Commercial Property Management	Delay requested by the service and then delayed due to Covid-19. Audit cfwd to the 2020/21 audit plan.

APPENDIX 2
Internal Audit Performance Indicators – 2019/20

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

Performance Indicators	Target	Actual	Comments
Delivery			
Percentage of audit jobs completed by 31 March 2020	90%	90%	
Percentage of draft reports issued within 10 working days of fieldwork being completed	90%	90%	
Percentage of audits finalised within 10 days of a satisfactory response	95%	95%	
Quality			
External audit conclude they can place reliance on Internal Audit work (annual)	Yes	Yes	Liaison with external auditors to provide evidence of internal audit work.
Percentage of recommendations implemented and in progress	95%	99%	64 out of 75 recommendations fully implemented, 10 in progress and 1 not yet implemented.

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Internal Audit Progress Report February to March 2020

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 five substantial, eight satisfactory and three limited assurance reviews being issued in the period.
- 1.2 The follow up reviews completed in the period for six audits confirmed that the implementation of recommendations has been effective with 100% of recommendations being fully or partly implemented at the time of review.

2. Audit Outcomes (February to March 2020)

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

Audit	Assurance	RAG
ASC – Mental Health interface with MH Trust	Satisfactory	Green
CHS – Supporting People Claims	Satisfactory	Green
Schools – George Eliot Primary	Substantial	Green
Schools – St Augustine's Primary	Substantial	Green
Schools – Barrow Hill Primary	Substantial	Green
GPH – Complaints (integration with corporate systems)	Limited*	Amber
GPH – Westminster Adult Education Service (WAES) DLSF	Satisfactory	Green
ECM – Arboriculture (Trees Maintenance & Management)	Satisfactory	Green
ECM – Community Safety	Substantial	Green
F&R – ASC Client Affairs	Limited*	Amber
F&R – Bank Reconciliation	Satisfactory	Green
F&R – Council Tax	Substantial	Green
F&R – Cyber Security	Limited*	Amber
F&R – Westco	Satisfactory	Green
F&R - Westminster Housing Investment (and Development)	Satisfactory	Green
Renewal - Risk Management	Satisfactory	Green

*Further information on these audits is contained in paragraphs 2.3 to 2.5.

- 2.2 In addition, two advisory reviews have been undertaken in the following areas:
- Schools Thematic Reviews (budgetary control and procurement – paragraph 2.6 below);
 - GPH Capital Programme (phase2).

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

2.3 **GPH – Complaints Integration with Corporate Systems (Amber)**

The functions previously provided by CityWest Homes (CWH) were transferred back to the Council on the 1st April 2019. The complaints system that was operated by CWH is expected to be fully integrated with the WCC Corporate complaints team and to function in accordance with the Councils' policies and regulations.

The Council has a two stage complaints procedure (Stage 1 & 2), should the complainant still remain dissatisfied with the council's response the matter can be referred to the Housing Ombudsman. The CWH's complaints process was slightly different with the former service having a 3 stage complaints process, which included a 'Local Resolution'.

One high, six medium and two low priority recommendations were made in the following areas:

- The housing complaints process was not yet fully aligned with the corporate process with there being a lack of clarity on the ownership of tasks, roles and responsibilities and expectations.
- Due to the workload within the Corporate Complaints team, stage two complaints were being dealt with by the same team that deals with stage one complaints, although the complaint is allocated to a different officer. This does not offer an impartial and independent review of the complaint.
- Housing complaints were previously recorded on their Housing Management System (Orchard). Since April 2019, the complaints have been recorded onto the corporate system (iCasework) and it was noted that additional training may be required to fully utilise the new iCasework system.
- It was noted that since April 2019, five complaints had been logged on Orchard rather than iCasework with two of these cases showing as open since April 2019.
- The Tenant Handbook which was updated in April 2019 referred to the incorrect complaints process and the old CWH Tenant Handbook was still available on-line.
- The recording of complaints escalated to the Ombudsman is not always accurately recorded within iCasework.
- The iCasework system is designed to receive incoming complaints logged online by residents as well as allowing management to build its own reports for monitoring the service. It was noted that the reporting had some limitations and formatting issues.

It is envisaged that the recommendations made can be implemented fairly quickly and they will be followed up during 2020/21.

2.4 **Finance & Resources – Client Affairs (Amber)**

The bi-borough client affairs service is not a statutory service, but it falls under the duty of care remit for local authorities. The service observes the following acts as part of the service they deliver; Mental Capacity Act 2005 and its Code of Practice, The Care Act and The Public Health Act. Client Officers have a mixed caseload of about 1000 residents from both boroughs for whom the service acts as a deputy or an appointee.

The Council may become a deputy or appointee of a client in one of the two main ways:

- by applying to the Court of Protection for a court order to manage all, or the majority of, the client's finances (Deputyship order); or
- by applying to the Department of Work and Pensions (DWP) to receive benefits on behalf of that client (Appointeeship order).

The Client Affairs Service charges clients for undertaking the deputyship role which consists of a set-up fee and a further annual management fee. There are also fees for producing annual and final reports to be submitted to the Office of the Public Guardian. Currently, there are no fees charged for appointeeships however the service is looking at options to introduce a fee as many other local authorities are doing this.

Under the requirements of The Care Act, local authorities have a care and protection role whereby they have a responsibility to safeguard movable property for those persons admitted to hospital or residential care – either selling or arranging to remove and safely store property, and to arrange for the boarding or care of animals in a client's home.

Under the Public Health Act 1984, local authorities also have a responsibility to perform public health funerals for persons who die within their area and where there is no one else to arrange the funeral. There is one RBKC funeral officer that's part of the team that deals with funeral arrangements, but this is only for RBKC residents as Westminster have a dedicated person sitting within their Environment & City Management Department.

Due to the risks involved in having responsibility for clients' finances, it is essential that the service has sound controls in place which safeguard vulnerable residents and mitigate the risk of loss or error by the councils. The key weaknesses identified in the existing systems are summarised below:

- Some of the service responsibilities are covered by Adult Social Care Standard Operating Procedures (SOPs) however these do not detail the aims and objectives of the Client Affairs Service. Roles, responsibilities and expectations of members of staff are not defined.
- A dashboard where local procedures, process steps, guidance notes and forms are summarised required updating and some procedures were missing.
- Declaration of Interest forms had not been completed by staff.
- Supporting evidence was not always available on the actions taken on new referrals to the service or deceased clients.
- A sample of income receipts and expenditure transactions were reviewed to ensure correct allocation of income and proper recording, authorisation and processing of expenditure. It was noted that although there were some controls in place, these were not considered to be adequate and/or effective.
- Although monitoring and reconciliation is undertaken, this was not considered to be sufficient particularly on those accounts with access to ATM cards.
- Under the Care Act 2014, the service safeguards client items with some stored off-site. The need to store property is not reviewed regularly to ensure that this is still appropriate.
- No management information was being produced at the time of the audit although this was being reviewed.

One high, nine medium and one low priority recommendations have been made to address the weaknesses identified and these should be implemented by the end of June 2020 when a follow up review will be undertaken.

2.5 Finance & Resources – Cyber Security (Amber)

The 2015 National Security Strategy confirmed that cyber remains a Tier 1 threat to the UK's economic and national security and there is a recognition that cyber-attacks are becoming more frequent and of greater sophistication. At the same time Government Departments have plans to dramatically increase the services that will be provided digitally. Users expect digital services to be user friendly and quick but also secure. At the beginning of 2019, the bi-borough IT Service commenced a review of their cyber security controls to align with the guidelines from the National Cyber Security Centre (NCSC).

Two high, five medium and two low priority recommendations were made to improve the controls in the areas summarised below:

- A number of key policies and procedure documents that are integral to the cyber security arrangements were either work in progress or still in draft format and had not been approved by senior management.

- A business continuity and disaster recovery plan for the Service has not been formally drafted and approved by senior management.
- The “Data Protection and Cyber Security” e-learning package has a low take up rate amongst employees with 19% completion rate as at September 2019. An improvement in these rates was however noted as at February 2020.
- The remediation plan following a Centre for Internet Security (CIS) framework controls review has not been formally approved by management to endorse its formal content and approach to addressing key weaknesses identified.
- The objectives and targets for vulnerability scanning have not been identified which would assist management to ensure their resources in this area are being invested effectively.
- The internal networks of the two councils are not segregated and, although the two councils are sharing IT services, the processes are not fully aligned resulting in different controls.
- Restricted distinct accounts for regular and administrative activities were required.
- User activity on the network is not consistently recorded monitored and stored to enable full analysis of activity should there be a security breach or incident.

The implementation of the recommendations is ongoing and will be followed-up during 2020/21.

2.6 Schools Thematic Reviews (budgetary control & procurement)

Two surveys were undertaken in the year to provide a quick assessment of the budget management and procurement processes of the schools. Surveys were issued to the schools that were not subject to a full audit in the year with 19 of the 32 schools approached providing responses. Additional surveys will be undertaken in 2020/21 and we will be looking for an improved response rate to these surveys.

The key themes arising from the responses received are summarised below:

Budget Management

- 7 schools were in deficit at the time of survey completion and others state concerns about meeting budget due to income reduction and rising costs.
- 5 schools state that they did not present a plan to the Governors and Children’s Services to clear the historic deficits. There is inconsistency in the frequency of reporting, as well as in the stakeholders that receive the information.
- There is inconsistency between schools in respect of the period of the budgets that they produce. In addition, some schools are leaving budget setting as late as March to meet an April deadline.
- There is inconsistency on the inclusion of possible costs, for example, some schools do not budget for staff overtime pay. Some schools do not recognise costs as they are incurred, but at the time of payment, which is out of sync with the majority of other schools.

School structure and current circumstances affecting budgeting

- Withdrawal of Falling Roll Fund that has been provided to schools in previous years.
- Delayed staff restructures in-line with a move to Federation.
- Reduction in pupil numbers resulting in a lower amount of funding. One school has had three staff restructures in the past few years to reduce costs.
- Underfunding of SEN by the LA, schools are now looking at fundraising to maintain standards.
- Reliance on previous year carry-forwards to address deficits.
- Only 1 school stated that they had no issue with their budget.

Policies and procedures

- 16 of 19 schools have policies, procedures, or alternative, documents that detail the means by which the budget is to be set and monitored.
- All schools have a scheme of delegation that defines who may authorise budgetary changes which has been reviewed and approved in the last three years.
- All schools have a member of staff with specific responsibility for the setting and management of the budget.

Past budget performance

- 8 schools have forecast a deficit budget in the past three years while 9 schools have not been able to produce an approved budget by April in the past three years.
- 8 schools have needed to contact Children's Services in order to discuss corrective measures for budgetary concerns.
- Generally, schools used to have carry-forward balances but these are reducing year on year to meet deficits as income has reduced in recent years whilst expenditure has risen. This is due to reductions in funding combined with rises in staff costs from adopting the living wage as well as inflationary increases in other cost centres. One school did state that they had a steady surplus.

Current year budget

- 7 of the schools are operating a deficit budget in the 2019/20 financial year.
- 3 schools (of the 8 identified above) have presented a plan to the Governors and Children's Services to clear the deficit.
- 7 schools have brought forward significant reserves from previous years.
- 9 schools produce budgets for periods of longer than one year.
- 8 schools have made virements since the current budget was set.

Procurement**Policies and Procedures**

- All schools have policies and procedures, or equivalent documents that detail the procurement process as well as a Scheme of Delegation which defines who may authorise procurement spending and the associated financial limits. The policies and procedures had been reviewed in the past three years.
- 3 schools do not have members of staff with a specific responsibility for overseeing procurement.

Declaration of pecuniary interests

- Most schools agree that some combination of the SLT, Finance Staff and other authorised signatories should complete these declarations. Two schools have all staff complete these declarations.
- All schools have their Governors complete a declaration.
- Most schools minute declarations at committee and Governing Body meetings and the declarations are kept on file.
- All schools confirmed that the declarations are renewed periodically, all schools that provided additional information stated that the frequency was at least annually. Four

schools indicated that it is a standing agenda at Governor meetings or it occurs more often than annually.

Financial approvals

- The financial thresholds at which quotes and tenders must be obtained was relatively consistent with £10,001 to £30,000 two written quotes required and above this tenders being required. The variations included one school referencing £1,000 as the starting point and another as high as £20,000.
- All schools stated that the SLT or the Headteacher must approve all purchases with Committee/Governing Body involvement at an inconsistent threshold ranging from £3,000 to £30,000.
- If a decision is required quickly then one of these two bodies is requested to provide email confirmation of the purchases or an emergency meeting is held.
- 13 schools made single purchases greater than £10,000 with building works, lesson programmes and staff costs (salary and redundancy) being commonly referenced. Only 1 school did not make cumulative payments exceeding £10,000 to one supplier. No schools made a single payment exceeding £100,000 in the past year.

Contracts

- All schools have agreed or extended contracts in the past three years, 10 schools stated that there were at least 20 such contracts with one school stating they had 40.
- Most schools stated that they do require a minimum of number of quotes but did not provide the threshold with the remainder referencing £5,000 and £10,000.
- 2 schools have made cumulative payments exceeding £100,000 – with these being agency (£162,080) and catering.
- 15 schools have rolling contracts that are considered to be ongoing until terminated with utilities, fire safety, cleaning and pest control given as examples.
- 4 schools do not perform a new tender process at the end of each contract. 1 school does not perform periodic reassessments of VfM for longstanding suppliers.

Purchase Orders

- 2 schools do not require purchase orders for the majority of purchases.
- Various finance and admin staff are responsible for raising purchase orders across the schools with approval coming from the SBM or the Headteacher.
- 7 schools are operating manual purchase orders despite functionality existing within FMS, more are manually authorising purchase orders.
- Purchase orders are not normally required in a variety of circumstances, the most common of those identified being credit card purchases, utilities, SLAs approved by Governors, supply cover, petty cash and emergency works.

Goods/Services Received

- All schools perform checks on goods/services received prior to payment being made. These checks tend to be performed by finance/admin staff, the premises manager or the person that ordered it and it will depend on the type of purchase.
- All schools record a handwritten check on the paperwork and stated that checks are always carried out in normal circumstances but would not perform a check for example when it relates to utilities or petty cash.
- The most common circumstances in which payment is made in advance of receipt are school trips, training course and online purchases.

Invoice Payment

- Most schools have 3 or fewer people able to approve invoices for payment with the greatest number being 6.
- The person that normally approves invoices for payment across the schools is the Headteacher, deputy Headteacher and/or the SBM. One school has empowered the Headteacher's PA to approve invoices for payment.

- This approval tends to be provided in writing rather than electronically.

Supplier Checks

- Most schools stated that they perform some combination of DBS, insurance and/or reference checks on potential service providers. Two schools stated that they do not perform any checks on potential service providers.
- All schools stated that they use suppliers approved by the Local Authority, joint arrangements with neighbouring schools and/or from the recommendation of other schools.
- Only 1 school stated that they do not perform IR35 checks on all payments to self-employed individuals.
- Three schools have finance leases.
- 3 schools state that the Governing Body do not perform any periodic review of expenditure.

The information provided from these surveys is being discussed with the Schools Finance Team. Where areas of concern have been identified, Internal Audit will work with the Schools Finance Team on how to implement improvements, identify potential training requirements and consider where good practice can be shared across the schools. The impact and pressures on schools from Covid-19 is recognised and further thematic surveys will be undertaken in 2020/21, which are less resource intensive for schools than an individual audit. The surveys are intended to compliment and not fully replace the individual school audits.

2.7 Implementation of Audit Recommendations

Six follow-up reviews were undertaken in the period (January to March 2019) which confirmed that 83% of recommendations made had been implemented with good progress made to implement the remaining recommendations:

Audit	No of Recs Made			No of Recs Implemented			No of Recs In Progress			No of Recs not yet actioned		
Procurement – Contractor Resilience	6			3			3			0		
Housing H&S Compliance	12			9			3			0		
Community Infrastructure Levy (CIL)	4			4			0			0		
Section 106	4			4			0			0		
St James' & St John's Primary School	12			12			0			0		
Planning	3			2			1			0		
Total	41			34			7			0		
Priority of recommendations	H	M	L	H	M	L	H	M	L	H	M	L
	7	23	11	4	19	11	3	4	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.

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Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	Wednesday 15 th July 2020
Classification:	For General Release
Title:	Anti-Fraud and Corruption Strategy review 2020
Wards Affected:	All
Financial Summary:	There are no direct financial implications arising from this report. However, the application of approved anti-fraud policies is intended to protect the Council against loss through fraud and corruption.
Report of:	Gerald Almeroth, Executive Director of Finance and Resources
Report author:	Andy Hyatt, Tri-borough Head of Fraud email: Andrew.hyatt@rbkc.gov.uk 020 7361 2777

1. Executive Summary

- 1.1 The Audit and Performance Committee is responsible for the effective scrutiny of anti-fraud arrangements and activities, the Audit and Performance Committee:
 - review and approve anti-fraud policies and strategies
 - is responsible for gaining assurance that policies are kept up to date and are fit for purpose.
- 1.2 This paper contains the revised Anti-Fraud and Corruption Strategy 2020, reported in *Appendix 1*, for review and approval.

2. Recommendations

- 2.1 The Committee approve the revised anti-fraud and corruption policies.

3. Reasons for decisions

- 3.1 To inform the Committee of policy revisions and to provide assurance that policies are kept up to date and are fit for purpose.

4. Anti-fraud policies

- 4.1 Minimising any losses to fraud and corruption is an essential part of ensuring that all of the Council's resources are used for the purposes for which they are intended.
- 4.2 Staff are often the first to spot possible cases of wrongdoing at an early stage and are therefore encouraged and, indeed, expected to raise any concern that they may have, without fear of recrimination. Any concerns raised will be treated in the strictest confidence and will be properly investigated.
- 4.3 It is therefore vitally important that anti-fraud policies and strategies are kept up to date to support and guide Council staff, ensuring compliance with laws and regulations, giving guidance for decision-making, and streamlining internal processes.

David Hughes
Director of Internal Audit, Risk, Fraud & Insurance

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

Officer Contact:

Andy Hyatt

Tri-borough Head of Fraud

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Westminster City Council ANTI-FRAUD AND CORRUPTION STRATEGY 2020-2023

1. INTRODUCTION

- 1.1 The Council takes its responsibilities to protect the public purse very seriously and is committed to protecting the public funds that it administers. This Strategy and framework set out the Council's commitment to preventing, detecting and deterring fraud and corruption.
- 1.2 Every £1 that the Council loses to fraud is £1 that it cannot spend on supporting the community. Therefore, minimising fraud and corruption is everyone's business. The Council expects the highest standards of probity, propriety and conduct from all Members, employees and contractors. This includes a requirement to act lawfully and to comply at all times with the Council's policies, procedures and regulations.
- 1.3 The Council is committed to promoting a strong ethical and counter fraud culture. This document sets out the Council's Strategy about fraud and corruption, and it is the mechanism for achieving this commitment.
- 1.4 The Strategy is not just concerned with operational activity to detect and investigate fraud and corruption but also sets out objectives for pro-active actions to deter and prevent fraud and corruption through the continual development of an anti-fraud and corruption culture.

2. THE STRATEGY

- 2.1 The Anti-Fraud and Corruption Strategy forms part of the Council's counter fraud framework, a collection of interrelated policies and procedures including the Code of Conduct, Financial Regulations and Whistle Blowing Policy. It also includes policies and procedures that are specifically targeted at countering fraud and corruption.
- 2.2 The purpose of the Strategy is to provide management with a tool to ensure progress and transparency with regards to counter-fraud activities. It is designed to heighten the Council's fraud resilience and demonstrate its protection and stewardship of public funds.
- 2.3 In developing this Strategy, the Council has adopted the guiding principles included in "[Fighting Fraud and Corruption Locally 2020](#)" (FFCL2020) which is the counter fraud and corruption strategy for local government. It provides a blueprint for a coordinated response to fraud and corruption perpetrated against local authorities with the support of those at the top.
- 2.4 The Council played a significant role in the design and development of the national Strategy, and this support is acknowledged by our corporate logo appearing on page two of the strategy publication.

3. FRAUD AND CORRUPTION

- 3.1 The Fraud Act 2006 details the legal definitions of fraud and is used for the criminal prosecution of fraud offences. The Council also deals with fraud in noncriminal disciplinary matters.
- 3.2 For the purposes of this document fraud defined as; the dishonest action designed to facilitate gain (personally or for another) at the expense of the Council, the residents of the Borough or the wider national community.
- 3.3 The definition covers various offences including; deception, forgery, theft, misappropriation, collusion and misrepresentation. Although used in this context it is not intended to limit the full use of the Fraud Act 2006 by the Council.
- 3.4 Corruption is the offering or acceptance of inducements designed to influence official action or decision making. These temptations can take many forms, including cash, holidays, event tickets, meals and other hospitality.

4. STRATEGIC OBJECTIVES

- 4.1 The previous two anti-fraud and corruption strategies focused upon pillars of activity, or strategic objectives, where the Council concentrated its counter-fraud efforts. These were ‘acknowledge’, ‘prevent’ and ‘pursue’. two areas of activity have emerged that underpin tenets of those pillars; ‘govern’ and ‘protect’.



5. ACHIEVING OUR OBJECTIVES

1. GOVERN

- 5.1 The driving force of the Strategy is that those who are charged with Governance support the activity by ensuring that there are robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.
- 5.2 Beating fraud is everyone's business, and within the Council, internal arrangements are in place that communicates throughout the organisation, and publicly, culture and commitment to preventing fraud.
- 5.3 The Council has a robust framework of procedures and policies, which combine to act as an effective deterrent to fraudulent activity and provide the means for reporting or detecting fraud or corruption.
- 5.4 Additionally, the Corporate Framework provides a whole range of high-level parts, which contribute to the Council having an effective counter-fraud strategy.



GOVERN

Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.

2. ACKNOWLEDGE

- 5.5 To create a counter-fraud response, an organisation must acknowledge and understand fraud risks and then demonstrate this by committing the right support and appropriate resource for tackling fraud.
- 5.6 In response, the Corporate Anti-Fraud Service will follow three key workstreams that;
- seek to identify fraud risks across the organisation,
 - assess fraud control activities and their effectiveness, and
 - dedicate the right level of resource to investigating and detecting fraud where reported
- 5.7 The **fraud risk register** identifies possible frauds to which the participating authorities are exposed. It estimates both the potential impact of a given fraud and the likelihood of it occurring.
- 5.8 In creating the register, the Council can better understand the fraud-threat environment in which it operates. It is also a tool to assist in focusing resources on the most relevant fraud risks.



ACKNOWLEDGE

Assessing and understanding fraud risks.

Committing the right support and tackling fraud and corruption.

Demonstrating that it has a robust anti-fraud response.

Communicating the risks to those charged with Governance .

- 5.9 The register is frequently reviewed to ensure that the risks are being appropriately managed, and this drives the **pro-active work programme**, which focuses on key risk areas. In addition to detection, this programme includes anti-fraud assurance work intended to deter and prevent fraud.
- 5.10 **Reactive referrals** are often the primary source of work for the fraud specialists and provide good leads, primarily in organisations that have a robust anti-fraud culture, and where staff take responsibility for preventing, detecting and reporting instances of fraud. It is often the alertness of the public or employees that generate these referrals and enables detection to occur.

3. PREVENT

- 5.11 Fraud can be prevented and detected by enhancing fraud controls and processes, making better use of information and technology and developing a more effective anti-fraud culture.
- 5.12 The Council has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure that proper arrangements are made for the Council's financial affairs and aims to have sound financial systems and procedures which incorporate efficient and effective internal controls.
- 5.13 The Council promotes an anti-fraud culture across the community by publicising the impact of fraud on the community. We also strive to assist our partners and stakeholders to understand and reduce the threats of fraud.
- 5.14 The Council participates annually in a national data matching exercise coordinated by the Cabinet Office (National Fraud Initiative) as well as using data analytics and new technology to combat fraud.
- 5.15 The strategic framework encompasses all stages of the anti-fraud cycle: prevention, detection, investigation, recovery and sanction. While prevention should remain one of the most important objectives of the Strategy, it is deemed appropriate to also focus efforts on detection. In particular, by encouraging internal and external reporting of any possible case of fraud as well as proactive random verifications in some areas.



PREVENT

Making the best use of information and technology.

Enhancing fraud controls and processes.

Developing a more effective anti-fraud culture.

Communicating its' activity and successes.



PURSUE

Prioritising fraud recovery and use of civil sanctions.

Developing capability and capacity to punish offenders.

Collaborating across geographical and sectoral boundaries.

Learning lessons and closing the gaps.

4. PURSUE

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

5.16 The Council will always seek the strongest possible sanction against any individual or organisation that defraud or attempt to defraud the Authority. Any decision to take legal action against offenders is made per the Code for Crown Prosecutors.

5.17 A further element of the Council's response to tackling fraud is seeking financial redress. The recovery of defrauded monies is an integral part of the Strategy, and action will be taken to recover losses. Where criminality has been proven then the Proceeds of Crime Act 2002 will, where appropriate, be used to recover funds.

5.18 Other methods of recovery may include, but are not confined to, civil proceedings; unlawful profit orders and compensation orders, bankruptcy if it is believed the individual has a poor history of paying and recovery from future salary payments. In taking the appropriate remedial action, we will follow the Council's Sanctions Policy (Appendix B).

5. PROTECT

5.19 We are protecting against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community.

5.20 This aspect of the Strategy covers counter-fraud activity to protect public funds, protecting the Council from fraud and protecting itself from future scams.

5.21 This theme lies across all the pillars and is the bedrock of the Strategy.



PROTECTING ITSELF AND ITS RESIDENTS

Recognising the harm that fraud can cause in the community.

Protecting itself and its' residents from fraud.

6. ACTION AND REVIEW

- 6.1 An essential part of strategic planning is an Action Plan which defines the activities required to achieve the objectives and can be used to measure their progress. The action plan is detailed in **Appendix A**.
- 6.2 For accountability purposes progress against the priorities and the plan will be reported half-yearly to the Audit Committee and will be subject to continuous review. This will enable us to demonstrate how we are delivering against our strategic and operational objectives. It will also allow us to;
- adapt to emerging threats and issues and address current and future fraud risks across the Council
 - ensure, through evaluation of operational performance, that we remain fit for the purpose of delivering counter fraud functions beyond 2020
 - assess, analyse and report on existing and future fraud risks affecting the Council
 - identify requirements for future counter fraud work

7. DOCUMENT CONTROL LIST

Issue No.	Date	Author	Comments	Approved by	Approval Date
2.3	November 2018	Andrew Hyatt	Reviewed – no material change	David Hughes	November 2018
2.4	January 2020	Andrew Hyatt	Reviewed – no material change	David Hughes	January 2020
3.0	June 2020	Andrew Hyatt	New Strategy	David Hughes	June 2020

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
GOVERN		
<p>Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.</p>	<p>The Council establishes and communicates the framework of procedures and policies, which demonstrate a commitment to integrity and ethical values and combine to act as an effective fraud deterrent.</p> <p>The organisation ensures that fraud control activities are thoroughly documented and implemented through policies and procedures.</p> <p>The authority will perform evaluations periodically to provide objective feedback on the effectiveness of the investigation process and the anti-fraud and corruption Strategy.</p>	<p>Annual review of the following documents presented to the Audit Committee for approval:</p> <ul style="list-style-type: none"> • Anti-Fraud and Corruption Strategy • Anti-Fraud and Corruption Policy • Sanction Policy • Anti-Bribery Policy • Money Laundering Policy • Fraud Response Plan • Whistleblowing Policy <p>All documents are “fit for purpose” and incorporate any legislative or regulatory changes as well as details of new or revised risks of fraud.</p> <p>Details of counter-fraud activity are reported to the Audit Committee twice a year, detailing performance against the Strategy and the effectiveness of the Strategy. The report should include details of assurance work, significant cases and the level of fraud loss.</p> <p>CAFS will continually refresh and promote the Council’s suite of anti-fraud related policies and procedures, using internal publicity and training to enhance understanding and to communicate them across the organisation.</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
ACKNOWLEDGE		
<p>Accessing and understanding fraud risks: identify and assess the Council's fraud risk exposure, the changing patterns in fraud and corruption threats and the potential harmful consequences to the authority.</p>	<p>The Corporate Anti-Fraud Service will maintain a comprehensive fraud risk register that will summarise the current and emerging fraud threats and drive the annual pro-active work programme.</p> <p>The organisation will maintain a well-informed fraud risk register that enables the Council to formulate effective and appropriate responses to all fraud risks, establishing and implementing preventative and detective control activities.</p> <p>The authority has a robust methodology for calculating and measuring fraud loss, that enables them to understand the scope of the challenge, assess the response required and measure performance.</p>	<p>CAFS will lead an organisational annual fraud risk assessment to identify fraud risks, assess their likelihood and significance, evaluate fraud control activities, and recommend actions to mitigate residual fraud risks. CAFS will ensure the process considers a wide range of possible fraud schemes and risk exposure.</p> <p>CAFS will review new and emerging fraud risks which may appear following significant changes to the Council's operating environment, and the high dependency on technology, in the wake of COVID19 restrictions and lockdown.</p> <p>CAFS will use the information and fraud risk scores to plan their annual pro-active work programme, which will include proactive operations, aimed at detecting fraud, service reviews and risk assessments. These will enable the evaluation of the fraud control environment, inviting recommendations for improvement where appropriate.</p> <p>CAFS will establish appropriate measurement criteria to calculate the value of preventative measures and the benefits of action and activities designed to deter potential fraud. Additionally, they will create a set of notional values that can suggest the financial savings made by detecting and stopping fraud, especially where the full extent of the economic loss is unclear, i.e. the financial savings of recovering a misused council tenancy.</p>

<p>Committing the right support and tackling fraud and corruption.</p>	<p>Maintain a dedicated resource with responsibility and unambiguous directive to tackle fraud across the organisation.</p> <p>Ensure counter-fraud specialists have the right skills commensurate with the full range of counter fraud and corruption activity. Possessing capability in counter fraud will make the Council more effective in protecting funds and fighting economic crime.</p> <p>Develop a skilled and competent workforce, focusing on the skills needed to manage an effective counter-fraud response that heightens the Council's fraud resilience.</p>	<p>To ensure the Council is one of the first local authorities to become a full member of the Government's Counter Fraud Profession, bringing together individual and organisational counter-fraud learning from across the public sector.</p> <p>Promote the Council's suite of anti-fraud related policies and procedures, using internal publicity and training to enhance understanding and to communicate them to all employees across the organisation.</p> <p>Maintain and refine a corporate anti-fraud training cycle, including regular refresher courses and e-learning modules, which should be mandatory for relevant groups of staff</p>
<p>Demonstrating that it has a robust anti-fraud response</p>	<p>The Corporate Anti-Fraud Service will investigate allegations of fraud thoroughly and to the highest professional standards, where appropriate seek the full range of civil, criminal and disciplinary sanctions and seek redress where possible.</p>	<p>Details of counter fraud activity are reported to the audit committee twice a year, detailing performance against the anti-fraud and corruption Strategy and the effectiveness of the Strategy. The report should include details of assurance work, significant cases and the level of fraud loss.</p>
<p>Communicating the risks to those charged with Governance</p>	<p>The fraud risk register to be integrated into the existing risk management framework.</p>	<p>The authority will perform evaluations periodically to provide objective feedback on the effectiveness of the investigation process and the anti-fraud and corruption Strategy.</p> <p>CAFS will provide members with a bespoke fraud awareness eLearning module to enhance greater understanding of fraud risks.</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
PREVENT		
<p>Making the best use of information and technology</p>	<p>Continue to use and participate in existing technological methods of fraud prevention/detection.</p> <p>Identify, and where appropriate, adopt, new technological methods of fraud prevention and detection.</p> <p>Develop analytics that allows the Council to detect potentially fraudulent activity or transactions quickly, as well as identifying and tracking perpetrators.</p> <p>Use security and fraud analytics to protect all physical, financial and intellectual assets from misuse by internal and external threats.</p> <p>To be an active participant in the biennial National Fraud Initiative (NFI) exercise and to robustly investigate suspected cases of fraud identified through NFI.</p>	<p>Identify technology, existing information, or new information that can be used to detect or prevent fraud. Once identified, evaluate their value in detecting fraud and implement where appropriate.</p> <p>Use data analytic techniques to try and isolate suspicious transactions or trends that represent potential fraud, and to improve the results of the fraud risk assessment that inform the fraud risk register.</p> <p>Continue to participate in the National Fraud Initiative data matching exercise. Where possible identifying improvements either in respect of data supplied to the exercise or in processing the resulting data matches. Explore the use of other or new facilities provided by the National Fraud Initiative.</p>
<p>Enhancing fraud controls and processes</p>	<p>Examine and assess fraud prevention controls in process across the Council and recommending improvements where necessary.</p> <p>Assess new and emerging fraud risks which may appear following significant changes to the Council's operating environment, and the high dependency on technology, in the wake of COVID19 restrictions and lockdown. Identify revised fraud control activities linked to these changes and assesses their effectiveness.</p>	<p>Completion of an annual pro-active work programme will be developed in line with priorities identified from national research and the Council's fraud risk register. This will include internal quality assurance, ensuring services across the organisation deploy suitable counter-fraud controls, as well as compliance with legislation and professional standards.</p> <p>Review of existing controls and process connected with individual fraud investigations. Where weak controls</p>

	<p>Ensure the fraud control assessment considers a wide range of possible fraud schemes and risk exposure.</p> <p>Create a process to review the potential for management override of internal controls, primarily controls established to prevent or detect fraud.</p> <p>Use data analytics techniques to test controls.</p>	<p>processes are identified, take action to improve them and reduce the risk of further fraud.</p> <p>Review systems identified through the Fraud Risk Register has potentially having controls and processes that are susceptible to fraud.</p> <p>Engage with staff across the Council regarding fraud prevention through the use of improved controls and processes, imparting knowledge and understanding to help them identify such weaknesses in their area of work.</p>
Developing a more effective anti-fraud culture	<p>Build a culture that promotes and supports open communication, where any reasonably suspected or known breach of the code of conduct, fraud, or corruption is raised by employees internally and dealt with in a timely and effective manner.</p> <p>Ensuring staff and management are aware of their responsibilities concerning preventing fraud and corruption.</p> <p>Raise awareness of fraud against the Council, working with staff, stakeholders and the public to highlight those risks and the consequences of fraud against the Council and the wider community.</p>	<p>CAFS will continually refresh and promote the Council's suite of anti-fraud related policies and procedures, using internal publicity and training to enhance understanding and to communicate them across the organisation.</p> <p>CAFS will maintain and refine a corporate anti-fraud training cycle, including regular refresher courses and e-learning modules, which should be mandatory for relevant groups of staff</p> <p>Design and deliver classroom-based training courses on fraud and fraud recognition that complement existing eLearning courses.</p>
Communicating its' activity and successes	<p>Raise awareness of fraud and corruption both within the authority and in the community through running awareness campaigns and the publication of fraud successes in local and national media, including the use of all forms of social media.</p>	<p>To develop and produce a wide range of communications and marketing strategies to increase the profile of the Council's counter-fraud activities and to enhance the anti-fraud culture.</p>

		<p>Map and review channels for exchanging fraud-related information between services, to raise awareness and improve prevention.</p> <p>Produce fraud investigation outcome reports for management which highlight the action is taken to investigate the fraud risks, the outcome of the investigations, e.g. sanction and recommendations to minimise future risk of fraud</p>
STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
PURSUE		
Prioritising fraud recovery and use of civil sanctions	Demonstrate a commitment to pursuing the full range of available sanctions (criminal, civil, disciplinary and regulatory) against those found to have committed fraud and seeks to recover funds that have been lost or diverted through fraud.	<p>CAFS will ensure the use of a wide range of possible corrective actions, including;</p> <ul style="list-style-type: none"> • Internal Control remediation • Business process remediation • Disciplinary action, including liaison with, and referrals to, professional bodies • Training and education • Civil action used to recover lost assets and investigation expenses • Criminal action, including the prosecution of offenders and the recover of lost assets using the Proceeds of Crime Act. <p>Through personal development, ensure counter-fraud specialists have the right skills commensurate with the full range of counter fraud and corruption activity. Possessing capability in counter fraud will make the Council more effective in protecting funds and fighting economic crime.</p>
Developing capability and capacity to punish offenders	The Council will continue to be tough on fraudsters by punishing them more efficiently and effectively.	

<p>Collaborating across departmental, geographical and sectoral boundaries</p>	<p>Ensure collaboration across internal and external boundaries with colleagues and other local authorities and agencies. Sharing resources, skills and learning, good practice and innovation, and information.</p>	<p>Protocols are put in place to facilitate joint working to enhance the counter-fraud activity, and to liaises proactively with other organisations and agencies to assist in countering fraud, sharing resources, skills and learning, good practice and innovation, and information.</p> <p>To actively maintain the authorities' membership of the National Anti-Fraud Network (NAFN), the London Borough of Fraud Investigators Group (LBFIG), The Chartered Institute of Public Finance and Accountancy (CIPFA), the London Fraud Hub and all other enforcement partners including the Police, The Border Force and HMRC. Also, to be open to new and innovative anti-fraud projects.</p>
STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
PROTECT		
<p>Recognising the harm that fraud can cause in the community.</p>	<p>CAFS to work with stakeholders to help them prevent and detect fraud at the earliest opportunity.</p>	<p>CAFS to work with stakeholders to help them prevent and detect fraud at the earliest opportunity.</p>
<p>Protecting the Authority and its' residents from fraud.</p>	<p>To provide support and guidance across the community to help residents and stakeholders protect themselves against fraud and advice on how to refer their concerns to appropriate bodies when fraud occurs.</p>	<p>To provide support and guidance across the community to help residents and stakeholders protect themselves against fraud and advice on how to refer their concerns to appropriate bodies when fraud occurs.</p>

Westminster City Council
SANCTION POLICY: 2020-2023

1. INTRODUCTION

- 1.1 The Council's anti-fraud and corruption Strategy set out our aims and objectives concerning tackling fraud and corruption. It states that we will seek the strongest possible sanction against any individual or organisation that defraud or attempt to defraud the Authority.
- 1.2 The following policy will govern the use of sanctions, and the principles shall apply equally to any fraud against the Authority or against funds for which the Authority has responsibility.
- 1.3 The objectives of this policy are:
 - To ensure sanctions are imposed in a just and consistent manner.
 - To ensure that the sanction decision-making process is stringent, robust and transparent.
 - To ensure that sanctions are applied cost-effectively and with efficiency.
- 1.4 The sanction decision will have regard at all times to the Council's anti-fraud objectives, the individual circumstances of each person concerned and the overall impact of the punishment to both the individual and the community.
- 1.5 A range of sanctions is available to the Council. These include disciplinary action, civil proceedings, criminal proceedings, official cautions and penalties. In some cases, we will take more than one form of action. For example, where staff have defrauded the Council, we may take disciplinary, prosecution, and criminal or civil recovery action.
- 1.6 One option available to the Council is a criminal prosecution. We recognise that this is a serious step to take, and the decision to refer cases for prosecution will not be taken lightly.
- 1.7 The ultimate decision on prosecution will be made by the prosecuting body. In some cases, this will be the Council or the Crown Prosecution Service. We will utilise the Financial Investigators and/or the Police in situations where their additional powers are required to secure evidence or recovery of funds or where the matter cannot be adequately pursued in-house.
- 1.8 We will utilise the Council's Legal Service to undertake a criminal prosecution.
- 1.9 The Shared Services Head of Fraud will be responsible for ensuring investigations into suspected fraud are conducted professionally in accordance with the Police and Criminal Evidence Act 1984 (PACE), Criminal Procedures in Investigations Act 1996

(CPIA), Human Rights Act and Regulatory Investigators Power Act 2000 (RIPA). All evidence gathering will comply with the Data Protection Act 2018.

- 1.10 Each case is unique and must be considered on its facts and merits. Investigators must be fair, independent and objective. They must not let any political views or personal views about the ethnic or national origin, sex, religious beliefs, or the sexual orientation of the suspect, victim or witness influence their decisions. They must not be affected by improper or undue pressure from any source.
- 1.11 It is the duty of the Council to make sure that the right person is prosecuted for the right offence. In doing so, the Council must always act in the interests of justice and not solely to obtain a conviction.
- 1.12 Where necessary, the Council will work in co-operation with other organisations such as the Police, Department for Work and Pensions, Home Office, Her Majesty's Revenue and Customs, other Local Authorities and departments within the Council.

2. CODES FOR CROWN PROSECUTORS

- 2.1 When considering a case for prosecution, it is accepted that there are two "tests" to be applied – the evidential test and the public interest test. These are set out in [The Code for Crown Prosecutors](#).
- 2.2 The Code for Crown Prosecutors is a public document, issued by the Director of Public Prosecutions that sets out the general principles Crown Prosecutors should follow when they make decisions on cases.



Evidential Stage Test

- 2.3 Prosecutors must be satisfied that there is sufficient evidence to provide a realistic prospect of conviction against each suspect on each charge. They must consider what the defence case may be and how it is likely to affect the chances of conviction. A case which does not pass the evidential stage must not proceed, no matter how serious or sensitive it may be.
- 2.4 When deciding whether there is sufficient evidence to prosecute, prosecutors must consider whether the evidence can be used and whether it is reliable. There will be many cases in which the evidence does not give any cause for concern. But there will also be cases in which the evidence may not be as strong as it first appears.

- 2.5 The evidence gathered will be examined in the first instance by the investigating officer and their manager. When both are satisfied that sufficient evidence exists to prosecute successfully and that the Public Interest Stage is also satisfied the case file will be passed on to either the Council's legal team or the Crown Prosecution Service via the police. All prosecutors will then apply their inspection of the evidence to ensure that both tests are met.
-
- Prosecutors should ask themselves:
- Can the evidence be used in court?*
Is the evidence reliable?
Is the evidence credible?
-

Public interest test

- 2.6 Where there is sufficient evidence to justify a prosecution or to offer out-of-court disposal, prosecutors must go on to consider whether a prosecution is required in the public interest.
- 2.7 A prosecution will usually take place unless the prosecutor is sure that public interest factors are tending against prosecution, which outweighs those tending in favour, or unless the prosecutor is satisfied that the public interest may be served appropriately, in the first instance, by offering the offender the opportunity to have the matter dealt with by out-of-court disposal.
- 2.8 The more serious the offence or the offender's record of criminal behaviour, the more likely it is that a prosecution will be required in the public interest.
- 2.9 Aggravating and mitigating factors will be taken into consideration when deciding on the appropriate sanction.

3. EMPLOYEE FRAUD AND CORRUPTION

- 3.1 In all cases of fraud, theft, financial misconduct, serious and intentional breach of financial regulations and corruption committed by officers, we will seek disciplinary action. The usual recommendation would be "gross misconduct".
- 3.2 Where a financial loss has been identified, we will always seek to recover this loss either through the civil or criminal process.
- 3.3 Where appropriate under this policy, we will refer cases to the relevant prosecuting authority for criminal prosecution.

4. TENANCY FRAUD

- 4.1 The Council's Corporate Anti-Fraud Service support the work of the Council's Housing Department and will investigate suspicions of Tenancy Fraud.
- 4.2 This includes;

- Unauthorised sub-letting
- Abandonment
- False succession applications
- Right to buy
- General tenancy breaches

- 4.3 In all cases of tenancy fraud, the Council will seek repossession of the property and recovery of any financial losses. The Council's view is that one property lost to fraud is one less property available to use for genuine applicants.
- 4.4 Tenancy Fraud will also be considered for criminal prosecution. The factors that will affect our decision to prosecute will be based on the evidential and the public interest test.

5. OTHER FRAUD

- 5.1 In the event of "other frauds" against the Council, not explicitly mentioned above, the Council will also consider criminal prosecution. The factors that will affect our decision to prosecute will be based on the evidential and the public interest test. This will also include cases of attempted fraud, i.e. false applications for services.
- 5.2 In cases where the Council suffers a financial loss, we will always seek recovery.
- 5.3 Where an organisation is involved in the fraud, the Council will also make referrals to the relevant governing body, i.e. Charities Commission, Registrar of Companies, Law Society.
- 5.4 For this policy "Other fraud" includes, but is not limited to; Council Tax Reduction Scheme (CTRS), Disabled Parking Badge, Residents Parking, Direct Care Payments (Personal Budgets), Renovation Grants, Regeneration Funding and other applications for support services or financial assistance.

6. FURTHER INFORMATION

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City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	Wednesday 15 th July 2020
Classification:	For General Release
Title:	Counter Fraud 2019/20 – End of year report
Wards Affected:	All
Financial Summary:	There are no direct financial implications arising from this report.
Report of:	Gerald Almeroth, Executive Director of Finance and Resources
Report author:	Andy Hyatt, Tri-borough Head of Fraud email: Andrew.hyatt@rbkc.gov.uk 020 7361 2777

1. Executive Summary

- 1.1 The Audit and Performance Committee's Terms of Reference require that the Committee receive reports on internal and external fraud investigated by the Council. This report is intended to brief members of the Committee in respect of work undertaken by the fraud service during the period 1 April 2019 to 31 March 2020.

2. Recommendations

- 2.1 The Committee notes the content of the report.
- 2.2 The Committee indicate any areas of the report that require further investigation.

3. Reasons for Decision

- 3.1 To inform Members of how the City Council is delivering its anti-fraud and corruption strategy.

4. Background

- 4.1 This report provides an account of counter-fraud related activity undertaken by the Corporate Anti-Fraud Service (CAFS) from 1 April 2019 to 31 March 2020.
- 4.2 CAFS remains a shared service covering three Councils and continues to reap many benefits, including the sharing of skills and expertise, best practice and the streamlining of anti-fraud related policies and procedures.
- 4.3 CAFS continues to provide Westminster City Council with a full, professional counter fraud and investigation service for fraud attempted or committed against the Council.
- 4.4 For the period 1 April 2019 to 31 March 2020, CAFS identified 221 positive outcomes, including 57 successful prosecutions and 43 recovered tenancies and stopped successions. Fraud identified has a notational value of over £900,000 and is detailed in the following table.

Activity	2018/19		2019/20	
	Fraud proved	Notional Values (£'s)	Fraud proved	Notional Values (£'s)
Housing application fraud	-	0	13	18,200
Right to Buy	38	56,780	21	23,300
Advisory Reports (pro-active)	4	11,392	12	25,500
Prevention subtotal	42	68,172	46	67,000
Tenancy Fraud (Council and Registered Providers)	24	207,350	43	434,500
Insider fraud	2	8,000	1	2,000
High/Medium risk fraud (e.g. NNDR, Procurement)	2	3,315	5	75,000
Low-risk fraud (e.g. Freedom passes, Council Tax SPD)	6	2,649	5	5,541
Disabled Parking	96	216,000	63	128,750
Resident's Parking	52	56,800	21	15,200
Detection subtotal	182	494,114	138	660,991
Proceeds of Crime (POCA)	6	64,112 <i>(repaid to date 48,900)</i>	4	96,710 <i>(repaid to date £70,925)</i>
NFI recovery	-	-	32	88,705
Press releases and publicity	1	3,150	1	2,000
Deterrence subtotal	7	67,262	37	187,415
Total	231	629,548	221	915,406

- 4.5 Between 1 April 2019 to 31 March 2020, CAFS investigated 538 cases, including 381 new referrals, and concluded 375 investigations. A conclusion could mean a successful prosecution, successful prevention that stops fraud, a detection that identifies fraud and stops it continuing, an action that deters fraud, or no further action where there is no case to answer.
- 4.6 The table below shows this activity and details the fraud types that make up the closed cases, and the active caseload at the start of the current financial year.

Activity	Cases	Fraud types	Closed	Live
Live cases as at 01/04/19	157	Tenancy & Housing cases	173	92
New referrals received	381	Insider fraud	9	2
Closed investigations (Positive outcome 221)	375	Other Corporate	65	11
		Parking and Blue Badges	124	56
Live cases as at 01/04/20	163	POCA	4	2

- 4.7 Details of noteworthy activity and cases are reported in Appendix 1.

5. Whistleblowing

- 5.1 The Council's whistleblowing policy continues to be the primary support route for staff wishing to report a concern.
- 5.2 The whistleblowing policy was reviewed by People Services and CAFS, and the revised version along with a bespoke reporting line was launched in March 2020.
- 5.3 Since April 2019 one new referral was made via the whistleblowing process, but this was not deemed a qualifying disclosure and was resolved by People Services via the Council's formal grievance process.

6. Anti-Fraud and Corruption Strategy

- 6.1 The Council's Anti-Fraud & Corruption Strategy covering 2019/20 was based on three key themes: Acknowledge, Prevent and Pursue, and aligned with the National Strategy.
- 6.2 Emphasis was placed on the following anti-fraud activities:
- i. **Acknowledge:** recognising and understanding fraud risks and committing support and resource to tackling fraud to maintain a robust anti-fraud response.
 - ii. **Prevent:** preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.
 - iii. **Pursue:** punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate

fraudsters and developing a more collaborative and supportive law enforcement response.

7. Acknowledge

Maintain a robust anti-fraud response.

- 7.1 There are three critical elements of the operational plan that underpins and drives the Anti-Fraud and Corruption Strategy, and CAFS refer to this as the *Fraud Resilience Triangle*. The triangle is formed of:
- 1) Fraud Risk Register (*Acknowledge*)
 - 2) Pro-Active Work Programme (*Prevent*)
 - 3) Reactive Referrals (*Pursue*)
- 7.2 CAFS continue to dedicate resources to pro-active operations which either review the fraud risk of a Council service, and informs the fraud risk register, or counter-fraud drives that detect, deter and disrupt fraud. For example, a series of tenancy checks on a large residential block or estate.
- 7.3 Combining pro-active work plans with reactive capability increase the chances of fraud detection but also acts as a robust preventative measure, especially if overt activities disrupt potential fraudsters.
- 7.4 Details of concluded risk reviews and pro-active counter fraud activity are reported in Appendix 1.

8. Prevent

- 8.1 In addition to the specialist investigative role, CAFS continue to provide advice and support to every aspect of the organisation including its partners and contractors.
- 8.2 Advice varies between fraud risk, fraud prevention and detection, money laundering and other criminal activity as well as misconduct and misuse of public funds. Some of the matters may progress to criminal investigation, but in all cases appropriate action, including disciplinary or recovery action, is taken.
- 8.3 This element along with the 'preventative – deterrent' nature of CAFS work is hard to quantify but where appropriate CAFS will highlight this activity within their reports to this Committee.

Corporate investigations

- 8.4 Corporate investigations cover a wide range of different counter-fraud activities including, but not limited to, financial investigations, complex third-party fraud

investigations, contractor or employee fraud, or actions and activities that contribute towards an effective assurance framework.

8.5 Since 1 April 2019 corporate investigation work has included:

- Business rate refund fraud was stopped, and the perpetrator was prosecuted following a fake refund application. At court the defendant entered a guilty plea to one charge of fraud by false representation. They received a six-month custodial sentence, suspended for 18-months, and ordered to undertake 200 hours of unpaid work.
- A false employment application was tendered for employment in the Council. It included fake references and false dates of previous employment as well as fictitious employers. Prosecution action commenced taking in to account various public interest factors, including the level of the dishonesty displayed in the application. The individual pleaded guilty to all offences at the first hearing and was sentenced to 16-weeks imprisonment suspended 12 months. They were ordered to undertake 100 hours of unpaid work and pay court costs of £415.
- CAFS investigated a personal budget case and found an individual who had misused his mother's direct payments, intended to pay for her care. He was sentenced to an 18 months Community Order including 200 hours of unpaid work. In sentencing the judge also ordered compensation, payable to the Council, for £9,580.
- A supplier provided conflicting information on New Vendor Forms and was suspected of overcharging. Investigative work included a review of invoices and verification that work had been completed. No fraud against WCC was found, but it raised concerns regarding other criminality, i.e. revenue offences. Referral made to appropriate law enforcement agency.
- National Anti-Fraud Network (NAFN) alert informed councils that fraudsters were targeting NNDR and Council Tax accounts with stolen credit/debit cards. The alert identified two suspects in Westminster and action was taken to prevent a possible £8,000 fraud.
- Dissemination of a Fraud Alert to Westminster schools highlighting the risks of potential spam emails that pretend to be from the Headteacher or Chair of Governors. The messages targeted schools during the summer holidays to request immediate payments from school funds.

Housing/Tenancy Fraud

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

8.7 For the period 1 April 2019 to 31 March 2020, CAFS has successfully recovered 43 properties, including eight successions, that can now be allocated to a family in genuine need of assistance. CAFS also prevented thirteen cases where false housing applications were tendered or where individuals were no longer eligible for social housing and they were removed from the housing register.

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

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

Landlord	Location	Postcode	Size (bedrooms)	Reason for recovery	Outcome
Council	Birch House	W10	1	Eligibility	Succession stopped
Council	Ellwood Court	W9	1	Non-residence	Surrendered keys
Council	Chaucer House	SW1V	3	Non-residence	Court possession
Council	Simpson House	NW8	1	False Application	Court possession
Council	Sixth Avenue	W10	3	False succession	Downsize property
Council	Darent House	NW8	studio	Subletting	Court possession
Council	Portnall Road	W9	1	Non-residence	Court possession
Council	Henry Wise House	SW1V	studio	Subletting	Court possession
Council	Crawford Buildings	W1H	1	Non-residence	Court possession
Council	Drakeland House	W9	1	Non-residence	Court possession
Peabody	Hanover Flats	W1K	1	Non-residence	Court possession
NHG	Star Street	W2	2	Non-residence	Surrendered keys
Soho	Wardour House	W1F	1	Non-residence	Surrendered keys
Council	Westbourne House	SW1W	5	Non-residence	Surrendered keys
Council	Grove Road	RM17	3	Non-residence	Surrendered keys
Council	Blackstone House	SW1V	2	Non-residence	Surrendered keys
Peabody	Peabody Avenue	SW1V	3	Non-residence	Court possession
Council	Kennet House	NW8	2	False succession	Succession stopped
Council	Westbourne Terrace	W2	studio	Subletting	Court possession
Network	Willow Place	SW1P	2	Subletting	Court possession
Council	Jessel House	SW1P	1	Non-residence	Surrendered keys
Council	Hughenden House	NW8	1	Non-residence	Surrendered keys
Peabody	Balderton Flats	W1	2	Non-residence	Surrendered keys
Council	Ingrebourne House	NW8	3	False succession	Succession stopped
Council	Green Court	W1	1	Non-Residency	Court possession
Council	Vale Royal House	WC2	1	Non-Residency	Court possession
Council	Penn House	NW8	studio	Subletting	Court possession
Council	Reynolds House	SW1	3	Non-Residency	Court possession
Temp Acc	Westbourne Gardens	W2	3	Non-Residency	Keys returned
Council	Westbourne Terrace Road	W2	1	Subletting	Court possession
Council	Rogers House	SW1	1	Subletting	Court possession
Peabody	Peabody Avenue	SW1	3	Non-Residency	Keys returned
Council	Marlow House	W2	1	Non-Residency	Keys returned
Peabody	Chelsea Gardens	SW1	2	Subletting	Keys returned
Council	Chequers House	NW8	1	Non-Residency	Keys returned
Council	Kimble House	NW8	1	False succession	Succession stopped
Octavia	Whitfield House	NW8	2	Non-Residency	Court possession

Council	Scott Ellis Gardens	NW8	1	Non-Residency	Keys returned
Council	Scott Ellis Gardens	NW8	2	False succession	Succession stopped
Council	De Quincey House	SW1	1	False succession	Succession stopped
Council	Cameron House	NW8	1	False succession	Succession stopped
Council	Fourth Avenue	W10	1	False succession	Succession stopped
Soho	St James Residences	W1	1	Subletting	Keys returned

8.10 In liaison with housing management, a new network of Counter Fraud Champions launched. Each based in a different area office, they will help strengthen the fight against tenancy fraud.

8.11 Their priorities will include instilling an anti-fraud culture across housing management while working in close partnership with CAFS to raise the quality of fraud referrals and identify potential fraud risks.

Right to Buy (RTB)

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

8.13 For the period 1 April 2019 to 31 March 2020, CAFS has successfully prevented twenty one Right to Buys from completion, where suspicion was raised as to the tenant's eligibility or financial status. In many instances, these have been as a result of the tenant voluntarily withdrawing their application once checking commenced.

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

Parking investigations

8.15 CAFS continue to investigate the misuse of disabled parking badges, and for the period 1 April 2019 to 31 March 2020 have successfully prosecuted 53 offenders. A further ten cases are currently lodged with the Council's solicitors awaiting court dates.

8.16 From the successful prosecutions secured to date, fines totalling £13,233 were imposed, and defendants ordered to pay the Council a total of £18,699 in costs and victim surcharges. The table below identifies the wards where offenders were unlawfully parking when apprehended.

Ward	Prosecutions
West End	31
Marylebone High Street	7
Bryanston & Dorset	6
Hyde Park	6
Church Street	2
Maida Vale	1

- 8.17 In addition to stopping misuse by drivers, CAFS also cancelled ten blue badges where the badge holder was not eligible to have received the badge.
- 8.18 CAFS also investigate the misuse of residents parking permits and any suspicious applications. For the period 1 April 2019 to 31 March 2020 the team have successfully detected and taken appropriate action against 21 offenders.

9. Pursue

Deterrence

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

Sanctions

- 9.2 Criminal prosecutions are one of the strongest fraud deterrents due to the powers and sanctions of the criminal court, including confiscation, the threat of a custodial sentence and a criminal record. 9.3 For the period 1 April 2019 to 31 March 2020, CAFS has successfully prosecuted 57 offenders.
- 9.4 To deter fraud, the Council must also continue to publicise the successful outcomes of their investigations.
- 9.5 Last year CAFS reported on a successful tenancy fraud case that culminated in an unlawful profit order, in excess of £100,000, being awarded to the Council. Since then, the investigating officer has been asked to attend several national conferences to present a case study so that he techniques and actions in the case can be shared as best practice.
- 9.6 Additionally, the BBC have also filmed a short item on the same case which is due to be aired later this year.

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

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PRO-ACTIVE OPERATIONS

(1 October 2019 to 31 March 2020)

Source	Fraud Review	Details	Risk
<p>Risk Review</p>	<p>City Promotions, Events and Filming</p> <p>The objectives of the Fraud Risk Review are to understand the business processes and the prevalent fraud risks, review the existing anti-fraud controls and assess the overall fraud risk for inclusion in the Fraud Risk Register.</p> <p>The key risks identified included bribery and corruption and cash handling, but officers found these risks were mitigated through transparency, low-value transactions and no cash transactions.</p>	<p>City Promotions, Events and Filming, is a specific team within Policy, Performance and Communication directorate which has overall responsibility for managing applications from organisations and businesses seeking to stage events or to film in the City of Westminster. This is a not for profit service, with charges set to cover the cost of processing applications and providing any additional consultancy and assistance in planning an event to ensure that it is appropriate and can go ahead safely.</p> <p>There is limited financial risk as payment is required in advance for any application to be processed and deposits for park and open spaces are non-refundable so do not have to be returned if the event does not go ahead. Standard in-house debt recovery processes are followed for unpaid invoices.</p> <p>The risk of reputational damage to the Council is mitigated through the application process; all applicants are required to demonstrate awareness of health and safety and to conduct a risk assessment; have public liability insurance in place; consider the environmental impact and arrange for any litter to be removed.</p> <p>Active events and filming in the City of Westminster will be subject to monitoring by licensing officers and other enforcement agents of the Council where appropriate (e.g. environmental health, parking marshals etc.), as well as partner agencies. Consequently, there is no need for additional sample site visits by City Promotions, Events and Filming to ensure compliance.</p>	<p>Risk score reduced</p> <p>↓</p> <p>LOW = 2</p> <p>Impact = Low 2 [Low financial loss, low political risk with low media coverage; low reputational risk]</p> <p>Likelihood = Rare 1 [No fraud reported last three years; No known occurrences outside organisation]</p> <p><i>Previously: Low impact (2) and Low likelihood (2) = Low 4</i></p>

<p>Risk Review</p>	<p>Shared Service Fostering and Adoption Service</p> <p>The Shared Service Fostering and Adoption Service provides a range of temporary and permanent placements with Carers and adoptive families for children under the care of the local authority.</p> <p>CAFS review of this Service was prompted by a recent fraud case in Oxfordshire where a foster carer fraudulently obtained over £100,000 over a five-year period. In the scam the carer continued to pocket payments which was regularly paid to him and his partner for fostering children, despite the child having left the home.</p> <p>Although Internal Audit conducted an audit in April 2019, the purpose of this Risk Review was to focus solely on the detection and prevention controls.</p>	<p>Methodology: A meeting was arranged with the Head of Service to walk through processes and to discuss existing controls, especially those that would prevent a similar fraud from occurring.</p> <p>Findings: The Service undertakes monthly review meetings. This includes monthly meetings with Heads of Service and Finance, as well as an additional monthly meeting with Line Managers and Finance.</p> <p>These meetings enable a complete overview of all children who are currently in care and children who have moved. This review ensures the Service can identify potential overpayments that might arise due to changes in circumstance, and intervene accordingly.</p> <p>Foster carers are visited by the Service every four weeks.</p> <p>An Annual Financial Review of each special guardian or adopter ensures evidence of school reports, financial statements including proof of income/expenditure and proof of residency are seen. If this information is not provided within a month, payments are ceased.</p> <p>Conclusion: The review found that management had been alert to the risks of fraud and that they were taking appropriate actions to ensure that controls were in place to reduce overpayments and to prevent and detect fraud by carers and special guardians.</p>	<p>Fraud risk register</p> <p>Risk score</p> <p>MEDIUM = 9</p> <p>Impact = Medium 3 [Financial loss could reach £100k, political and reputational risk]</p> <p>Likelihood = Possible 3 [No occurrences in WCC, but known occurrences outside the organisation]</p>
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<p>Pro-active operations – tenancy fraud</p>	<ol style="list-style-type: none"> 1. Holcroft Court, Clipstone Street, London, W1 2. Hughenden House, Lisson Green Estate, NW8 3. Noel Coward House and Morgan House, Vauxhall Bridge Road, SW1 4. Tintern House, Pimlico, SW1 <p>Undertaking pro-active operations increase the chances of detecting fraud while providing assurance where compliance is verified.</p>	<p>Background: Targeting a block or estate for a series of unnotified visits and residency checks can be a high-impact method for detecting and deterring tenancy fraud.</p> <p>Methodology: Four separate operations covered five different blocks. The locations chosen were each associated with historical instances of tenancy fraud.</p> <p>Each exercise involved officers conducting unnotified visits to check and verify the residencies of <i>all</i> tenants in the blocks.</p> <p>The exercises involved unnotified visits to all properties, with additional follow up appointments including some notified where contact had been made following the initial residency check.</p> <p>The exercise verified the residency of all tenants, with four exceptions, and these remain subject of on-going investigations.</p> <p>Outcomes: Investigators verified residency at over 140 properties across five blocks. Having identified only four cases requiring additional investigation, they have obtained a high level of assurance that the subletting of Council properties in Holcroft Court, Hughenden House and Noel Coward House is not a significant risk.</p> <p>From the exercise, residents have also gained assurance that the Council take fraud seriously. Investigators remarked that the overwhelming feeling that tenants were glad the Council conducted checks and that if subletting was suspected they know how to alert the Council, thereby further raising fraud awareness amongst residents.</p>	<p>Pro-active operations</p>
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NOTEWORTHY INVESTIGATIONS AND ACTIVITY

(1 October 2019 to 31 March 2020)

	Case Description
1.	<p>TENANCY FRAUD - A referral from housing management raised concerns that the tenant may have abandoned a flat in Reynolds House, Erasmus Street, SW1.</p> <p>Visits to the property were unsuccessful, corroborating housing management's initial suspicions, although the property appeared to have someone living there. However, the investigation then discovered that the tenant had moved to Glasgow where he had obtained another social housing tenancy, but he never notified Westminster of the change.</p> <p>Financial checks suggested that the tenant's son was living in the flat while working in London at the Houses of Parliament. Officers then made contact with the son, who when challenged over the tenancy, and his right to be the sole resident, made an application to assign the tenancy from his father.</p> <p>This change was declined because the property had been previously succeeded when the tenant's wife passed away. Notices to quit were served.</p> <p>The son made no further challenged and surrendered the property. This three-bedroom property has now been allocated to a family in genuine need of support and assistance.</p>
2.	<p>TENANCY FRAUD - A referral from housing suggested the tenants of a shelter housing property in Hughenden House, NW8, had not been seen.</p> <p>The subsequent investigation found an Asian man at the property but no evidence of the tenants being resident. However, links to an alternative property were pursued, and the tenants found there.</p> <p>Investigators were unable to find evidence of rental payments that would have fully proved subletting. When confronted, the tenants initially agreed to relinquish the tenancy, but then changed their minds and challenged the repossession order. However, when they eventually received a summons with a court date, they surrendered the keys and agreed to a repayment plan to clear rent arrears that had built up.</p> <p>This one-bedroom property has now been allocated to someone in genuine need of sheltered accommodation, support and assistance.</p>

3.

TENANCY and RIGHT TO BUY - During the verification process of a right to buy (RTB) application for a property in Lenthall House on the Churchill Gardens Estate, the tenant was found to be linked to alternative addresses. Because of this, the matter was referred for further investigation.

Initial enquiries discovered that the tenant first applied to Westminster City Council in 2005. He was living with his parents at the time of the application and placed on the Council waiting list.

In 2010, while living with his parents, he purchased a property in Thamesmead. However, he never told the Council about any change of circumstances and remained on the waiting list.

The following year, 2011, he was nominated for a Council tenancy on Churchill Gardens Estate and accepted the property in Lenthall House. He signed a tenancy agreement but still failed to inform the Council he had purchased a property in Thamesmead.

Further investigation also revealed that shortly after signing the tenancy agreement he started subletting the Lenthall House property for a monthly rent of £550 and continued to do so for twelve months. After that, he also sublet the address from March 2013 to August 2013 and from May 2014 to August 2015 receiving rent amounts totalling £4,750. He also collected rent from January 2015 to November 2016, totalling £10,489.

During this time, our enquiries suggested that the tenant remained at home with his parents while subletting his Council property, and the Thamesmead address. However, the investigator found him linked to further addresses, and it transpired that during this time, he had purchased another two properties in Enfield and Tottenham.

Given the findings, the tenant was invited to attend an interview under caution in April 2017. During the meeting, he advised that he did recall completing a housing application but believed he did declare property ownership. He also maintained that he still lived at Lenthall House and had never sublet the property. The only person that had ever stayed at the property was his partner.

When officers challenged him on his failure to declare property ownership on his RTB applications, he stated that it must have been an error as he owned five properties. When he was then asked about rental payments, he was unable to offer a plausible explanation as to their existence on his bank statements. Instead, he continually maintained that he was unaware that he had an obligation to inform the housing service of any changes in circumstances.

After the interview, the matter was passed to the Council's Legal Services, and he was summonsed to attend Woolwich Crown Court charged with both illegal subletting and a false RTB application. He pleaded guilty to all four charges.

The judge granted the Council compensation of £85,000 plus costs of £17,500 but deferred the sentencing to November 2019 to allow the defendant time to repay the debt. On 8 November 2019, the deficit was repaid in full, and he was sentenced to nine months imprisonment suspended for two years.

4.	<p>BLUE BADGE - During a routine inspection of Blue Badges in Vere Street, W1, our investigator observed a grey Toyota RAV4 park on one of the five designated bays. The female driver placed a badge on display in the windscreen before exiting the vehicle.</p> <p>The investigator approached the driver and introduced himself. He inspected the badge which was issued by the London Borough of Camden, to a male badge holder, a child.</p> <p>The investigator asked the driver for an explanation, and she said that it was her son's badge and that she had just dropped him off, with her daughter, at the shop in Oxford Street, Zara.</p> <p>The investigator cautioned her and then challenged her account of events. In particular, he raised the issue that passenger vehicles were not allowed along Oxford Street at this time of day. In reply, she confirmed that the badge holder, her son, was at home. She said this was the first time she had used the badge on her own, understood it was wrong, but that she was returning goods to Zara and buying her son some clothes.</p> <p>On 30 October 2019 at Westminster Magistrates the defendant failed to attend. The judge granted an application to proceed in her absence and found the offence proven. The defendant was fined £400 and ordered to pay costs £410—all to be paid to the court within 14 days.</p>
5.	<p>TENANCY FRAUD - A case was referred by Peabody Housing Association who had received anonymous allegations regarding the tenant of a property in Brown Hart Gardens, W1. The tip-off suggested that the tenant and his husband had obtained housing fraudulently.</p> <p>Initial enquiries, including a visit to the property, found no discrepancies. The tenant was in the property although he explained that due to his work commitments, he travels throughout the UK often staying away from the address.</p> <p>The case was about to be closed when the investigator found the original homeless application submitted by the tenant. The form included medical documents which were tendered as proof of illness and thereby evidenced his need for support and assistance. These documents did not appear genuine, and enquiries with the hospital confirmed that they were fake.</p> <p>Additionally, these enquiries generated a new residential address linked to the tenant, and it transpired that he was the owner of this property in Southwark.</p> <p>The tenant was contacted again to arrange an interview, but this must have alerted him to our further enquiries, and he relinquished the two-bedroom property forthwith.</p> <p>Consideration for criminal action was discussed with the Housing Association, but they did not want to pursue the matter further or delay the recovery of the property.</p>

6.	<p>SUCCESSION – Housing Solution Services referred a case following a suspicious succession application at Ingrebourne House.</p> <p>When a council tenant dies, the secure tenancy can pass to a family member. This is called succession, and the person who applies for a succession must show they have lived at the address twelve months before the date of death.</p> <p>CAFS initial enquiries found that the former tenant was in receipt of a Single Person Discount at the address and was in receipt of benefit as the sole occupant, both of which suggested the succession applicant had proved false information.</p> <p>A more in-depth check on the succession applicant found that she was linked to Leeds, and further enquiries with Leeds City Council revealed the applicant was resident in Yorkshire at a time when she was meant to be living in Ingrebourne House. It also showed when she left Leeds to move to Westminster, and this was after the death of the tenant.</p> <p>The findings were presented to Housing Solutions, who served a notice to quit (NTQ). However, the tenant failed to leave the property once the NTQ expired, and a court date was scheduled. Following a short, successful hearing the Council were awarded an outright possession order, and the occupant finally vacated this three-bedroom property in October 2019.</p>
7.	<p>TENANCY FRAUD – The family members of an elderly resident from Vale Royal House, WC2, approached the housing department and tried to engage officers to make a financial offer to their relative in exchange for the one-bedroom property being relinquished. They mention significant amounts, including £30,000.</p> <p>The encounter raised suspicions, and the details were referred to CAFS.</p> <p>The subsequent investigation discovered that the tenant had left the UK in 2016 and had been living in Malta ever since. This raised questions as to who was living there, however, visits to the address were unsuccessful.</p> <p>Contact details for the family were traced, and contact made asking for clarity regarding the address and the tenant. They were asked to relinquish the property but refused.</p> <p>CAFS recommended that a notice be served on the address, and this notice to quit the property was unchallenged. The eviction and repossession of the property took place in November 2019.</p>

8.	<p>TENANCY FRAUD - The housing team were conducting a tenancy check on a property in Jessel House, Page Street, SW1, when they found a young female at the address; The tenant was a single male. The female said she had been renting the flat and named the tenant as her landlord. She appeared shocked to find out it was a council property.</p> <p>The matter was referred to CAFS, and initial checks linked the tenant to his mother's address, and, when added to the information obtained from the initial visit, a notice to quit the property was immediately issued.</p> <p>The tenant was invited to attend an interview under caution, but this was cancelled due to an incident at council offices which rendered meeting rooms inaccessible. Instead, officers were able to have an informal discussion with him and his sister, who was in attendance. It was apparent that his sister was attending as his appropriate adult due to his learning disabilities, and this changed the process officers needed to follow.</p> <p>A new interview date was arranged and his appropriate adult informed of the details. However, once the letter was sent, the housing officer contacted the CAFS to confirm that the tenant had surrendered the flat and returned the keys.</p> <p>No further action was considered due to the tenant's capacity, and the prompt return of vacant possession.</p>
9.	<p>TENANCY FRAUD – CAFS received an allegation from Housing that the tenant wasn't living in his sheltered accommodation on the Lisson Green Estate. Officers had already met with the tenant and his daughter. His daughter had said that he did live at the flat but spent some time with her.</p> <p>Checks showed he was living at his daughter's house in Walthamstow. A visit to the Walthamstow address found him and his wife living there as well. The daughter wasn't present when investigators attended, but later the same day the daughter rang to say they would give the flat back.</p> <p>Officers revisited them all in Walthamstow where the tenant signed the relinquishment form and gave the keys back.</p>
10.	<p>BLUE BADGE – Investigators discovered a male driver misusing his mother's disabled badge to obtain free parking near Selfridges Department Store. At the time he stated that she was shopping in Selfridges. The officer asked to accompany him to Selfridges to verify his explanation as he attempted to contact his mother to arrange this meeting. However, while officers were interviewing him, he received a call from his mother saying she was actually in Edgware Road.</p> <p>The Council undertook prosecution action against the driver, and the matter was heard at Westminster Magistrates Court on 5 February 2020. The driver did not attend but was found guilty in his absence. He was fined £450 and ordered to pay costs £410.</p>

11.	<p>BLUE BADGE - During a routine inspection of Blue Badges in Wigmore Street, W1, our investigator observed a female driver park in a designated disabled bay. The female driver placed a badge on display in the windscreen before exiting the vehicle.</p> <p>When our investigator asked to see the badge, she said that she had dropped the badge holder off close by in Wigmore Street and was going back to pick him up as he struggled to walk. However, after being further challenged as to the badge holder's whereabouts, she declared that she was not going to pick up her partner, and that she had parked up to buy a dress for her daughter.</p> <p>Given the above, the Council prosecuted her misuse of the disabled badge under section 117(1) of the Road Traffic Regulation Act 1984.</p> <p>The matter was heard on 5 February 2020 by District Judge Blake at Westminster Magistrates Court. The driver did not attend but submitted a written guilty plea. She was fined £150 and ordered to pay costs of £150.</p>
12.	<p>TENANCY FRAUD – An anonymous tip-off claimed that the tenant of a one-bedroom flat in Rogers House, SW1, accepted a cash payment from an unknown third party to add them onto his tenancy. At the same time, he had left the country and was now living overseas.</p> <p>Background checks suggested the tenant had left the country, and financial enquiries showed numerous unidentified payments into the tenant's bank account, several of which were merely narrated "friend", and due to the amounts and frequency appeared to be rental payments.</p> <p>CAFS investigators attempted to make numerous visits to the property to verify who was there. Unfortunately, while officers got the impression that there was someone in the flat, the door was never answered. Instead, officers finally left a letter arranging a notified visit. The tenant soon made contact to say he wasn't currently in the country as he had contracted a tropical disease overseas. He was unsure what the condition was, but when he was well enough to travel, he would contact the officers on his return to the UK.</p> <p>A few weeks later the tenant contacted investigators to say he no longer wanted to live at Rogers House. However, when invited to discuss the matter with investigators, he refused. Notices to quit were served, but rather than relinquishing the tenancy the tenant refused to do so. He continued to decline to attend any interviews.</p> <p>The matter progressed to court, and, supported by the evidence gathered by CAFS, possession was finally obtained, and the tenant was evicted in December 2019.</p>

13.	<p>HOUSING – A positive data match from the National Fraud Initiative linked data between Westminster City Council's waiting list and Derby City Council. It suggested that a person on the Westminster's housing listed had now found permanent accommodation elsewhere.</p> <p>An investigation of the Westminster data showed that a male had been registered on the Council's housing waiting list at Falkirk House in Maida Vale. His application said that he was in privately rented studio accommodation and claimed that it had become overcrowded when his wife and children joined him in the UK.</p> <p>The checks with Derby City Council revealed that the applicant is now resident in their authority where he held an assured tenancy. He was immediately removed from the waiting list and his file closed.</p>
14.	<p>SUCCESSION – A new succession claim suggested that the applicant was the niece of a deceased tenant in Kimble House, NW8, and claimed to be resident at the property before his death.</p> <p>Investigations showed that she spent a lot of time living at another address with her brother. The investigation also revealed she was not a direct family member of the deceased tenant and therefore failed the succession criteria.</p> <p>Even when confronted with the facts, the female did not want to move out and fought the Council's decision.</p> <p>The matter progressed to court, but when faced with the overwhelming evidence, it didn't take long for the judge to award possession to the Council, after which the applicant vacated the property and returned the keys immediately.</p>



City of Westminster

Audit & Performance Committee Report

Date:	15 July 2020
Classification:	General Release
Title:	Work Programme
Wards Affected:	N/A
Financial Summary:	No direct financial implications arising from this report
Report of:	Head of Committee and Governance Services
Report Author:	Artemis Kassi Senior Committee and Governance Officer

1. Executive Summary

- 1.1 The Committee is invited to review its Work Programme for the 2020/21 municipal year attached at **Appendix 1**, and to confirm the agenda items for its next meeting on 23rd September 2020.
- 1.2 The Committee is asked to note actions which arose from its meeting on 2nd February 2020, as detailed in **Appendix 2**.

2. Recommendations

It is recommended that the Committee:

- 2.1 agree the agenda items for its next meeting on 23rd September 2020, as set out in Appendix 1 to the report; and
- 2.2 note the actions which arose from the last meeting, as detailed in at Appendix 2 to the report.
- 2.3 The Committee had expected an agenda item from NHS England on the rates of immunisation in Westminster at its April 2020 meeting. This meeting was cancelled due to prevailing government guidance on public meetings in the context of the coronavirus, Covid19. This topic is listed in Appendix 1 as an unallocated item. The Committee may consider the September or December

2020 meetings as an appropriate time for this item to come to the Committee.

3. Choosing items for the Work Programme

3.1 The draft Work Programme for 2020/21 is attached at Appendix 1 to the report.

3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee (attached at **Appendix 3**), 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 2. 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:

Artemis Kassi, Senior Committee and Governance Officer

Tel: 078 1705 4991 or email: akassi@westminster.gov.uk

APPENDICES:

Appendix 1 – Work Programme 2020/21

Appendix 2 – Committee Action Tracker

Appendix 3 – Terms of Reference

BACKGROUND PAPERS: None

Work Programme 2020/21

Audit and Performance Committee

27 May 2020

	CANCELLED	
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18 June 2020

Agenda Item	Reasons & objective for item	Lead Officer
2019/20 Annual Accounts and Outturn	Report of the Executive Director, Finance and Resources.	Gerald Almeroth (Finance)
Treasury Management Strategy Outturn 2019/20	Report of the Executive Director, Finance and Resources	Gerald Almeroth (Finance)

15 July 2020

Agenda Item	Reasons & objective for item	Lead Officer
Year End Performance Report	To review the City Council's performance at the end of the 2019/20 financial year.	Gerald Almeroth (Finance) Mo/Rahman / Damian Highwood (Performance)
Period 2 Finance Report	To review and consider the report of the Executive Director of Finance and	Gerald Almeroth

	Resources.	(Finance)
2019/20 School Balances Outturn Position Report	To receive an update on the level of school balances at the end of the 2019/20 financial year.	Gerald Almeroth Steve Muldoon (Finance) Andrew Tagg
Annual Report on internal Audit and internal Control 2019/20	To consider the work of Internal Audit in 2019/20.	David Hughes Moira Mackie (Internal Audit)
Anti-Fraud and Corruption Strategy Review 2020	To consider the revised anti-fraud and corruption policy and strategies for 2020.	Andy Hyatt (Anti-Fraud)
Counter Fraud 2019/20 - End of Year Report	To review work undertaken by the fraud service during the period 1 April 2019 to 31 March 2020.	Andy Hyatt (Anti-Fraud)
Work Programme 2020/21	The Committee is invited to review its work programme for the 2020/2021 municipal year.	Artemis Kassi

23 September 2020

Agenda Item	Reasons & objective for item	Lead Officer
Metropolitan Police Basic Command Unit	To monitor and review the performance of the Metropolitan Police Service Basic Command Unit for Westminster.	Metropolitan Police Service / Annette Acik
Finance & Performance Business Plan Monitoring Report	To monitor the City 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 1 performance results	Gerald Almeroth (Finance) Damian Highwood / Mo Rahman

	against the 2020/21 business plans	(Performance)
Annual Contracts Review 2019/20 and Procurement Update	To review the City Council's contracts, including details of contracts awarded, waivers and performance. Also to review progress and key performance indicators for the new operating model.	Kevin Goad (Procurement) Annabel Saunders Etiene Steyn Simon Sluys (Commissioning)
Update on HRA Capital Programme	To consider a report on the HRA Capital Programme outturn against forecast and mitigation measures to address any underspend.	Gerald Almeroth (Finance) Debbie Jackson (GPH)
Internal Audit Monitoring Report	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes Moir Mackie (Internal Audit)
Internal Audit Charter	To review the City Council's Internal Audit Charter which is maintained by the Shared Services Director for Internal Audit, Fraud, Risk and Insurance in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS)	David Hughes Moir Mackie (Internal Audit)
CityWest Homes Performance	To receive a report from the City Council's Housing Directorate and CityWest Homes on operational performance.	Barbara Brownlee/ Debbie Jackson/ Neil Wightman (Housing)
Work Programme 2020/21	The Committee is invited to review its work programme for the 2020/21 municipal year.	Artemis Kassi

2 December 2020

Agenda Item	Reasons & objective for item	Lead Officer

Grant Thornton Annual Audit Letter 2020/2021	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Paul Jacklin Paul Dossett (Grant Thornton)
Progress and Update on 2020/21 Audit	To consider an update on the 2020/21 Audit and key information on accounting changes and emerging issues for local government	Paul Jacklin Paul Dossett (Grant Thornton)
Finance and Performance Monitoring Report	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.	Gerald Almeroth (Finance)
Internal Audit Monitoring Report	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes Moira Mackie (Internal Audit)
Corporate Complaints 2020/2021	To report on the volume and details of complaints received by the City Council in 2020/2021.	Sue Howell (Complaints)
Mid-Year Counter Fraud Monitoring Report	To oversee and monitor the success of the Counter Fraud Service.	Andy Hyatt (Anti-Fraud)
Review of Anti-Fraud Policies	To review and approve the following which are maintained by the Corporate Anti-fraud Service: <ul style="list-style-type: none"> • Whistleblowing Policy • Fraud Response Plan • Anti-bribery Policy • Anti-money Laundering Policy (including procedures) 	Andy Hyatt (Anti-Fraud)
Work Programme 2020/21	The Committee is invited to review its work programme for 2020/21.	Artemis Kassi

17 February 2021

Agenda Item	Reasons & objective for item	Lead Officer
Grant Thornton Certification of Claims and Returns Annual Report (Audit 2020/21)	To report the findings from the certification of 2019/20 claims and the messages arising from the assessment of the City 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)
Grant Thornton Annual Audit Plan 2020/2021	To set out the audit work proposed by Grant Thornton for the audit of the financial statements and the value for money (VFM) conclusion for 2020/2021.	Paul Jacklin Paul Dossett (Grant Thornton)
Maintaining High Ethical Standards at the City Council	To maintain an overview of the arrangements in place for maintaining high ethical standards throughout the City Council.	Tasnim Shawkat (Monitoring Officer) Hazel Best
Finance & Performance Business Plan Monitoring Report	To monitor the City 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 2020/21 business plans.	Gerald Almeroth (Finance) Mo Rahman / Damian Highwood (Performance)
Internal Audit Monitoring Report	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes Moir Mackie (Internal Audit)

Internal Audit Plan 2020/21	To review and comment on the draft audit plan for 2020/21	David Hughes Moira Mackie (Internal Audit)
Integrated Business Centre Update	To receive an update on the arrangements with Hampshire County Council.	Rhoda Phillips (Finance)
Westminster Housing Service	To receive a report on performance from the City Council's Housing Directorate.	Barbara Brownlee / Neil Wightman (Housing)
Work Programme	The Committee is invited to review its Work Programme.	Artemis Kassi

20 April 2021

Agenda Item	Reasons & objective for item	Lead Officer
Draft Annual Statement of Accounts and Outturn 2020/2021	To review the draft 2020-2021 Annual Statement of Accounts and outturn.	Gerald Almeroth (Finance)
Draft Audit Findings Report 2020/2021	To review the reports from the City Council's external auditors on the key findings arising from their audit of the City Council's 2020-2021 financial statements (Council and Pension Fund)	Paul Dossett Paul Jacklin (Grant Thornton)
Finance & Performance Business Plan Monitoring Report	To monitor the City 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 2020/21 business plans	Gerald Almeroth (Finance) Mo Rahman / Damian Highwood (Performance)

Work Programme 2021/22	The Committee is invited to consider its Work Programme for the 2021/22 municipal year.	Artemis Kassi
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Unallocated Work Programme Items

Agenda Item	Reasons & objective for item	Lead Officer
Immunisations	To review immunisation rates in Westminster.	NHSE / Public Health

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COMMITTEE ACTION TRACKER
ACTIONS: 2 February 2020

ACTION	OUTCOME	LEAD OFFICER
MAINTAINING HIGH ETHICAL STANDARDS AT THE CITY COUNCIL		
The reporting requirements for officers on gifts and hospitality to staff to be reinforced.	People Services are re-drafting the policy to make it simpler to understand. A briefing has been provided to ELT.	Tasnim Shawkat - Director of Law, Bi Borough Legal Services Lee Witham - Director of People Services
FINANCE AND PERFORMANCE BUSINESS PLAN MONITORING		
1. Committee Members to receive an update report at Year End on school finances/school deficits at the 30 th April meeting.	Completed. Included in the Agenda for the July meeting.	Gerald Almeroth - Executive Director of Finance & Resources Ian Heggs - Bi Borough Director of Education Steve Muldoon - Director of Commercial & Financial Management
2. The Committee to receive more information about short-term letting, with a breakdown of City Survey information by Ward.	In progress. Included in the Performance Report at the July meeting.	Mo Rahman - Data & Intelligence Manager
3. Committee Members to receive a report from NHS England on immunisations – and to also receive information about the consequences of not being vaccinated and what can be done to improve vaccination rates. NHS England to be invited to the Committee meeting on 30 th April.	The 30 th April meeting was cancelled due to the pandemic. An alternative meeting date will be identified (September or December 2020).	Bernie Flaherty – Bi-Borough Executive Director for Adult Social Care and Health Russell Styles - Deputy Director of Public Health Katherine Reid - Strategy & Business Planning Manager, Public Health.
4. The language used in the report be revised to reflect the change to the language around corporate parenting that was adopted at Full Council in January.	A Westminster Guardians brand is being developed and this will be used for the updated annual plan.	Sarah Newman – Bi Borough Executive Director of Children's Services Others where relevant
5. The Committee to be provided with details about the levels of subsidy, beneficiaries and sustainability of the Strategic Investment Pot.	Information and Bid application circulated to members (12.02.20)	Greg Ward - Director of Regeneration & Economic Development Growth Planning & Housing.

6. Committee Members to receive more detail about the risk of abuse to staff in public-facing roles, including where and in which Wards and how concentrated these incidents are.	Completed.	Sara Sutton - Executive Director of City Management & Communities Claudia Hemsley - Strategic Projects Manager: Growth, Planning & Housing Service Development.
7. Committee Members to receive further analysis of the decline in Paid for Parking and Permits.	Under review. Included in the Performance Report at the July meeting.	Sara Sutton - Executive Director of City Management & Communities Claudia Hemsley - Strategic Projects Manager: Growth, Planning & Housing Service Development
8. The Committee to receive more detail on the fragility of the care market, including the costs imposed on councils, closure costs and the extent of liability for taking over a care home.	Completed. This information was provided (28.02.20).	Gerald Almeroth - Executive Director of Finance & Resources Bernie Flaherty - Bi Borough Executive Director of Adults.
9. Committee Members to receive more detail on how the London Living Wage is being rolled out.	Completed. An update was provided (08.06.20).	Gerald Almeroth - Executive Director of Finance & Resources
10. The Committee to be provided with more detail and analysis about the risks related to planning fees, in particular, Planning Performance Agreements.	Under review.	Action for the Growth, Planning & Housing Service.
TREASURY MANAGEMENT HALF-YEAR MONITORING REPORT		
11. Committee Members to receive more information on interest rates.	Information on this was included in the Outturn report included on the agenda for the 18 June meeting.	Phil Triggs – Tri-Borough Director of Treasury & Pensions

AUDIT AND PERFORMANCE COMMITTEE TERMS OF REFERENCE

CONSTITUTION

Four Members of the Council, three Majority Party Members and one 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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