



City of Westminster

# Committee Agenda

Title: **Audit and Performance Committee**

Meeting Date: **Monday 17th July, 2017**

Time: **6.00 pm**

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

Members: **Councillors:**

Ian Rowley (Chairman)  
Lindsey Hall  
Judith Warner  
David Boothroyd

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

**Admission to the public gallery is by ticket, issued from the ground floor Reception from 5.30pm. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.**



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

**Tel: 020 7641 3160 Email: [rsegal@westminster.gov.uk](mailto:rsegal@westminster.gov.uk)  
Corporate Website: [www.westminster.gov.uk](http://www.westminster.gov.uk)**

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

## **AGENDA**

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

**1. MEMBERSHIP**

To note any changes to the membership.

**2. DECLARATIONS OF INTEREST**

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

**3. MINUTES**

To approve the minutes of the meeting held on 9 May 2017.

**4. 2016-17 ANNUAL ACCOUNTS AND OUTTURN**

Report of the City Treasurer

**(Pages 1 - 18)**

**5. GRANT THORNTON AUDIT FINDINGS REPORTS 2016-17**

**(Pages 19 - 86)**

**6. 2016-17 END OF YEAR PERFORMANCE BUSINESS PLAN**

Report of the Director of Policy, Performance & Communications

**(Pages 87 -  
118)**

**7. ANNUAL CONTRACTS REVIEW 2016-17**

Report of the Chief Procurement Officer

**(Pages 119 -  
162)**

**8. UPDATE ON ARRANGEMENTS FOR MANAGEMENT OF THE CAPITAL PROGRAMME (GENERAL FUND AND HOUSING REVENUE ACCOUNT)**

Report of the City Treasurer

**(Pages 163 -  
178)**

**9. DISCRETIONARY HOUSING PAYMENT DELEGATED DECISIONS**

Report of the City Treasurer

(Pages 179 -  
212)

**10. WORK PROGRAMME AND ACTION TRACKER**

(Pages 213 -  
228)

**Charlie Parker**  
**Chief Executive**  
**7 July 2017**

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City of Westminster

## Audit and Performance Committee

<b>Date</b>	<b>17 July 2017</b>
<b>Classification:</b>	<b>For General Release</b>
<b>Title:</b>	<b>2016/17 Annual Accounts and Outturn</b>
<b>Wards Affected:</b>	<b>All</b>
<b>Financial Summary:</b>	<b>This report presents the draft Statement of Accounts for the Council and its Pension Fund and provides a narrative as to the outturn position for the financial year ended 31<sup>st</sup> March 2017.</b>
<b>The Report of:</b>	<b>Steven Mair, City Treasurer</b>
	<b>Tel: 0207 641 2904</b>
	<b>Email: <a href="mailto:smair@westminster.gov.uk">smair@westminster.gov.uk</a></b>

### 1. EXECUTIVE SUMMARY

- 1.1. The General Fund revenue position has seen a net outturn of £17.201m underspend against approved budget. This compares to a Period 10 (January 2017) forecast underspend of £15.273m. The most significant change between Period 10 and outturn being the impact of the reduction in debtors – arising as a result of work undertaken throughout the year to promote the proactive monitoring and recovery of outstanding debts.
- 1.2. As set out in the 2017/18 Budget Setting and Council Tax Report (approved by Full Council in March 2017), £10.000m of the overall General Fund net underspend has been earmarked as a contribution towards the Pension Fund deficit recovery. Approval for such a lump sum contribution was contingent on the finalisation of the outturn position being broadly as then forecast – this being the case.
- 1.3. Net of the lump sum contribution to the pension fund, the remaining revenue underspend for the General Fund is thus £7.201m and represents 0.8% of the approved gross 2016/17 budget. This amount has been added to the Council's general reserves – rising from £41.575m to £48.777m, again as broadly anticipated and approved in the 2017/18 Budget Setting and Council Tax Report.
- 1.4. The Housing Revenue Account (HRA) outturn position shows a net surplus of £9.980m and compares to a budgeted surplus of £7.340m – a variance of £2.640m (2.6% of the

approved gross expenditure). This surplus increases HRA general reserves from £31.606m to £41.586m.

- 1.5. The net general fund capital outturn variance is £23.513m. It should be noted that the gross capital programme at the start of the year was £351.288m which was re-profiled to £151.193m.
- 1.6. The HRA capital programme gross expenditure was £57.559m compared to an approved budget of £64.907m – a gross underspend of £7.348m (11.3%). On a net basis after income budgets of £28.652m and income outturn of £29.043m are taken into account the net variance is £7.739m before borrowing and capital receipts are applied.
- 1.7. The table below summarises the above headline outturn positions:

	Expenditure Budget (£m's)	Income Budget (£m's)	Net Budget (£m's)	Outturn (£m's)	Variance (£m's)	(%age)
<b>Revenue</b>						
General Fund	851.304	(851.304)	0.000	(17.201)	(17.201)	(2.0%)
Housing Revenue Account	101.656	(108.996)	(7.340)	(9.980)	(2.640)	(2.6%)
<b>Capital</b>						
General Fund	151.193	(74.794)	76.399	52.886	(23.513)	(15.6%)
Housing Revenue Account	64.907	(28.652)	36.255	28.516	(7.739)	(11.9%)

- 1.8. The accounts have been closed and sent for audit in four working days – three days earlier than in the previous year. The Council's external auditors provided a draft opinion on these accounts on 9 May 2017, also three days ahead of the prior year performance and a final audit opinion as at the date of this meeting. The setting of such a challenging timeframe not only sets the Council apart from all other public bodies (and 95% of the FTSE-100), but allows financial management resources to be quickly focussed on supporting services in concentrating on the future rather than the past. A significant service transformational benefit also accrues through the setting of aspirational closure timeframes in so far as it enforces fundamental review of process and procedures and drives best practice.
- 1.9. It should be noted that following the completion of the audit beyond the time of the last Audit and Performance Committee meeting held on 9<sup>th</sup> May 2017 there have been no significant changes to either the Statement of Accounts for 2016/17 or the outturn position.

## 2. BACKGROUND

### *Financial Context of the Council*

- 2.1. The Council manages significant levels of cashflows and assets exceeding £7bn. The council is the UK's largest collector of Business Rates at £1.8bn, most of which it passes to central government and GLA.
- 2.2. The Council holds £2.6bn in operational and investment property which is actively managed to generate approximately £24m annually to support delivery of services.
- 2.3. Approximately £0.4bn of fees and charges are generated annually to support delivery of services and which also helps keep council tax as the lowest rate in the UK.
- 2.4. Further context around the Council's finances can be found within the City Treasurer's Narrative Statement contained within the Accounts. Westminster as an overall entity is responsible for the sound governance of over £4bn in assets and transacts over £3bn on an annual basis.

•	£2.1bn	Property Plant & Eqpt	•	£0.6bn	Grants & Contributions
•	£0.5bn	Investment Property	•	£0.4bn	Fees & Charges
•	£0.1bn	Other Long Term Assets	•	£0.1bn	Council Tax (Incl GLA)
•	£1.0bn	Current Assets	•	£0.1bn	Capital Financing
•	£1.3bn	Pension Fund Assets			
•	£1.9bn	Business Rates			

- 2.5. The public inspection period for the accounts is now set nationally and has concluded as at the date of this meeting.
- 2.6. The accounts are shown at Appendix 1 and contain full details of the Council's finances for the 2016/17 financial year.

## 3. GENERAL FUND REVENUE OUTTURN

- 3.1. The General Fund revenue position saw a £17.201m gross underspend against approved budget, broadly in line with the £15.273m forecast at the end of January 2017. Against a gross controllable expenditure budget of £851.304m, this underspend represents a 2.0% variance.
- 3.2. The overall change in the outturn position between January and March is largely accounted for by impact of the reduction in debtors arising as a result of work undertaken throughout the year to promote the proactive monitoring and recovery of outstanding debts. A review

of the balance sheet reveals that overall short term debt levels have fallen from £137m to £73m, and the lower quantum and greater assurance that can be placed on those remaining balances have improved the revenue position.

- 3.3. As referenced in the 2017/18 Budget and Council Tax Setting Report, dependent upon outturn being as then forecast, £10.000m of the projected surplus would be used to assist in alleviating the Pension Fund deficit. Having now closed the accounts and confirmed the gross underspend, it is the intention to make such a payment. In the interim, the £10.000m has been placed in an earmarked reserve for such a purpose. The remaining £7.201m has been credited to the Council's General Reserves – which accordingly rise from £41.575m to £48.777m.
- 3.4. An analysis of the surplus on the General Fund Revenue Account by Cabinet portfolio is set out in the table below:

	<b>Outturn v Budget (£m's)</b>
Leader of the Council	(0.611)
Deputy Leader and Business, Culture & Heritage	0.666
Public Protection & Licensing	(1.418)
Planning and Public Realm	0.328
Housing	(2.012)
Environment, Sport and Community	(0.963)
Finance, Property & Corporate Service	(2.976)
City Highways	(9.481)
Children, Families and Young People	(0.341)
Adult Social Services and Public Health	(0.389)
	<u>(17.201)</u>

- 3.5. The following sets out an overview of the principal reasons behind the above variances for each Cabinet Portfolio:

#### **Leader of the Council – Underspend (£0.611m)**

Major Variances:

- PPC Directorate Development- (£0.244m) - The directorate realised an underspend of £0.244m from vacancy management.
- Change Programme Management Unit- (£0.955m) - An underspend on salaries in CPMU of £0.764m was due to vacancies held in year and a £0.191m underspend due to secondments.
- Chief of Staff - (£0.092m) - Underspend is from £0.029m funding received for prior year's European Parliamentary Elections, salaries and allowances £0.071m and legal fee charges £0.042m. This is partly offset by a forecast shortfall in Land Charges income of £0.050m.
- Campaigns and Customer Engagement - (£0.111m) - An underspend of £0.111m on salaries due to secondments which will be reimbursed by external bodies.
- Policy and Strategy - £0.791m - Community Infrastructure Levy income was lower than expected which was offset by additional income received from TfL and a further underspend from secondments.

#### **Deputy Leader and Business, Culture and Heritage – Overspend £0.666m**

Major Variances:



- Economy and Shape Placing - (£0.215m) - Economy and Infrastructure underspent by £0.215m. This was largely due to the level of vacancies held during the re-organisation of the department.
- WAES - £0.002m - There was a small variation on the account at year end.
- City Promotions, Events and Filming - £0.879m - The adverse variance was largely caused by a shortfall in outdoor media income of £0.912m. This is partly offset by a salary underspend from part-year vacancies £0.033m.

### **Public Protection and Licensing – Underspend (£1.418m)**

Major Variances:

- Public Protection and Licensing - (£1.418m) - This is largely related to salary underspends including an early delivery of next year's digital MTP saving. Legal charges were also lower than budgeted and there was higher than budgeted income from licensing and fixed penalty notices for waste enforcement following a recent legislation change.

### **Planning and Public Realm – Overspend £0.328m**

Major Variances:

- Development Planning - £0.328m - The overspend is made up of unrealised S106 agreement income of £0.230m, Building Control income being adversely affected by market conditions and an overspend on legal and postage costs. These were marginally offset by staff vacancies in year and additional income from planning application fees.

### **Housing – Underspend (£2.012m)**

Major Variances:

- Housing Operations - (£2.012m) - Housing Operations underspent by of £2.012m. This underspend is made up of a number of variances including:
  - Supporting People (early delivery of MTP savings and contract efficiencies)
  - Housing Benefits (one off benefit relating to prior year income)
  - Temporary Accommodation (reduced unit costs as a result of more effective management)
  - Affordable Housing (bad debt improvement).

### **Environment, Sport and Community – Underspend (£0.963m)**

Major Variances:

- Community Services - (£0.057m) - This is due to increased income following an in-year rent review of Westbourne Green and an increase in residential bookings taken by Sayers Croft Outdoor Centre.
- Waste and Parks - (£1.081m) - This is largely the consequence of additional commercial waste income generated in year - (£0.678m) - and additional recycled waste income/rebates (£0.357m).
- Tri-Borough Libraries and Archives - £0.175m - This is due to under achievement of income within the Registrars Service. This can be attributed to a combination of repairs required at key wedding venues and delays in implementing the online booking system.

### **Finance, Property and Corporate Services and Chief Whip – Underspend (£2.976m)**

Major Variances:

- Property Investments and estates - £1.846m - Property Investments and Estates overspent by £1.846m. This was due to an underachievement of commercial income, re-profiled Major Projects income and an overspend within the Link contract and rising rents in Victoria on Council occupied premises.
- City Treasurers - (£4.051m) - Reported underspend of £1.901m is due to increased interest earnings, salary savings, additional income and running cost reductions. As a result of the work undertaken to seek settlement of debtor balances it has been possible to release as a further underspend £2.150m of bad debt provision.
- Procurement Services - (£0.216m) - There is a reported underspend of £0.216m on salaries due to part-year vacancies in Procurement Development and Category Management.
- Managed Service Programme - (£0.046m) - There is a reported underspend of £0.046m which is mainly due to salary costs being lower than expected.
- Information Services and Strategy - (£0.468m) - An underspend of £0.468m mainly due to underspends on early realisation of CCTV contract savings, software maintenance, contracts, employee costs and income from other local authorities.
- Corporate Services Trading - (£0.311m) - An underspend of £0.311m. This is achieved from margin charged on agency staff through the Comensura managed platform contract.
- Growth, Planning and Housing - £0.426m - Overspend included a centrally held MTP saving of £0.117m that could not be delivered (Aerials), the cost of an unbudgeted contract £0.088m and other minor variances.
- Legal Services - (£0.136m) - A reported underspend of £0.136m due to part-year vacancies which were not filled in year.
- People Services - (£0.040m) - The outturn position is an underspend of £0.040m. The key reason is better than projected performance on school income by £0.026m and less expenditure than expected incurred on legal fees and postage by £0.014m.
- Director of Corporate Services - £0.020m - There is a reported overspend due to pay costs and recruitment costs which were partly offset by unbudgeted income.

#### **City Highways – Underspend (£9.481m)**

Major Variances:

- Highways Infrastructure and Public Realm - (£1.269m) - The outturn position shows a favourable variance of £1.269m. This is largely due to contract efficiencies and underspends in salaries, energy costs and supplies and services.
- Parking - (£8.212m) - The outturn position is a favourable variance of £8.212m, largely as a result of increased income from parking bay suspensions and Moving Traffic Contraventions.

#### **Children, Families and Young People – Underspend (£0.341m)**

Major Variances:

- Children's Services Commissioning - (£0.743m) - A net underspend of £0.743m as a result of MTP savings being delivered earlier in 2016/17 than planned.
- Family Services - £0.762m - Overall £0.762m adverse variance largely as a result of pressures in placement costs, Duty and Assessment staffing and client support and Emergency Duty team cost share.
- Safeguarding Review and Quality Assurance - (£0.068m) - There is a £0.068m underspend within Safeguarding, Review and Quality Assurance. This is made up of a number of minor variances.
- Education and Disability - £0.327m - There is a £0.327m overspend within Education and Children with Disabilities. This is made up from a £0.238m adverse variance for SEN casework review, £0.309m in year pressure on Home to School transport, £0.084m budget pressure in short breaks and direct payments for Children with Disability. Offsetting these pressures is an underspend variance of £0.157m due to strong traded income generation in Educational Psychology and NQT and other minor underspend variances totalling £0.147m

- Finance and resources - (£0.619m) - Within Finance and Resources there is a £0.619m underspend variance made up of in year savings with respect to the Building Schools for the Future programme and a number of other minor variances.

### **Adult Social Services – Underspend (£0.389m)**

Major Variances:

- Adult Social Care Integrated Care - £0.068m - Overspend attributed to pressures in non-residential care services - homecare, direct payments and day-care as they are being transitioned to a community based setting.
- Adult Social Care Strategic Commissioning and Enterprise - (£0.451m) - Underspends in the Short Breaks contract, 291 Harrow Road and the Occupational Therapy assessment contract. Other management actions include Direct Payment claw-backs, maximisation of NHS income, reviewing high cost placements and transfers to Continuing Healthcare
- ASC Procurement and Business Intelligence - £0.139m - Overspend of £0.122m relates to business rates at a Mental Health day service with the balance made up of minor variances
- Whole Systems Integrated Health and Care - (£0.145m) - Underspend is as a result of current expenditure being less than budget on various contracts (including Healthwatch).

### **Public Health - £0.0m**

Major Variances:

- Families and Children's - (£1.273m) - Underspends relating to The Tackling Childhood Obesity Team programme not being launched to plan, Health Visiting contract costs were lower than expected upon transfer from the NHS and other minor contracts savings.
- Sexual Health - (£0.203m) - Savings in Genito-Urinary Medicine (GUM) due to demand management strategies and tariff price reductions being negotiated.
- Substance Misuse - (£2.685m) - Budgets allocated to mitigate against the risk of higher demand for newly procured core services were not required in this year.
- Salaries and Overheads - £0.520m - An increase in the number of temporary staff has led to a overspend in the salaries forecast.
- Public Health Investment fund - (£0.360m) - Small underspends in projects due to lesser levels of demand in learning disabilities and supported employment initiatives.
- Income - (£0.554m) - Income for 2016-17 reported as higher than budget following the allocation of additional Department of Health funding.
- Movement in Reserves balance - £4.555m - Movement on the reserve as a consequence of variances described above.

## **4. GENERAL FUND CAPITAL OUTTURN**

- 4.1. The General Fund Capital Programme shows a net underspend against 2016/17 approved budget of £23.513m. It is not expected that this in-year underspend is likely to have any significant impact on the Council's long term cost of funding the capital programme.
- 4.2. The table below sets out a summary of the variances between approved capital budgets and outturn by relevant Cabinet portfolio (overleaf):

	<b>Net Budget</b> (£m's)	<b>Outturn</b> (£m's)	<b>Variance</b> (£m's)
Deputy Leader & Business, Culture and Heritage	6.742	5.361	(1.381)
Public Protection and Licensing	0.276	0.229	(0.047)
Planning and Public Realm	1.403	0.156	(1.247)
Housing	4.820	5.552	0.732
Environment, Sport and Community	5.100	4.452	(0.648)
Finance, Property and Corporate Services	41.938	29.790	(14.040)
City Highways	9.634	5.871	(3.763)
Children, Families and Young People	0.357	0.138	(0.219)
Adult Social Care and Public Health	0.635	0.575	(0.060)
	<b>72.797</b>	<b>52.124</b>	<b>(20.673)</b>

### **Deputy Leader and Business, Culture and Heritage – Net Underspend (£1.381m)**

Major Variances:

- Piccadilly Underpass Digital Media and The Flame advertising – Net Overspend £0.610m
- Various Schemes (Air Quality, Enterprise, The Strand/Aldwych, others) – Net Underspend (£1.991m)

Piccadilly Underpass and The Flame schemes reported overspends because final infrastructure costs from the contractor were returned above budget. The scheme has been successfully launched with a 10-year commercial deal to generate income from advertising.

A number of other schemes reported underspends with a net total variance to budget of £1.991m.

### **Public Protection and Licensing – Net Underspend (£0.047m)**

- Disabled Facilities Grants – Net Underspend (£0.014m)
- MTP ICT Capital Spend – Net Underspend (£0.033m)

There is a net underspend of £0.047m as a result of a small amount of additional income and delays to some minor ICT capital projects.

### **Planning and Public Realm – Net Underspend (£1.247m)**

- Tree Base Improvements (£0.55m)
- Public Realm Improvement schemes (£1.192m)

The Public Realm Improvement schemes reported a net underspend which was entirely due to additional external income being received. Tree base improvements reported a net underspend due to minor operational delays.

### **Housing – Net Overspend £0.732m**

- Temporary Accommodation Purchases £0.638m

- Tresham House £0.094m

The main reason for the net variance to budget of £0.732m was delays to a number Temporary Accommodation schemes primarily related to the availability of suitable properties. Tresham house reported a small variance due to a minor variance to plan.

#### **Environment, Sport and Community - Net Underspend (£0.648m)**

- Moberley Sports Centre – Net Underspend (£0.153m)
- Westbourne Green Skate Park – Net Underspend (£0.092m)
- Libraries Decoration Programme – Net Underspend (£0.040m)
- Various Schemes (open spaces, Sayers Croft works) – Net Underspend (£0.363m)

The majority of this budget relates to the Moberly Sports Centre Redevelopment and there is a net variance of £0.153m against budget for this project. This represents a small proportion of spend to date. The remaining variance of £0.495m is made up of a number of smaller underspends and relating to projects covering asset improvements in leisure facilities, parks, cemeteries and libraries.

#### **Finance, Property and Corporate Services - Net Underspend (£14.040m)**

- Capital Contingency and Capitalisation – Net Underspend (£8.159m)
- Huguenot House Redevelopment– Net Underspend (£1.542m)
- Lisson Grove Improvements – Net Underspend (£1.281m)
- Luxborough Development – Net Underspend (£0.649m)
- Forward Management Plan – Net Underspend (£0.567m)
- End User Computing Refresh – Net Underspend (£0.516m)
- Landlord Responsibility Works – Net Underspend (£0.413m)
- Various Schemes (Mandela May upgrade, WAES Ark Atwood, Corporate licenses) – Net Underspend (£0.913m)

The main reasons for the net outturn variance of £14.040 were as follows:

The Capital contingency and Pension capitalisation was not required in 2016-17 and is reported as an underspend.

The Huguenot House redevelopment underspent by £1.542m due to acquisitions expected during the financial year not taking place due to availability.

The Lisson Grove Improvement Programme underspent on a net basis by £1.280m due to a delay in commencing the project as the process of compiling a specification for the works taking longer than envisaged.

The Luxborough development underspend of £0.649m was because of a change to the original delivery plan for the scheme. The library is now due to be re-provided at an alternative location to that which was originally earmarked for the scheme.

The Forward Management Plan underspent by £0.567m. This programme of works is managed by Amey and is now behind schedule. Management action is being taken to address this.

The End User Computer Refresh project has reported a £0.516m net variance due to a strategic decision to amend the profile of the replacement of obsolete laptop and desktop computers.

Landlord Responsibility Works – underspent by £0.413m because of interdependencies in the project plan delaying the progression of the works.

#### **City Highways – Net Underspend (£3.763m)**

- Waterloo and Golden Jubilee Footbridge – Net Underspend (£0.305m)

- Local safety and traffic schemes – Net Underspend (£0.492m)
- Cycle Schemes – Net Underspend (£0.096m)
- Variances relating to prior year – Net Underspend (£2.720m)
- Various Schemes (Strand underpass, Victoria embankment sturgeons, highways maintenance) – Net Underspend (£0.150m)

The bulk of the net variance in year relates to adjustments relating to the prior year. This arose because expenditure which was accrued in the prior year was not required following negotiations with contractors. Other variances arose because of a range of issues with road management and access.

### **Children, Families and Young People – Net Underspend (£0.219m)**

- Investment and Improvement Programme – Net Underspend (£0.219m)

The vast majority of the expenditure was on projects delivering additional school places and refurbishment of schools which experienced some operational delays.

### **Adult Social Care and Public Health – Net Underspend (£0.060m)**

- Westmead / Carlton Dene – Net Underspend (£0.060m)

The portfolio reported a net underspend of £0.060m due to slippage of the Westmead / Carlton Dene project due to delays in its commencement.

## **5. HOUSING REVENUE ACCOUNT OUTTURN**

- 5.1. The Housing Revenue account has generated a £9.980m surplus to increase its general balances from £31.606m to £41.586m – this is £2.640m above the budgeted target for the year and thus represents the net surplus against budget.
- 5.2. The overall net surplus consists of a £13.415m over achievement of income in the year (£10.251m of which arises from the review of accounting practice that has seen income from lessees for major works recognised earlier than previous practice), offset by additional expenditure on repairs and maintenance (£4.783m), housing management costs (£1.692m) and other costs of £0.686m. Together these represent a £6.254m net surplus against the budgeted contribution to reserves of £7.340m.
- 5.3. Capital financing costs and transfers from earmarked reserves of £3.614m taken together with the £6.254m surplus outlined in the previous paragraph produce the net £2.640m additional contribution to reserves over that contained in the approved budget.
- 5.4. The approved gross capital budget of £64.907m was underspent by £7.348m with an outturn of £57.559m. The most significant in-year variances to budget on specific schemes include
  - (£3.428m) Delay in acquisition of family sized homes to meet housing need
  - (£3.081m) Lift works to HRA stock – contractual delay due to logistics / eqpt.
  - (£1.385m) External Works & Decorations delay due to Leaseholder consultation
  - £1.970m Kitchen & Bathroom programme brought forward from 2017/18

- (£0.942m) Electrical Works delayed for further leaseholder consultation
- (£0.552m) Lisson Arches scheme delayed for further design work / ground survey
- £0.512m Lisson Arches Bridges – additional costs found following feasibility

## 6. CORE ACCOUNTING STATEMENTS

### ***Balance Sheet***

- 6.1. The accounts use standardised international reporting standards (IFRS) to produce the Core Statements. This in turn is adjusted by statutory regulations relating specifically to local government accounts.
- 6.2. The Balance Sheet in the table below shows that the Council's net asset position reduced by £15.345m from £1.898bn in 2015/16 to £1.883bn in 2016/17.

Balance Sheet

31 March 2016		31 March 2017	Movement
£'000		£'000	£'000
<b>ASSETS</b>			
<u>Non-current</u>			
1,952,377	Property, plant and equipment	2,070,430	118,054
42,746	Heritage assets	42,746	-
405,270	Investment property	454,840	49,570
1,831	Intangible assets	1,077	(753)
45,916	Long-term investments	41,284	(4,633)
12,394	Long-term debtors	15,229	2,835
<b>2,460,533</b>	<b>Total long term assets</b>	<b>2,625,606</b>	<b>165,073</b>
<u>Current</u>			
514,833	Short-term investments	742,980	228,146
235	Inventories	179	(56)
137,666	Short-term debtors	73,369	(64,297)
117,580	Cash and other cash equivalents	170,302	52,722
2,250	Assets held for sale	2,250	-
<b>772,565</b>	<b>Current assets</b>	<b>989,080</b>	<b>216,515</b>
<b>LIABILITIES</b>			
2,109	Short-term borrowing	2,069	(40)
259,931	Short-term creditors	471,584	211,652
901	Short-term provisions	2,234	1,333
6,151	Revenue receipts in advance	8,341	2,190
<b>269,092</b>	<b>Current Liabilities</b>	<b>484,227</b>	<b>215,135</b>
202	Long-term creditors	204	2
153,035	Provisions	119,270	(33,764)
251,465	Long-term borrowing	251,270	(195)
605,540	Other long-term liabilities	786,898	181,358
55,388	Capital receipts in advance	89,789	34,401
<b>1,065,629</b>	<b>Long-term liabilities</b>	<b>1,247,431</b>	<b>181,801</b>
<b>1,898,378</b>	<b>Net assets</b>	<b>1,883,029</b>	<b>(15,349)</b>
652,657	<b>Total Usable Reserves</b>	575,527	(77,130)
1,245,717	<b>Total Unusable Reserves</b>	1,307,502	61,785
<b>1,898,374</b>	<b>Total Reserves</b>	<b>1,883,029</b>	<b>(15,345)</b>

6.3. The £15.345m reduction in net assets is mainly due to the following factors:

- Reduction of £64m of short term debtors which is partly related to business rates safety net movements.
- Increase of £211m in short-term creditors, mainly to the GLA and DCLG for increased business rates income for 2016/17. The additional income from business rates was recognised as a creditor to the GLA and DCLG as per Collection Fund regulations.
- The reduction in provisions is mainly as a result of the reduction in business rates appeals.



- The £181m increase in long-term liabilities arose following the actuarial revaluation of the pension fund. Demographic changes, such as increasing life expectancy, contributed to the increase.
- The increase in capital receipts in advance of £34m. There was a £25m increase in s106/s278 payments for Highways and Planning. These must be held as creditors until the related works are complete and the income can be recognised.

***Comprehensive Income and Expenditure Statement (CIES) and Movement in Reserves Statement (MiRS)***

6.4. In addition to the normal budget monitoring report that is reported monthly local government accounting requires the production of a comprehensive income and expenditure statement and a movement in reserves statement. The former is derived using international accounting standards and the movement in reserves statement is designed to adjust for technical transactions such as depreciation. These can be seen on pages 27 and 30 of the accounts

6.5. A reconciliation of the CIES with the budget monitoring is shown below:

Summary reconciliation from CIES to Outturn

	<b>General Fund</b>	<b>Housing Revenue Account</b>	<b>Total</b>
	(£m)	(£m)	(£m)
Surplus of Provision of Services (as per CIES)	31.908	12.540	44.448
Technical accounting adjustments (as per MiRS)	(128.578)	(3.392)	(131.970)
Use of earmarked reserves	103.872	0.831	104.703
Net surplus against budget	7.201	9.980	17.181

6.6. The £128.578m general fund technical accounting adjustments in the above table consist primarily of the following areas:

- £131m adjustment on Business Rates to account for timing differences
- (£58m) neutralisation of depreciation and revaluation movements on the Council's operational and investment properties
- £82m of capital grants transferred to the Capital Grants Reserves prior to their future use when conditions or restrictions are met. This movement is to ensure capital and revenue income streams are kept separate as per statute
- (£24m) adjustment to the Pension Reserve which neutralises the current service costs and ensures that actuarial estimates are not charged to Council Tax

6.7. £103.872m use of earmarked reserves were used in finalising a General Fund outturn of £7.201m surplus. This largely comprised:

- £117m drawdown of business rates safety net equalisation reserve as the Council moved to a levy position. The majority of this reserve is then redistributed to DCLG and GLA in line with Business Rates regulations.

- (£10m) creation of a pension deficit reduction reserve to reduce the Council's long-term pension liability.
- (£5.5m) creation of a Revenue Support Grant damping reserve to mitigate any future reductions in central government funding.

### **Cash Flow Statement**

- 6.8. There was a £52.722m increase in the Council's cash and cash equivalents (that is, investments that mature in no more than three days), rising from £117.580m in 2015/16 to £170.302m to 2016/17. A summary cash flow can be found at Table 3.
- 6.9. There was a net outflow of £224m as the Council used its cash reserves to make short-term investments. This was offset by £17m capital receipts and £82m capital grants for use by the Council for supporting its City for All capital programme.

#### Summary Cash Flow Statement

2015/16		2016/17
£'000		£'000
56,761	Net surplus/(deficit) on the provision of services	44,448
132,657	Adjustments to net surplus/(deficit) on the provision of services for non-cash movements	415,165
(167,026)	Adjustments for items included in the net surplus/(deficit) on the provision of services that are investing and financing activities	(99,259)
<b>22,392</b>	<b>Net Cash Flows from Operating Activities</b>	<b>360,354</b>
(133,213)	<b>Net Cash Flows from Investing Activities</b>	(301,547)
(24,542)	<b>Net Cash Flows from Financing Activities</b>	(6,085)
<b>(135,363)</b>	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>52,722</b>
252,942	Cash and cash equivalents at the beginning of the reporting period	117,580
<b>117,579</b>	<b>Cash and cash equivalents at the end of the reporting period</b>	<b>170,302</b>

## **7. PENSIONS**

7.1. The net assets of the Council's Pension Fund increased by £191.382m over the course of the year – rising from £1.066bn to £1.258bn. The table below summarises the major elements that comprise this net change are summarised in the table below:

	Change in Net Assets (£m's)
Member Contributions	38.715
Benefits Paid & Transfers Out	(51.633)
Management Expenses	(5.052)
Investment Returns	8.799
Change in Investment Values	200.553
	<b><u>191.382</u></b>

7.2. An analysis of the £1.258bn net assets shows they are comprised as follows:

	Net Assets (£m's)
Fixed Interest Securities	171.389
Pooled Investment Vehicles	1,077.837
Futures & Forward Foreign Exchange	0.339
Income Due	3.144
Cash Deposits	1.35
Investment Liabilities	-0.256
Amounts Due for Purchased Investments	(1.884)
Other Current Assets	7.010
Other Current Liabilities	(1.204)
	<b><u>1,257.725</u></b>

## 8. OBJECTIONS

- 8.1. All objections relating to prior years have now been cleared. There were no objections to the 2016/17 accounts.
- 8.2. The public inspection period for the accounts is now set nationally and it has concluded in accordance with the Accounts and Audit Regulations 2015.

## 9. CLOSURE OF ACCOUNTS PROCESS AND FINANCE TRANSFORMATION

- 9.1. The earlier closure of the accounts in 2016/17 continues to derive from the Council's commitment to continual improvement in its financial management. Accelerated closure has given the Council an opportunity to play a primary role in the development of accounting practices that aim to simplify the accounts process and make them more transparent for the public.
- 9.2. The statutory deadline for publishing the accounts in 2017/18 has reduced from 30<sup>th</sup> June to 31<sup>st</sup> May meaning that the Council has anticipated and resolved many of the issues that may arise at other authorities in the reduction in timeframe.

9.3. Further improvements that have taken place in 2016/17 are:

- Lessons learned from the 2015/16 closure were identified and the frequency of “hard closure” during the year was reduced from monthly to quarterly. This allowed more time in the intervening period to resolve any identified issues during the year.
- Further developments in Agresso processes has simplified and reduced the timeframe for producing the Core Statements from the Trial Balance. The technical adjustments involved are quite complex for Local Government and automating this process has allowed more time to be spent reviewing and understanding the underlying data that underpin the statements.
- Further improvements in the Quality Assurance process included the establishment of an Accruals Panel in the final month before year-end to provide additional level of scrutiny, not just for the accounts, but primarily to strengthen budgetary control.
- External audit planning throughout the year gave opportunity to submit some notes to the accounts for early sign-off. Additionally, improved audit planning allowed schools testing to take place late February/early March and reduced the resources required for the year-end audit.
- De-cluttering reduced the size of the accounts by a further 37 pages or 16%, by removal of duplication across the accounts. This work will continue into and beyond 2017/18 to make the accounts as accessible as possible to the public.

9.4. Early closing has allowed the Council to embark on an ambitious programme of taking a lead role in the national development of Local Government accounting regulations. The main aim of this is to collaborate with the Local Government accounting body (CIPFA), the DCLG and external auditors to simplify technical accounting standards to and make the accounts more meaningful to the public. This work will be on-going throughout the year and will significantly improve transparency of the financial accounts.

## **10. EXTERNAL AUDIT**

10.1. The Accounts and Audit Regulations 2015 require all local authorities to standardise at least a part of the thirty day period during which their accounts are open for public inspection. This period has now concluded.

10.2. A separate report by the Council’s external auditors, Grant Thornton, is however on this committee’s agenda whereby they will provide their final findings in relation to the accounts and outturn position being presented in this report.

## **11. RECOMMENDATIONS**

11.1. That the Audit and Performance Committee approve the 2016/17 Annual Accounts following the end of the statutory public inspection period

11.2. That the proposed £10.000m contribution towards the Pension Fund deficit recovery be noted.

## BACKGROUND PAPERS

Westminster City Council - Statement of Accounts 2016/17 (Including Pension Fund)

(See Appendix 1), the following link:

[https://www.westminster.gov.uk/s/redirect?collection=wcc-web-website&url=https%3A%2F%2Fwww.westminster.gov.uk%2F2016-2017-annual-accounts&index\\_url=https%3A%2F%2Fwww.westminster.gov.uk%2F2016-2017-annual-accounts&auth=jwvl9t85MqnJ3mQFgllRew&profile=\\_default&rank=5&query=annual+accounts](https://www.westminster.gov.uk/s/redirect?collection=wcc-web-website&url=https%3A%2F%2Fwww.westminster.gov.uk%2F2016-2017-annual-accounts&index_url=https%3A%2F%2Fwww.westminster.gov.uk%2F2016-2017-annual-accounts&auth=jwvl9t85MqnJ3mQFgllRew&profile=_default&rank=5&query=annual+accounts)

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# The Audit Findings for Westminster City Council

**Year ended 31 March 2017**

17 July 2017 FINAL

*Amendments to the May 2017 version included in italics*

**Paul Dossett**

Partner  
T 020 7728 3180  
E Paul.Dossett@uk.gt.com

**Elizabeth Jackson**

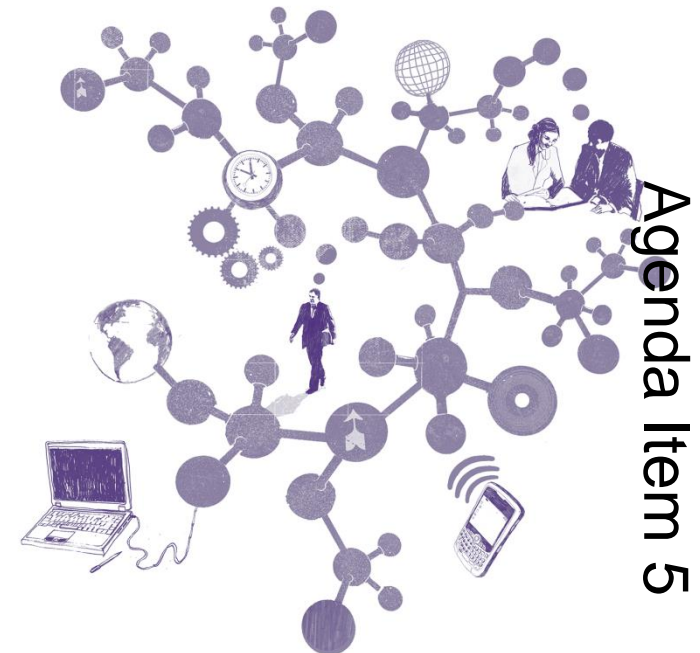
Associate Director  
T 020 7728 3329  
E Elizabeth.L.Jackson@uk.gt.com

**Rufaro Dewu**

Engagement Manager  
T 0207 728 3240  
E Rufaro.K.Dewu@uk.gt.com

**Rachel Redman**

In-charge Auditor  
T 0207 383 5100  
E Rachel.Redman@uk.gt.com



Westminster City Council  
Westminster City Hall  
64 Victoria Street  
LONDON  
SW1E 6QP

17 July 2017

Dear Sirs

**Audit Findings for Westminster City Council for the year ending 31 March 2017**

This Audit Findings report highlights the key findings arising from the audit that are significant to the responsibility of those charged with governance (in the case of Westminster City Council, the Audit and Performance Committee), to oversee the financial reporting process, as required by International Standard on Auditing (UK & Ireland) 260, the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice. Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland) ('ISA (UK&I)'), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements and giving a value for money conclusion. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Yours sincerely

Paul Dossett

Partner

**Grant Thornton UK LLP**  
Grant Thornton House  
Melton Street  
Euston Square  
LONDON  
NW1 2EP  
T +44 (0) 207 383 5100  
[www.grant-thornton.co.uk](http://www.grant-thornton.co.uk)

**Chartered Accountants**

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- B Audit opinion

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# Section 1: Executive summary

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

## Purpose of this report

This report highlights the key issues affecting the results of Westminster City Council ('the Council') and the preparation of the Council's financial statements for the year ended 31 March 2017. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of ISA (UK&I) 260, and the Local Audit and Accountability Act 2014 ('the Act').

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion, the Council's financial statements give a true and fair view of the financial position of the Council and its income and expenditure for the year and whether they have been properly prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting. .

We are also required to consider other information published together with the audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report, whether it is consistent with the financial statements, apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Council acquired in the course of performing our audit; or otherwise misleading.

We are required to carry out sufficient work to satisfy ourselves on whether the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources ('the value for money (VFM) conclusion'). Auditor Guidance Note 7 (AGN07) clarifies our reporting requirements in the Code and the Act. We are required to provide a conclusion whether in all significant respects, the Council has put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources for the year.

The Act also details the following additional powers and duties for local government auditors, which we are required to report to you if applied:

- a public interest report if we identify any matter that comes to our attention in the course of the audit that in our opinion should be considered by the Council or brought to the public's attention (section 24 of the Act);
- written recommendations which should be considered by the Council and responded to publicly (section 24 of the Act);
- application to the court for a declaration that an item of account is contrary to law (section 28 of the Act);
- issue of an advisory notice (section 29 of the Act); and
- application for judicial review (section 31 of the Act).

We are also required to give electors the opportunity to raise questions about the accounts and consider and decide upon objections received in relation to the accounts under sections 26 and 27 of the Act.

## Introduction

In the conduct of our audit we have not had to alter or change our audit approach, which we communicated to you in our Audit Plan dated 9 February 2017. However, we have refocused the significant risk for the Managed Services Partnership to focus on the control environment for posting journals and completeness of the General Ledger (GL) through the operation of journals across the tri-borough.

Our audit is substantially complete although we are finalising our procedures in the following areas:

- review of the final version of the financial statements
- obtaining and reviewing the management letter of representation
- review of revised versions of the Annual Governance Statement, and
- updating our post balance sheet events review, to the date of signing the opinion.

We received draft financial statements on 6 April 2017 which is nearly three months ahead of the statutory deadline for local authorities. We received majority of the working papers by the end of the first day onsite.

## Key audit and financial reporting issues

### Financial statements opinion

We have identified no adjustments affecting the Council's reported financial position. The draft and audited financial statements for the year ended 31 March 2017 recorded net expenditure £269,164k. The Council's gross expenditure is £1bn and it is a large and complex organisation with a wide range of services being delivered.

We identified an amendment to the gross expenditure and income and have also recommended a small number of adjustments to improve the presentation of the financial statements. Further details are set out in section two of this report.

The key messages arising from our audit of the Council's financial statements are:

- the Council prepared a very good quality set of de-cluttered draft accounts within 4 working days of year end which is the fastest public sector in the country
- officers were responsive to audit requests with the majority of evidence being provided within one working day
- the supporting working papers were of a high quality although key working papers, including the GL download from the managed services provider, were not available on the agreed date so samples could not be picked in advance of the onsite visit commencing

- the Council has ambitious plans to bring forward to audit timetable for 2017/18 and working papers for all balances and GL downloads need to be provided on day one of the audit in the agreed format.

We anticipate providing a unqualified audit opinion in respect of the financial statements (see Appendix B).

### Other financial statement responsibilities

As well as an opinion on the financial statements, we are required to give an opinion on whether other information published together with the audited financial statements is consistent with the financial statements. This includes if the AGS and Narrative Report is misleading or inconsistent with the information of which we are aware from our audit.

Based on our review of the Council's Narrative Report and AGS we are satisfied that they are consistent with the audited financial statements. We are also satisfied that the AGS meets the requirements set out in the CIPFA/SOLACE guidance and that the disclosures included in the Narrative Report are in line with the requirements of the CIPFA Code of Practice.

## Controls

### Roles and responsibilities

The Council's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Council.

### **Findings**

Our work has identified the following control weaknesses which we wish to highlight for your attention:

- our payables testing identified one creditor (out of 18) that should not have been included in the 2016/17 accounts as the directorate were aware the amount related to the 2017/18 year
- our testing of post-year end payments for unrecorded liabilities identified three payments (out of 20) that should have been included as accruals in 2016/17 as they were larger than the £10,000 limit and one payment included in the financial statements but related to 2017/18.

Further details are provided within section two of this report.

### **Value for Money**

Based on our review, we are satisfied that, in all significant respects, the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Further detail of our work on Value for Money are set out in section three of this report.

### **Other statutory powers and duties**

We have not identified any issues that have required us to apply our statutory powers and duties under the Act.

Further details of our work on other statutory powers and duties is set out in section four of this report.

### **Grant certification**

In addition to our responsibilities under the Code, we are required to certify the Council's Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. We received the draft HB subsidy claim on 29 April and work will be finalised by the 30 November 2017 deadline. We will report the outcome of this certification work through a separate report to the Audit and Performance Committee which is due in February 2018.

### **The way forward**

Matters arising from the financial statements audit and our review of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources have been discussed with the City Treasurer.

We have made a number of recommendations, which are set out in the action plan at Appendix A. Recommendations have been discussed and agreed with the City Treasurer and the finance team.

### **Acknowledgement**

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

**Grant Thornton UK LLP**  
July 2017

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## Section 2: Audit findings

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- 02. Audit findings**
- 03. Value for Money
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- 05. Fees, non audit services and independence
- 06. Communication of audit matters

# Materiality

In performing our audit, we apply the concept of materiality, following the requirements of ISA (UK&I) 320: Materiality in planning and performing an audit. The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

As we reported in our audit plan, we determined overall materiality to be £18,925k (being 1.85% of gross revenue expenditure). We have considered whether this level remained appropriate during the course of the audit and we revised our overall materiality to £20,901k (being 1.85% of gross revenue expenditure) following receipt of the draft financial statements.

We also set an amount below which misstatements would be clearly trivial in the context of a reader of the whole statement of accounts with a balance sheet value in excess of £1billion and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulated effect of such amounts would have a material impact on the financial statements. We have defined the amount below which misstatements would be clearly trivial to be £1,046k. Our assessment of the value of clearly trivial matters has been adjusted to reflect our revised materiality calculation. Clearly trivial is an auditing concept related to the audit opinion on financial statements. We recognise the importance that all publically funded expenditure should be subject to appropriate management controls.

As we reported in our audit plan, we have not identified any items where we decided that separate materiality levels were appropriate.

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Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements; Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered. (ISA (UK&I) 320)

# Audit findings against significant risks

In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p><b>The revenue cycle includes fraudulent transactions</b></p> <p>Under ISA (UK&amp;I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at Westminster City Council, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• there is little incentive to manipulate revenue recognition; and</li> <li>• opportunities to manipulate revenue recognition are very limited.</li> </ul>	<p>Our audit work has not identified any issues in respect of revenue recognition.</p> <p>The Council changed its revenue recognition policy for the Housing Revenue Account (HRA) contribution to expenditure in 2016/17. <i>This has resulted in a £10.1m increase in revenue to the HRA this year. The Council has enhanced the accounting policy disclosure to transparently report the change in the year.</i></p> <p><i>The Council reviewed the potential impact on the 2015/16 income for the change in accounting policy and confirmed that this would not have had a material impact on the prior year accounts so no restatement of the CIES HRA income is required.</i></p>
<p><b>Management over-ride of controls</b></p> <p>Under ISA (UK&amp;I) 240 it is presumed that the risk of management over-ride of controls is present in all entities.</p>	<p>We have performed the following:</p> <ul style="list-style-type: none"> <li>• review of entity controls</li> <li>• review of journal entry process and selection of unusual journal entries for testing back to supporting documentation</li> <li>• review of accounting estimates, judgements and decisions made by management</li> <li>• review of unusual significant transactions.</li> </ul>	<p>Our audit work has not identified any evidence of management over-ride of controls. However, our review of journal controls and testing of journal entries has identified that a weakness in the system arising in the prior year has remained for 10 journals in 2016/17:</p> <ul style="list-style-type: none"> <li>• cross entity journals can be raised across the tri-borough councils.</li> </ul> <p><i>No other issues were identified from our journals testing in 2016/17.</i></p> <p>We set out later in this section of the report our work and findings on key accounting estimates and judgements.</p>

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA (UK&I) 315) . In making the review of unusual significant transactions "the auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks." (ISA (UK&I) 550)



# Audit findings against significant risks continued

We have also identified the following significant risks of material misstatement from our understanding of the entity. We set out below the work we have completed to address these risks.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p><b>Managed Services Partnership (MSP)</b>                      The tri-borough councils implemented a new financial ledger through a managed services partnership with BT from 1 April 2015. There have been a number of difficulties with the implementation which give rise to a significant risk of completeness of the balances in the financial statements.                      The Council is proactively managing the service problems and is in regular contact with BT, including finance officers visiting the BT office on a monthly basis. Significant improvements have been made since the previous year but there remains a risk to the audit opinion.</p>	<p>We have performed the following work:</p> <ul style="list-style-type: none"> <li>• updated our understanding of the Council's relationship with the managed service provider during the 2016/17 year</li> <li>• reviewed the control environment around the posting of journals on the ledger and how these operate across the tri-borough</li> <li>• reviewed the service provision arrangements to ensure that the Council had sufficient information to prepare the financial statements in line with the planned closedown and audit timetable of April and May 2017</li> </ul>	<p>The Council has continued to proactively manage the system and service delivery throughout the 2016/17 financial year. Officers of the Council have continued to visit the BT offices to ensure that the improved system controls are effectively operating throughout the year. Senior officers from BT have met regularly with Council management and have attended special meetings of the Audit &amp; Performance Committee to update TCWG on progress being made to improve service delivery for the year end.</p> <p>Improvements have been made to the journal control environment although the Council are still unable to obtain a report of who posted and authorised every journal from BT. We also identified that the system still allowed ten cross-entity journals to be posted during the financial year. This is an improvement from the number posted in the prior year. The Council has investigated options for implementing the recommendation made last year: 'cross entity journals should be prevented from being posted in the ledger'. It is not possible to stop this function within the tri-borough GL so a compensating control has been put in place. The Council receives a daily report showing any incidences of cross-entity journals and confirmation that these balance to zero across the tri-borough GL.</p> <p>The accounts closedown and production was a smoother process in 2016/17 as the finance team could rely on the Agresso system reports and manual intervention and checking was not required.</p> <p>We have received sufficient assurance that the managed service partnership is being actively monitored by the Council and appropriate action is taken by management to ensure the accounts were produced in line with the 2016/17 timetable.</p>
<p><b>Appeals Provision for National Non-Domestic Rates (Business Rates)</b>                      Westminster City Council's provision for business rates appeals is the largest in the country and is a highly material balance in the financial statements. The provision is based on significant judgements made by management and uses a complex estimation technique to prepare the provision.</p>	<p>We have performed the following work:</p> <ul style="list-style-type: none"> <li>• We have reviewed management's processes and assumptions for the calculation of the estimate</li> <li>• Testing of the calculation and agreement to supporting documentation</li> <li>• Review of the disclosures made by the Council in its financial statements</li> </ul>	<p>We have received managements judgements and assumptions made in calculating the provision.</p> <p>The provision has reduced significantly in 2016/17 and we are satisfied with management's judgements for the movement in the year after challenging the assumptions made and confirm it is materially fairly stated.</p>

# Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Audit Plan. Recommendations, together with management responses are attached at appendix A.

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p><b>Employee remuneration</b></p>	<p>Payroll expenditure represents a significant percentage of the Council's gross expenditure.</p> <p>We identified the completeness of payroll expenditure in the financial statements as a risk requiring particular audit attention:</p> <p>Employee remuneration accruals understated (Remuneration expenses not correct)</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>documented our understanding of processes and key controls over the transaction cycle</li> <li>undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding</li> <li>substantive sampling of payroll system to payslips and contractual records</li> <li>reconciled the total pay per the payroll system to the general ledger.</li> </ul>	<p>Our audit work has not identified any significant issues in relation to the risk identified.</p>
<p><b>Operating expenses</b></p>	<p>Non-pay expenditure represents a significant percentage of the Council's gross expenditure. Management uses judgement to estimate accruals of un-invoiced non-pay costs.</p> <p>We identified the completeness of non-pay expenditure in the financial statements as a risk requiring particular audit attention:</p> <ul style="list-style-type: none"> <li>Creditors understated or not recorded in the correct period (Operating expenses understated)</li> </ul>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>documented our understanding of processes and key controls over the transaction cycle</li> <li>undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding</li> <li>substantive sampling of payments throughout the year and year end creditors</li> <li>testing for unrecorded liabilities.</li> </ul>	<p>Our audit work identified a control weakness in the process for recording amounts owed at year end:</p> <ul style="list-style-type: none"> <li>our payables testing identified one creditor (out of 18) that should not have been included in the 2016/17 accounts as the directorate were aware the amount related to the 2017/18 year</li> <li>our testing of post-year end payments for unrecorded liabilities identified three payments (out of 20) that should have been included as accruals in 2016/17 as they were larger than the £10,000 limit and one payment that was accrued for but should not have been.</li> </ul> <p>We have concluded that there could not be a material misstatement in the accounts for these errors.</p>

"In respect of some risks, the auditor may judge that it is not possible or practicable to obtain sufficient appropriate audit evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant classes of transactions or account balances, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the audit and the auditor shall obtain an understanding of them." (ISA (UK&I) 315)

# Audit findings against other risks continued

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p><b>Valuation of property, plant and equipment</b></p>	<p>The Council revalues its assets on a rolling basis over a five year period. The Code requires that the Council ensures that the carrying value at the balance sheet date is not materially different from the current value. This represents a significant estimate by management in the financial statements.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>• reviewed management's processes and assumptions for the calculation of the estimate.</li> <li>• reviewed the competence, expertise and objectivity of any management experts used.</li> <li>• reviewed the instructions issued to valuation experts and the scope of their work</li> <li>• discussed with the Council's valuer about the basis on which the valuation was carried out, challenging the key assumptions.</li> <li>• reviewed and challenged the information used by the valuer to ensure it was robust and consistent with our understanding.</li> <li>• performed testing of revaluations made during the year to ensure they were input correctly into the Council's asset register</li> <li>• Evaluated the assumptions made by management for those assets not revalued during the year and how management satisfied themselves that these were not materially different to current value.</li> </ul>	<p>Our audit work has not identified any significant issues in respect of the PPE valuation risk.</p>

# Audit findings against other risks continued

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p><b>Changes to the presentation of local authority financial statements</b></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 32</p>	<p>CIPFA has been working on the 'Telling the Story' project, for which the aim was to streamline the financial statements and improve accessibility to the user and this has resulted in changes to the 2016/17 CIPFA Code of Practice.</p> <p>The changes affect the presentation of income and expenditure in the financial statements and associated disclosure notes. A prior period adjustment (PPA) to restate the 2015/16 comparative figures is also required.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>documented and evaluated the process for the recording the required financial reporting changes to the 2016/17 financial statements</li> <li>reviewed the re-classification of the Comprehensive Income and Expenditure Statement (CIES) comparatives to ensure that they are in line with the Council's internal reporting structure</li> <li>reviewed the appropriateness of the revised grouping of entries within the Movement In Reserves Statement (MIRS)</li> <li>tested the classification of income and expenditure for 2016/17 recorded within the Cost of Services section of the CIES</li> <li>tested the completeness of income and expenditure by reviewing the reconciliation of the CIES to the general ledger</li> <li>tested the classification of income and expenditure reported within the new Expenditure and Funding Analysis (EFA) note to the financial statements</li> <li>reviewed the new segmental reporting disclosures within the 2016/17 financial statements to ensure compliance with the CIPFA Code of Practice.</li> </ul>	<p>Our review of the restated Comprehensive Income and Expenditure analysis and new EFA note did not identify any issues.</p> <p>We did carry out early work on the restated 2015/16 figures but these changed in the draft version of the 2016/17 accounts so we re-performed this review. The reason for the change in analysis is due to additional review at the accounts preparation stage.</p> <p>We requested that further disclosure was included in the accounts in respect of the reasons for the change in presentation for the CIES restatement.</p>



## Going concern

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK&I) 570).

We reviewed the management's assessment of the going concern assumption and the disclosures in the financial statements and concluded that there is not a going concern issue for 2016/17. The Council has a healthy level of reserves and income generation plans for the future.

# Accounting policies, estimates and judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the Council's financial statements.

Accounting area	Summary of policy	Comments	Assessment
<p><b>Revenue recognition</b></p>	<ul style="list-style-type: none"> <li>Revenue (income) from the sale of goods and provision of services is recognised when the Council transfers the goods or completes delivery of a service.</li> <li>Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:                             <ul style="list-style-type: none"> <li>(i) The Council will comply with the conditions attached to the payments; and</li> <li>(ii) The grants or contributions will be received.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The Council's accounting policy is appropriate under IAS 18 Revenue and CIPFA's Code of Practice on Local Government Accounting in the UK 2016/17.</li> <li>There is limited judgement involved in recognising income in the financial statements. Debtors are supported by invoices and income accruals are only created where income is certain to be collected or where adequate provision will be made for non-recovery.</li> <li>Our testing of government grants and contributions has not identified any instances of improper revenue recognition.</li> <li>However, our testing of the HRA contribution to expenditure figure identified that the Council had changed its revenue recognition policy for capital works partially completed in the year but this was not included as a change in policy in the draft accounts. We have reviewed the change in policy and are satisfied that this is a reasonable judgment for recognising income in the financial year. This has resulted in approximately £10.1m increase in revenue to the HRA this year. <i>The Council has enhanced the accounting policy disclosure to transparently report the change in the year. The Council reviewed the potential impact on the 2015/16 income for the change in accounting policy and confirmed that this would not have had a material impact on the prior year accounts so no restatement of the CIES HRA income is required.</i></li> </ul>	<p style="text-align: center;"> Green</p>
<p><b>Judgements and estimates</b></p>	<p>Critical judgements include:</p> <ul style="list-style-type: none"> <li>going concern review</li> <li>recognition of school assets</li> <li>whether group accounts should be prepared</li> <li>tri-borough working arrangements</li> </ul> <p>Key estimates include:</p> <ul style="list-style-type: none"> <li>PPE – useful lives and valuation</li> <li>pensions liability</li> <li>business rates provision</li> <li>fair value estimations</li> </ul>	<ul style="list-style-type: none"> <li>Critical judgements and estimation uncertainty are disclosed in notes 2 and 3 respectively of the financial statements</li> <li>We have requested that management enhances the disclosure within note 3 to set out the judgements made in relation to group accounts considerations as the assets and liabilities of some companies has increased in the year.</li> </ul>	<p style="text-align: center;"> Green</p>



**Assessment**

● Marginal accounting policy which could potentially attract attention from regulators  
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● Accounting policy appropriate but scope for improved disclosure

● Accounting policy appropriate and disclosures sufficient

# Accounting policies, estimates and judgements continued

Accounting area	Summary of policy	Comments	Assessment
<b>Going concern</b>	The City Treasurer as s151 officer has a reasonable expectation that the services provided by the Council will continue for the foreseeable future. Members concur with this view. For this reason, the Council continue to adopt the going concern basis in preparing the financial statements.	We have reviewed the Council's assessment and are satisfied with management's assessment that the going concern basis is appropriate for the 2016/17 financial statements.	 <b>Green</b>
<b>Other accounting policies</b>	We have reviewed the Council's policies against the requirements of the CIPFA Code and accounting standards.	We have reviewed the Council's policies against the requirements of the CIPFA Code of Practice. The Council's accounting policies are appropriate and consistent with previous years. We have not identified any issues which we wish to bring to your attention.	 <b>Green</b>

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**Assessment**

# Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	<b>Matters in relation to fraud</b>	<ul style="list-style-type: none"> <li>We have previously discussed the risk of fraud with the Audit and Performance Committee. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.</li> </ul>
2.	<b>Matters in relation to related parties</b>	<ul style="list-style-type: none"> <li>From the work we carried out, we have not identified any related party transactions which have not been disclosed.</li> </ul>
3.	<b>Matters in relation to laws and regulations</b>	<ul style="list-style-type: none"> <li>You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.</li> </ul>
4.	<b>Written representations</b>	<ul style="list-style-type: none"> <li>A letter of representation has been requested from the Council for July 2017, which will be included in the Audit and Performance Committee papers at the <i>17 July</i> meeting.</li> <li>In particular, representations have been requested from management in respect of the significant assumptions used in making accounting estimates for: <ul style="list-style-type: none"> <li>Business rates provision reduction</li> <li>Valuation of property, plant and equipment and investment properties</li> <li>HRA accounting policy change for revenue recognition</li> <li>All information relating to the managed services has been provided to us in full.</li> </ul> </li> </ul>
5.	<b>Confirmation requests from third parties</b>	<ul style="list-style-type: none"> <li>We requested from management permission to send (a) confirmation requests to investment and borrowing institutions. This permission was granted and the requests were sent. We are currently waiting for a number of these requests to be returned with positive confirmation. We anticipate receiving all confirmations before the audit opinion will be signed in July 2017.</li> <li>We undertook alternative procedures, including reviewing all year end confirmations sent to the Council to verify the investments and borrowings in case we do not receive all confirmations.</li> </ul>
6.	<b>Disclosures</b>	<ul style="list-style-type: none"> <li>Our review found no material omissions in the financial statements.</li> </ul>

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## Other communication requirements continued

	Issue	Commentary
Page 36	7. <b>Matters on which we report by exception</b>	<p>We have not identified any issues we would be required to report by exception in the following areas:</p> <ul style="list-style-type: none"> <li>• If the Annual Governance Statement does not meet the disclosure requirements set out in the CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit.</li> <li>• The information in the Narrative Report is materially inconsistent with the information in the audited financial statements or our knowledge of the Council acquired in the course of performing our audit, or otherwise misleading.</li> </ul> <p>We have not identified any issues we would be required to report by exception. We have not requested any enhancements to the Narrative Statement. We have identified some minor changes to the Annual Governance Statement.</p>
	8. <b>Specified procedures for Whole of Government Accounts</b>	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.</p> <p>As the Council exceeds the specified group reporting threshold, we will examine and report on the consistency of the WGA consolidation pack with the Council's audited financial statements.</p> <p>The WGA consolidation pack is due to be submitted in July 2017. We will audit the pack in order to meet the reporting deadline of September 2017</p>




# Internal controls



The purpose of an audit is to express an opinion on the financial statements.

Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. We considered and walked through the internal controls for the significant and other risks identified as set out on pages 12-14 above.

The matters that we identified during the course of our audit are set out in the table below. These and other recommendations, together with management responses, are included in the action plan attached at Appendix A.

	Assessment	Issue and risk	Recommendations
1  Page 37	 Amber	<ul style="list-style-type: none"> <li>Accruals and creditors – our sample testing of 20 post-year payments and 18 year end creditors identified items did not follow the guidance for including liabilities in the 2016/17 financial statements:                             <ul style="list-style-type: none"> <li>three post-year end payments tested should have been accrued for in the 2016/17 accounts as they were over the £10,000 limit.</li> <li>one creditor and one post-year payment were included in the accounts but related to 2017/18 so should not have been.</li> </ul> </li> </ul> <p>As there are under and over-statements identified in the testing and these are all of a low value we are satisfied that there is not a material misstatement in the financial statements.</p>	<ul style="list-style-type: none"> <li>All budget managers should follow the accruals guidance for preparing the year end position</li> </ul>

### Assessment

-  Significant deficiency – risk of significant misstatement
-  Deficiency – risk of inconsequential misstatement

"The purpose of an audit is for the auditor to express an opinion on the financial statements. Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters being reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance." (ISA (UK&I) 265)

# Internal controls – review of issues raised in prior year

	Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
1.	✓	<ul style="list-style-type: none"> <li>The Agresso accounting system allows for cross entity journals to be posted so that the debits and credits are not equal within the Westminster City Council ledger.</li> <li>The journals balanced over the tri-borough general ledger as the system allows for journals to be posted across the three councils / pension funds.</li> </ul>	<ul style="list-style-type: none"> <li>Ten cross-entity journals were posted across the tri-borough general ledger in 2016/17. This is an improvement from the number posted in the prior year.</li> <li>The Council has investigated options for implementing the recommendation made last year: 'cross entity journals should be prevented from being posted in the ledger'. It is not possible to stop this function within the tri-borough GL so a compensating control has been put in place. The Council receives a daily report showing any incidences of cross-entity journals and confirmation that these balance to zero across the tri-borough GL. This is a satisfactory compensating control.</li> </ul>
2.	✓	<ul style="list-style-type: none"> <li>A small number of journals were not processed through the ledger before the draft accounts were provided to audit. The Council has posted the journals and provided a revised trial balance for audit.</li> </ul>	<ul style="list-style-type: none"> <li>The Council has improved its closedown arrangements and all journals were posted to the GL before the draft accounts were submitted for audit.</li> </ul>

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**Assessment**

- ✓ Action completed
- X Not yet addressed

## Adjusted misstatements

A number of adjustments to the draft accounts have been identified during the audit process. We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management. The table below summarises the adjustments arising from the audit which have been processed by management.

### Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year.

Detail	Comprehensive Income and Expenditure Statement £'000	Balance Sheet £'000	Impact on total net expenditure £000
1 <b>Comprehensive Income and Expenditure</b>			
Internal recharges were included gross in the cost of services expenditure and income totals. The Code requires these to be accounted for as net.		0	0
Dr Gross Income	98,861		
Cr Gross Expenditure	98,861		
<b>Overall impact</b>	<b>£ Nil</b>	<b>£ Nil</b>	<b>£ Nil</b>

## Unadjusted misstatements

Our audit testing has not identified any adjustments that management has declined to amend within the final set of financial statements.

# Misclassifications and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Adjustment type	Value £'000	Account balance	Impact on the financial statements
1 Disclosure	n/a	Officer's Remuneration (note 9)	Two amendments identified to the disclosure notes: <ul style="list-style-type: none"> <li>Over £50k table: 125,000-£129,999 from 3 to 4 and £130,000-£134,999 from 1 to 0</li> <li>Senior employees table: the pension for one of the Executive Directors should be £34,007 not £31,338.</li> </ul>
2 Disclosure	221	Audit Fee (note 10)	The fee for non-audit work totalling £13k was omitted from the note.
3 Disclosure	n/a	Financial Instruments (note 18)	The 2015/16 comparator figures for 'loans and receivables' were incorrectly disclosed. These should state: long term £17,394k and short term £337,011k.
4 Disclosure	1,711,245	Unusable Reserves – Capital Adjustment Account (CAA) (note 26)	A long term debtor written off in the year was incorrectly classified within the CAA note. Disclosure amendment from 'Capital expenditure charged against the GF and HRA balances' to 'Charges for depreciation and impairment of non-current assets' of £1,938k.
5 Disclosure	5,964	Unusable Reserves – Collection Fund Adjustment Account (note 26)	An amendment of £12k is required for council tax and £(47,555)k for NNDR. Note that these are disclosure only as the ledger & total unusable reserves figures show the correct amount.
6 Disclosure	n/a	Various	A small number of casting and consistency amendments have been made to the draft accounts. These are all of clearly trivial nature so have not been reported individually.

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## Section 3: Value for Money

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- 01. Executive summary
- 02. Audit findings
- 03. Value for Money**
- 04. Other statutory powers and duties
- 05. Fees, non-audit services and independence
- 06. Communication of audit matters

## Background

We are required by section 21 of the Local Audit and Accountability Act 2014 (the Act) and the NAO Code of Audit Practice (the Code) to satisfy ourselves that the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money (VFM) conclusion.

We are required to carry out sufficient work to satisfy ourselves that proper arrangements are in place at the Council. The Act and NAO guidance state that for local government bodies, auditors are required to give a conclusion on whether the Council has put proper arrangements in place.

In carrying out this work, we are required to follow the NAO's Auditor Guidance Note 3 (AGN 03) issued in November 2016. AGN 03 identifies one single criterion for auditors to evaluate:

*In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.*

AGN03 provides examples of proper arrangements against three sub-criteria but specifically states that these are not separate criteria for assessment purposes and that auditors are not required to reach a distinct judgement against each of these.

## Risk assessment

We carried out an initial risk assessment in January and updated in April 2017 and identified one significant risk in respect of specific areas of proper arrangements using the guidance contained in AGN03. We communicated these risks to you in our Audit Plan dated 9 February 2017.

We have continued our review of relevant documents up to the date of giving our report, and have not identified any further significant risks where we need to perform further work.

We carried out further work only in respect of the significant risk we identified from our initial and ongoing risk assessment. Where our consideration of the significant risks determined that arrangements were not operating effectively, we have used the examples of proper arrangements from AGN 03 to explain the gaps in proper arrangements that we have reported in our VFM conclusion.

## Key findings

We set out below our key findings against the significant risks we identified through our initial risk assessment and further risks identified through our ongoing review of documents.

Significant risk	Work to address	Findings and conclusions
<p><b>Significant capital projects</b> The capital programme includes a number of key projects and investments, which are significant both in scale and financial terms. The Council recognised in 2015/16 that there was a weakness in arrangements and introduced a new business case process for all major schemes.</p>	<p>We reviewed the project management and risk assurance framework established by the Council in respect of the more significant projects, to establish how the Council is identifying, managing and monitoring these risks. We also reviewed any business cases that are near completion or approved by members by the end of the financial year.</p>	<p>The Council recognised the need for tighter controls around the capital programme as the level of projects and spend has significantly increased since the City for All plan was launched two years ago. The plan focuses on key regeneration plans to ensure the City continues to be a hotspot for business, retail and tourism. A new business case template for all major capital schemes was developed during 2015/16 and this has been used for all new major schemes this year.</p> <p>The business case approach has started to become embedded across the team and there is a wider understanding of the people developing the cases for the level of detail required across the five key areas of the business case: strategic; economic; commercial; financial; and management. Training has been provided to all people involved in the process. These key areas ensure that all key information is provided to the Executive Director and Cabinet Member for making the decision about investment and has seen an increase in the challenge provided by members before a decision about the scheme is made. This has given greater transparency to the major capital schemes.</p> <p>The Council's Capital Review Group (CRG) provides challenge and scrutiny of the business cases. This has an oversight of all capital schemes and monitors progress at the monthly meetings chaired by the Cabinet Member of Finance and Corporate Services. The ward member is also asked to be involved at the outline business case stage to ensure greater member and resident involvement in the scheme.</p> <p>During 2015/16, one business case was completed for the City Hall refurbishment. This will be finalised in May 2017 and will be formally approved by Cabinet.</p> <p>There are three new business cases for 2016/17 that have gone through the review process with the CRG. These are: Beachcroft; West End Partnership (WEP) Oxford Street; and WEP Strand. In addition, there are three more in draft stage. This shows that the business case process is being utilised for the major schemes in the Council's capital programme. This has given greater transparency to the major capital schemes.</p> <p><b>On that basis we concluded that the risk was sufficiently mitigated and the Council has proper arrangements.</b></p>

### Significant qualitative aspects

AGN 03 requires us to disclose our views on significant qualitative aspects of the Council's arrangements for delivering economy, efficiency and effectiveness.

We have focused our work on the significant risk that we identified in the Council's arrangements. In arriving at our conclusion, our main considerations were:

- the robustness of the business case process (see findings on page 25)

In addition, we reviewed the financial outturn position for 2016/17 and financial planning for 2017/18.

### Financial Outturn 2016/17

The General Fund revenue position is a £17.2m gross underspend against approved budget. The Council's strong financial monitoring during the year anticipated an underspend position which is a result of increased income for parking and the robust management of debtors to recover outstanding debt. Council have approved £10m of the overall General Fund net underspend as a contribution towards the Pension Fund deficit recovery. The remaining £7.2m will be transferred to the General Fund Reserves, increasing the closing balance to £48.78m. This will continue to support the Council's financial resilience over the medium term to ensure they can meet the challenges it faces in setting the budget from 2018/19 and beyond.

The General Fund Capital Programme shows a net underspend against 2016/17 approved budget of £23.5m. The Council are confident that this underspend will not impact on the Council's long term cost of funding the capital programme. The key area for the underspend is in Finance, Property and Corporate Services as the plan included the flexible use of capital receipts, in line with the new freedoms, for making the contribution towards the pension fund deficit which has now been set aside from revenue.

We do not have any concerns arising from the 2016/17 budget outturn position over the Council's arrangements for delivering economy, efficiency and effectiveness.

### Financial planning for 2017/18

The Council approved the revenue and capital budgets in March 2017. The process for preparing the budget is robust and includes challenge from members to all the Executive Directors. The Council identified net savings totalling £35.4m to deliver a balanced budget for 2017/18 and options to deliver the budget savings were approved by Council. It has started budget planning early for 2018/19 and whilst setting a balanced budget will be challenging, the Council expects to be able to deliver a balanced budget.

We do not have any concerns arising from the 2017/18 financial planning process over the Council's arrangements for delivering economy, efficiency and effectiveness.

### Overall conclusion

Based on the work we performed to address the significant risks, we concluded that:

- the Council had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources.

The text of our report, which confirms this can be found at Appendix B.

### Recommendations for improvement

We discussed findings arising from our work with management. No recommendations for improvement have been identified.



**Significant difficulties in undertaking our work**

We did not identify any significant difficulties in undertaking our work on your arrangements which we wish to draw to your attention.

**Significant matters discussed with management**

There were no matters where no other evidence was available or matters of such significance to our conclusion or that we required written representation from management or those charged with governance.

**Any other matters**

There were no other matters from our work which were significant to our consideration of your arrangements to secure value for money in your use of resources.

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## Section 4: Other statutory powers and duties

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- 05. Fees, non audit services and independence
- 06. Communication of audit matters

We set out below details of other matters which we, as auditors, are required by the Act and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	Public interest report	<ul style="list-style-type: none"><li>We have not identified any matters that would require a public interest report to be issued.</li></ul>
2.	Written recommendations	<ul style="list-style-type: none"><li>We have not made any written recommendations that the Council is required to respond to publicly.</li></ul>
3.	Application to the court for a declaration that an item of account is contrary to law	<ul style="list-style-type: none"><li>We have not used this duty.</li></ul>
4.	Issue of an advisory notice	<ul style="list-style-type: none"><li>We have not used this duty.</li></ul>
5.	Application for judicial review	<ul style="list-style-type: none"><li>We have not used this duty.</li></ul>

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As at 2 May 2017, we have not received any formal objections to the 2016/17 financial statements. We will update you on the conclusion reached at the July Audit and Performance Committee.

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## Section 5: Fees, non-audit services and independence

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We confirm below our final fees charged for the audit and provision of non-audit services.

### Fees

	Proposed fee £	Final fee £
Council audit	185,719	185,719
Grant certification	22,410	22,410
<b>Total audit fees (excluding VAT)</b>	<b>208,129</b>	<b>208,129</b>

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

### Grant certification

Our fees for grant certification cover only housing benefit subsidy certification, which falls under the remit of Public Sector Audit Appointments Limited. Fees in respect of other grant work, such as reasonable assurance reports, are shown under 'Fees for other services'.

### Independence and ethics

- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw your attention. We have complied with the Auditing Practices Board's Ethical Standards and confirm that we are independent and are able to express an objective opinion on the financial statements.
- We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.
- For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council. The table below summarises all non-audit services which were identified.

### Fees for other services

Service	Fees £
<b>Audit related services:</b>	
• Teachers Pension Grant	3,500
<b>Non-audit related services:</b>	
• CFOinsights tool	9,500

# Independence and non-audit services

We have considered whether non-audit services might be perceived as a threat to our independence as the Council's auditor and have ensured that appropriate safeguards are put in place

	Service provided to	Fees	Threat?
CFO insights	Westminster City Council	9,500	N

The above non-audit services are consistent with the Council's policy on the allotment of non-audit work to your auditor.

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## Section 6: Communication of audit matters

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

**06. Communication of audit matters**

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# Communication to those charged with governance

ISA (UK&I) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

This document, The Audit Findings, outlines those key issues and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

## Respective responsibilities

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Limited (<http://www.psa.co.uk/appointing-auditors/terms-of-appointment/>)

We have been appointed as the Council's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England at the time of our appointment. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice ('the Code') issued by the NAO (<https://www.nao.org.uk/code-audit-practice/about-code/>). Our work considers the Council's key risks when reaching our conclusions under the Code.

It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence.	✓	✓
Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged		
Details of safeguards applied to threats to independence		
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		✓
Expected modifications to auditor's report, or emphasis of matter		✓
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern	✓	✓



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# Appendices

A. Action Plan

B. Audit Opinion

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# A. Action plan

## Priority

Rec no.	Recommendation	Priority	Management response	Implementation date and responsibility
1	All budget managers should follow the accruals guidance for preparing the year end position.		Guidance and controls in respect of accruals were reviewed and audited in 2016/17 and found to be robust. Over and above this the finance team also independently reviewed all accruals over £100k and a random sample of 5% of all other accruals below this value as part of the year end process.	A further review of guidance, controls and compliance arrangements will take place in the early part of 2017/18.

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## Controls

- High – Significant effect on control system
- Medium – Effect on control system
- Low – Best practice

# B: Audit opinion

**We anticipate we will provide the Council with an unmodified audit report**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY OF WESTMINSTER COUNCIL

We have audited the financial statements of City of Westminster Council (the "Authority") for the year ended 31 March 2017 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, the Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the City Treasurer and auditor

As explained more fully in the Statement of Responsibilities, the City Treasurer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the City Treasurer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Narrative Report and the Annual Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion:

- the financial statements present a true and fair view of the financial position of the Authority as at 31 March 2017 and of its expenditure and income for the year then ended; and
- the financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

### Opinion on other matters

In our opinion, the other information published together with the audited financial statements in the Narrative Report and the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the audited financial statements.

### Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance

included in 'Delivering Good Governance in Local Government: Framework (2016)' published by CIPFA and SOLACE; or

- we have reported a matter in the public interest under section 24 of the Act in the course of, or at the conclusion of the audit; or
- we have made a written recommendation to the Authority under section 24 of the Act in the course of, or at the conclusion of the audit; or
- we have exercised any other special powers of the auditor under the Act.

We have nothing to report in respect of the above matters.

**Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

**Respective responsibilities of the Authority and auditor**

The Authority is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Act to be satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

**Scope of the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, as to whether the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the

Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether in all significant respects the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

**Conclusion**

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, we are satisfied that in all significant respects *the Authority* put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

***Delay in certification of completion of the audit***

We cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Act and the Code of Audit Practice until we have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Authority for the year ended 31 March 2017. We are satisfied that this work does not have a material effect on the financial statements or on our conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

Paul Dossett  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Grant Thornton House  
Melton Street  
Euston Square  
LONDON  
NW1 2EP

XX July 2017

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# The Audit Findings for City of Westminster Pension Fund

Year ended 31 March 2017

17 July 2017 FINAL

*Amendments from the May 2017 version shown in italics*

**Elizabeth Jackson**

Engagement Lead

T 020 7728 3329

E [elizabeth.l.jackson@uk.gt.com](mailto:elizabeth.l.jackson@uk.gt.com)

**Geoffrey Banister**

Engagement Manager

T 020 7728 3023

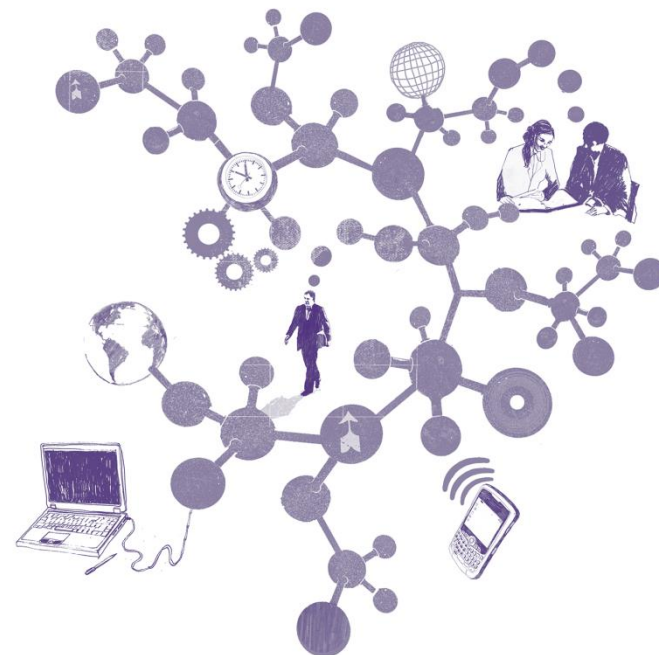
E [geoffrey.c.banister@uk.gt.com](mailto:geoffrey.c.banister@uk.gt.com)

**Premaa Khagram**

In-charge Auditor

T 020 7728 3077

E [premaa.b.khagram@uk.gt.com](mailto:premaa.b.khagram@uk.gt.com)



City of Westminster Pension Fund  
Westminster City Hall  
64 Victoria Street  
LONDON  
SW1E 6QP

17 July 2017

Dear Members of the Audit and Performance Committee

**Audit Findings for City of Westminster Council for the year ending 31 March 2017**

This Audit Findings report highlights the key findings arising from the audit that are significant to the responsibility of those charged with governance (in the case of City of Westminster Council, the Audit and Performance Committee), to oversee the financial reporting process, as required by International Standard on Auditing (UK & Ireland) 260, the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice. Its contents have been discussed with officers.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland) ('ISA (UK&I)'), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements and giving a value for money conclusion. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Yours sincerely

Elizabeth Jackson  
Engagement lead

**Chartered Accountants**

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- B Audit opinion

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# Section 1: Executive summary

01. Executive summary

02. Audit findings

03. Fees, non audit services and independence

04. Communication of audit matters

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## Purpose of this report

This report highlights the key issues affecting the results of City of Westminster Pension Fund ('the Fund') and the preparation of the fund's financial statements for the year ended 31 March 2017. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of ISA (UK&I) 260, and the Local Audit and Accountability Act 2014 ('the Act').

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion, the Fund's financial statements give a true and fair view of the financial position of the fund and its income and expenditure for the year and whether they have been properly prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting.

The Act also details the following additional powers and duties for local government auditors, which we are required to report to you if applied:

- a public interest report if we identify any matter that comes to our attention in the course of the audit that in our opinion should be considered by the Council or brought to the public's attention (section 24 of the Act);
- written recommendations which should be considered by the Council and responded to publicly (section 24 of the Act);
- application to the court for a declaration that an item of account is contrary to law (section 28 of the Act);
- issue of an advisory notice (section 29 of the Act); and
- application for judicial review (section 31 of the Act).

We are also required to give electors the opportunity to raise questions about the accounts and consider and decide upon objections received in relation to the accounts under sections 26 and 27 of the Act.

The pension fund is covered by these provisions as a result of its relationship with the administering authority, City of Westminster Council. However, in practice the use of these powers in relation to a pension fund is rare and we have not identified any reporting issues in 2016/17.

## Introduction

In the conduct of our audit we have amended our audit approach which we communicated to you in our Audit Plan dated 9 February 2017. Upon receipt of the draft financial statements we have identified the following changes to our planned approach:

- Level 3 investments have been identified by officers as a result of updated guidance of the risk categorisation of one of the investments previously reported as level 2. We have reported this as a new significant risk in this report
- the audit plan identified investment income as a risk. This is immaterial this year so is being audited as a general balance in the financial statements and not a specific risk
- we have refocused the significant risk for the Managed Services Partnership to focus on the control environment for posting journals and completeness of the General Ledger (GL) through the operation of journals across the tri-borough.

Our audit is substantially complete although we are finalising our procedures in the following areas:

- review of the final version of the financial statements and annual report
- obtaining and reviewing the management letter of representation, and
- updating our post balance sheet events review, to the date of signing the opinion.

We received draft financial statements for the Council and Pension Fund on 6 April 2017 which makes them the first draft set of 2016/17 Local Authority financial statements. Officers requested that the audit commence on 18 April to enable them to finalise the accompanying working papers and to update the investment balances for the finalised reports from the Custodian and Fund Managers.

### **Other financial statement responsibilities**

As well as an opinion on the financial statements, we are required to give an opinion on whether other information published together with the audited financial statements is consistent with the financial statements. This includes the Pension Fund Annual Report.

We understand that the annual report will be ready for audit in advance of the formal signing date in July 2016 so anticipate issuing the consistency statement at the same time as the audit opinion.

### **Key audit and financial reporting issues**

#### **Financial statements opinion**

We have not identified any adjustments affecting the Fund's reported financial position (details are recorded in section two of this report). The draft and audited financial statements for the year ended 31 March 2017 recorded net assets available for benefits during the year of £1,267m.

We have recommended a small number of adjustments to improve the presentation of the financial statements.

The key messages arising from our audit of the Fund's financial statements are:

- a high quality set of draft accounts were submitted for audit
- the quality of the working papers and documents supporting the balances within the financial statements were of a good standard
- we received a high level of co-operation and support during the course of our audit although the speed of reply from the pensions administration body could be improved for the closedown ambitions of the Council.

Further details are set out in section two of this report.

We anticipate providing a unqualified audit opinion in respect of the financial statements (see Appendix B).

### **Controls**

#### **Roles and responsibilities**

The Fund's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Fund.

#### **Findings**

We draw your attention in particular to control issues identified in relation to:

- The interface between the managed services system and Surrey pensions administration system did not go live as expected during 2016/17. This means that manual interfaces were performed which are labour intensive. There remains a backlog in processing changes to members data in the pensions administration system due to the service provider not providing correct and timely pension data to the administrator.

Further details are provided within section two of this report.

### **Other statutory powers and duties**

We have not identified any issues that have required us to apply our statutory powers and duties under the Act.

### **The way forward**

Matters arising from the financial statements audit have been discussed with the City Treasurer.

We have made a number of recommendations, which are set out in the action plan at Appendix A. Recommendations have been discussed and agreed with the City Treasurer and the finance team.

### **Acknowledgement**

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

**Grant Thornton UK LLP**  
July 2017

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## Section 2: Audit findings

01.	Executive summary
02.	<b>Audit findings</b>
03.	Fees, non audit services and independence
04.	Communication of audit matters

# Materiality

In performing our audit, we apply the concept of materiality, following the requirements of ISA (UK&I) 320: Materiality in planning and performing an audit. The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

As we reported in our audit plan, we determined overall materiality to be £9,891k (being 0.9% of net assets). We have considered whether this level remained appropriate during the course of the audit and due to an increase in the Fund's net asset statement, we revised our overall materiality to £11,409k (being 0.9% of net assets).

We also set an amount below which misstatements would be clearly trivial in the context of a reader of the whole statement of accounts and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulated effect of such amounts would have a material impact on the financial statements. We have defined the amount below which misstatements would be clearly trivial to be £570k. This remains the same as reported in our audit plan. Clearly trivial is an auditing concept related to the audit opinion on financial statements. We recognise the importance that all publically funded expenditure should be subject to appropriate management controls.

As we reported in our audit plan, we have not identified any items where we decided that separate materiality levels were appropriate.

Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements; Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered. (ISA (UK&I) 320)

# Audit findings against significant risks

In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p><b>The revenue cycle includes fraudulent transactions</b></p> <p>Under ISA (UK&amp;I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Fund, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• there is little incentive to manipulate revenue recognition</li> <li>• opportunities to manipulate revenue recognition are very limited; and</li> <li>• the culture and ethical frameworks of local authorities, including this Council as the administering authority, mean that all forms of fraud are seen as unacceptable.</li> </ul>	<p>Our audit work has not identified any issues in respect of revenue recognition.</p>
<p><b>Management over-ride of controls</b></p> <ul style="list-style-type: none"> <li>• Under ISA (UK&amp;I) 240 it is presumed that the risk of management over-ride of controls is present in all entities.</li> </ul>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>• review of entity controls</li> <li>• testing of journal entries</li> <li>• review of accounting estimates, judgements and decisions made by management</li> <li>• review of unusual significant transactions</li> </ul>	<p>Our audit work has not identified any evidence of management over-ride of controls. In particular the findings of our review of journal controls and testing of journal controls and testing of journal entries has not identified any significant issues. For the Council audit, the weakness identified in the prior year that cross-entity journals could be raised across the tri-borough still exists. We did not identify any cross-entity journals for the Pension Fund in 2016/17.</p> <p>We set out later in this section of the report our work and findings on key accounting estimates and judgements.</p>

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA (UK&I) 315) . In making the review of unusual significant transactions "the auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks." (ISA (UK&I) 550)



# Audit findings against significant risks continued

We have also identified the following significant risks of material misstatement from our understanding of the entity. We set out below the work we have completed to address these risks.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p><b>Managed Services Partnership (MSP)</b>                      The tri-borough councils implemented a new financial ledger through a managed services partnership with BT from 1 April 2015. There have been a number of difficulties with the implementation which give rise to a significant risk of completeness of the balances in the financial statements.</p> <p>The Council is proactively managing the service problems and is in regular contact with BT, including finance officers visiting the BT office on a monthly basis. Significant improvements have been made since the previous year but there remains a risk to the audit opinion.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>updated our understanding of the Council and Fund's relationship with the managed service provider during the 2016/17 year</li> <li>reviewed the control environment around the posting of journals on the ledger and how these operate across the tri-borough</li> <li>reviewed the service provision arrangements to ensure that the Council had sufficient information to prepare the financial statements in line with the planned closedown and audit timetable of April and May 2017.</li> </ul>	<p>The Council has continued to proactively manage the system and service delivery throughout the 2016/17 financial year. Officers of the Council have continued to visit the BT offices to ensure that the improved system controls are effectively operating throughout the year. Senior officers from BT have met regularly with Council management and have attended special meetings of the Audit &amp; Performance Committee to update TCWG on progress being made to improve service delivery for the year end.</p> <p>Improvements have been made to the journal control environment although the Council are still unable to obtain a report of who posted and authorised every journal from BT. The weakness identified in the prior year in respect of the cross-entity journals has not occurred in 2016/17 for the Pension Fund (although cross-entity journals were found in the Council's journal population).</p> <p>We have identified a weakness in relation to the information flow from the managed services system to the pensions administrator team at Surrey. This has led to a significant backlog in updating the member data during the year. Also, the automated interface function has not yet been implemented and a manual process has been in place throughout the year. We have received sufficient assurance that the managed service partnership is being actively monitored by the Council and appropriate action is taken by management to ensure the accounts were produced in line with the 2016/17 timetable.</p>
<p><b>NEW RISK IDENTIFIED IN DRAFT 2016/17 FINANCIAL STATEMENTS</b></p>		
<p><b>Level 3 Investments Valuation is incorrect</b>                      Under ISA 315 significant risks often relate to significant non-routine transactions and judgemental matters. Level 3 investments by their very nature require a significant degree of judgement to reach an appropriate valuation at year end.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>verified the investment balances to the fund manager and custodian report</li> <li>reviewed the nature and basis of estimated values and consider what assurance management has over the year end valuations provided for these types of investments, including the management judgement for amending the classification.</li> </ul>	<p>Our audit work has not identified any significant issues in relation to the risk identified. <i>Management has documented its judgement for changing the fair disclosure category movements in the 2016/17 accounts. Enhanced narrative has been added to the accounts to explain managements judgement.</i></p>

# Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Audit Plan. Recommendations, together with management responses are attached at appendix A.

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<b>Investment purchases and sales</b>	Investment activity not valid. Investment valuation not correct.	We have undertaken the following work in relation to this risk: <ul style="list-style-type: none"> <li>we have performed a walkthrough to gain assurance that the in-year controls were operating in accordance with our documented understanding.</li> <li>we have reviewed the reconciliation of information provided by the fund managers, the custodian and the Pension Fund's own records and sought explanations for variances.</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified.
<b>Investment values – Level 2 investments</b>	Valuation is incorrect. (Valuation net)	We have undertaken the following work in relation to this risk: <ul style="list-style-type: none"> <li>we have performed a walkthrough to gain assurance that the in-year controls were operating in accordance with our documented understanding.</li> <li>we have reviewed the reconciliation of information provided by the fund managers, the custodian and the Pension Fund's own records and sought explanations for variances.</li> <li>tested a sample of level 2 investments to independent information from custodian/manager on units and on unit prices.</li> <li>we have reviewed the latest AAF 01/06 or ISAE 3402 audited reports on internal controls, published by the respective investment managers and Custodian.</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified.

"In respect of some risks, the auditor may judge that it is not possible or practicable to obtain sufficient appropriate audit evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant classes of transactions or account balances, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the audit and the auditor shall obtain an understanding of them." (ISA (UK&I) 315)

# Audit findings against other risks continued

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p><b>Contributions</b></p>	<p>Recorded contributions not correct (Occurrence)</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>• we have performed a walkthrough to gain assurance that the in-year controls were operating in accordance with our documented understanding</li> <li>• tested a sample of contributions to source data to gain assurance over their accuracy and occurrence</li> <li>• rationalised contributions received with reference to changes in member body payrolls and numbers of contributing pensioners and ensured that any unexpected trends were satisfactorily explained.</li> </ul>	<p>Our audit work has not identified any significant issues in relation to the risk identified.</p>
<p><b>Benefits payable</b></p>	<p>Benefits improperly computed/claims liability understated (Completeness, accuracy and occurrence)</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> <li>• we have performed a walkthrough to gain assurance that the in-year controls were operating in accordance with our documented understanding</li> <li>• tested a sample of individual pensions in payment by reference to member files for accuracy and occurrence</li> <li>• rationalised pensions paid with reference to changes in pensioner numbers and increases applied in the year and ensured that any unusual trends were satisfactorily explained which confirmed completeness.</li> </ul>	<p><i>Our audit work has not identified any significant issues in relation to the risk identified.</i></p> <p><i>We experienced delays in providing the information required to support the starters and leavers testing as documentation was not always readily available on the pensions administration system.</i></p>

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# Audit findings against other risks continued

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p><b>Member Data</b></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 72</p>	<p>Member data not correct. (Rights and Obligations)</p>	<p><b>We have undertaken the following work in relation to this risk:</b></p> <ul style="list-style-type: none"> <li>• We have performed a walkthrough to gain assurance that the in-year controls were operating in accordance with our documented understanding.</li> <li>• Testing over the annual reconciliation and verifications with individual members.</li> <li>• Sample tested changes to member data made during the year to source documentation.</li> </ul>	<p><i>Our audit work has not identified any significant issues in relation to the risk identified.</i></p> <p><i>We experienced delays in providing the information required to support the starters and leavers testing as documentation was not always readily available on the pensions administration system.</i></p> <p>The control weakness identified in the prior year, the fund has not circulated pensioners domiciled abroad to confirm that they are still Members, still exists in 2016/17. We have concluded that there could not be a material misstatement as a result of the control weakness but have raised a recommendation in the Internal Control section of this report (page 19).</p>

## Going concern

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK&I) 570).

We reviewed the management's assessment of the going concern assumption and the disclosures in the financial statements and concluded that there are no issues arising for the Fund in 2016/17.

# Accounting policies, estimates and judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the Fund's financial statements.

Accounting area	Summary of policy	Comments	Assessment
<b>Revenue recognition</b>	The Council's policy for Contribution and Investment income is set out in Note 3 a-c Fund Account – Revenue Recognition.	The revenue recognition policy appears to be consistent with the Code of Practice of Local Authority Accounting and the findings from our audit of the financial statements	● <b>Green</b>
<b>Judgements and estimates</b>	Key estimates and judgements disclosed in the notes to the accounts include: <ul style="list-style-type: none"> <li>- pension fund liability</li> <li>- <i>fair value disclosures</i></li> </ul>	We reviewed the key estimates and judgements made by management within the material notes to the accounts. For the disclosures listed, we concluded they appear to be consistent in all material aspects with the guidance set out in the Code of Practice of Local Authority Accounting.  <i>We have requested that the critical judgment made by management in changing the fair value investment categories to levels 2 and 3 in 2016/17 is explained fully in the note.</i>	● <b>Green</b>
<b>Going concern</b>	Officers have a reasonable expectation that the services provided by the Fund will continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.	We have reviewed officer's assessment and are satisfied with management's assessment that the going concern basis is appropriate for the 2016/17 financial statements.	● <b>Green</b>
<b>Other accounting policies</b>	We have reviewed the Fund's policies against the requirements of the CIPFA Code and accounting standards.	The Fund's accounting policies are appropriate and consistent with previous years.	● <b>Green</b>

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**Assessment**

# Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	<b>Matters in relation to fraud</b>	<ul style="list-style-type: none"> <li>We have previously discussed the risk of fraud with the Audit and Performance Committee. We have not been made aware of any material incidents in the period and no other issues have been identified during the course of our audit.</li> </ul>
2.	<b>Matters in relation to related parties</b>	<ul style="list-style-type: none"> <li>From the work we carried out, we have not identified any related party transactions which have not been disclosed.</li> </ul>
3.	<b>Matters in relation to laws and regulations</b>	<ul style="list-style-type: none"> <li>We have been made aware of one breach during the year which has been reported to the Pensions Regulator. Approximately 300 members of the Local Government Pension Scheme (15% of the eligible workforce) did not receive their LGPS annual benefit statement by 31 August 2016 due to a problem with the absence periods for these staff. In addition, for the statements issued on time there were a number of queries about the quality of the data and a root cause analysis was carried out and new statements issued in early 2017. This issue has been communicated to the committee in reports from management. There is no impact on the 2016/17 financial statements.</li> <li>We have not identified any incidences from our audit work.</li> </ul>
4.	<b>Written representations</b>	<ul style="list-style-type: none"> <li>A standard letter of representation will be requested for the Fund.</li> </ul>
5.	<b>Confirmation requests from third parties</b>	<ul style="list-style-type: none"> <li>We requested from management permission to send confirmation requests to fund managers, custodian and the bank. This permission was granted and the requests were sent and were returned with positive confirmation.</li> </ul>
6.	<b>Disclosures</b>	<ul style="list-style-type: none"> <li>Our review found no material omissions in the financial statements.</li> </ul>


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# Internal controls



The purpose of an audit is to express an opinion on the financial statements.

Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. We considered and walked through the internal controls for the significant and other risks identified as set out on pages 10-14 above.

The matters that we identified during the course of our audit are set out in the table below. These and other recommendations, together with management responses, are included in the action plan attached at Appendix A.

	Assessment	Issue and risk	Recommendations
1. Page 75	 Amber	<ul style="list-style-type: none"> <li>The interface between the managed services system and Pensions Administration system did not go live as expected during 2016/17. This means that manual interfaces were performed which are labour intensive. There remains a backlog in processing changes to member data in the pensions administration system due to the service provider not providing correct and timely pension data to the administrator.</li> </ul>	<ul style="list-style-type: none"> <li>The Pensions Improvement Plan needs to be fully implemented</li> </ul>

### Assessment

-  Significant deficiency – risk of significant misstatement
-  Deficiency – risk of inconsequential misstatement

"The purpose of an audit is for the auditor to express an opinion on the financial statements. Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters being reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance." (ISA (UK&I) 265)

# Internal controls – review of issues raised in prior year

	Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
1.	✓	<ul style="list-style-type: none"> <li>Management Expenses of £2.5m and Investment Income £8.5m incurred/received by Fund Managers and change in market value of £6m has been correctly recorded in the financial statements but not recorded in the Agresso ledger.</li> </ul>	<ul style="list-style-type: none"> <li>The accounts fully reconcile to the GL for 2016/17.</li> </ul>
2.	X	<ul style="list-style-type: none"> <li>Pensioners domiciled abroad have not been circularized for over two years to confirm that they are still eligible for their pensions.</li> </ul>	<ul style="list-style-type: none"> <li>Management are currently reviewing the most efficient and cost effective way of implementing the recommendation.</li> </ul>
3.	✓	<ul style="list-style-type: none"> <li>The Agresso accounting system allows for journals to be posted so that the debits and credits are not equal within the Westminster Pension Fund ledger. Seven such journals totaling £15k were identified and corrected by the finance team. The journals balanced over the Council/Pension Fund general ledgers as the system allows for journals to be posted across the three councils / pension funds.</li> </ul>	<ul style="list-style-type: none"> <li>There are no cross-entity journals identified in 2016/17 financial statements. The internal control weakness still exists for the Council financial statements but the Pension Fund has not posted any such journals.</li> </ul>

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## Assessment

- ✓ Action completed
- X Not yet addressed



## Adjusted misstatements

There are no adjustments to the draft accounts identified during the audit process. We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

## Unadjusted misstatements

There are no adjustments identified during the audit which we request be processed, but which have not been made within the final set of financial statements.

## Misclassifications and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Adjustment type	Value £'000	Account balance	Impact on the financial statements
1 Disclosure	n/a	Audit fee	There is a new requirement to disclose the Pension Fund audit fee of £21k within the accounts.
2 Disclosure	56,511	Reconciliation of Fair Value Measurements within Level 3 (note 14c)	The transfers between level 2 and 3 of the fair value measurements were disclosed in the draft accounts as the 'opening balance' whereas this should have been included in the 'transfers into Level 3' column. No impact on the closing balance.
Disclosure	n/a	Fair value / financial instruments (notes 14 and 15)	A small number of narrative explanations and judgements have been included in the disclosure notes to explain the sensitivity and judgments made.
Disclosure	n/a	Various	A small number of casting, consistency and narrative amendments have been made to the draft accounts. These are all clearly trivial in nature so have not been reported individually.

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## Section 3: Fees, non-audit services and independence

01.	Executive summary
02.	Audit findings
<b>03.</b>	<b>Fees, non audit services and independence</b>
04.	Communication of audit matters

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

### Fees

	Proposed fee £	Final fee £
Pension Fund audit	21,000	21,000
<b>Total audit fees (excluding VAT)</b>	<b>21,000</b>	<b>21,000</b>

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

### Independence and ethics

- Ethical Standards and ISA (UK&I) 260 require us to give you timely disclosure of matters relating to our independence. In this context, we confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and confirm that we are independent and are able to express an objective opinion on the financial statements.
- We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.
- For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council and Fund.
- We confirm that no non-audit or audited related services have been undertaken for the Fund in 2016/17.

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## Section 4: Communication of audit matters

01. Executive summary

02. Audit findings

03. Fees, non audit services and independence

04. Communication of audit matters

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# Communication to those charged with governance

ISA (UK&I) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

This document, The Audit Findings, outlines those key issues and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

## Respective responsibilities

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Limited (<http://www.psa.co.uk/appointing-auditors/terms-of-appointment/>)

We have been appointed as the Council's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England at the time of our appointment. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice ('the Code') issued by the NAO (<https://www.nao.org.uk/code-audit-practice/about-code/>). Our work considers the Council's key risks when reaching our conclusions under the Code.

It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence.	✓	✓
Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged		
Details of safeguards applied to threats to independence		
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		✓
Expected modifications to auditor's report		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓

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# Appendices

A. Action Plan

B. Audit Opinion

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# A. Action plan

## Priority

Rec no.	Recommendation	Priority	Management response	Implementation date and responsibility
1	The Pensions Improvement Plan needs to be fully implemented.		An Improvement plan is in place which will: 1) Ensure that root causes of current issues are understood and resolved; 2) Ensure that the Managed Services to Surrey Interface is fully delivered; 3) Ensure that there are performance metrics on the end to end pensions administration process (including data from all admitted and scheduled body providers) so that issues are identified earlier and resolved at the correct point of the process. 4) Ensure that a reconciliation of data is carried out across all systems.	June 2017 - Tri Borough Director of Pensions and Treasury (TBDTP)/Director of People Services (DPS) July 2017 –TBDTP/DPS Sept 2017 – TBDTP/DPS Aug 2017 – TBDTP
2	Management should determine the most efficient and cost effective way of implementing checks on pensioners domiciled abroad.		A process be implemented by October 2017 that reaches the highest volume of pensioners domiciled abroad.	Oct 2017 - DPS

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## Controls

- High – Significant effect on control system
- Medium – Effect on control system
- Low – Best practice



# B: Audit opinion

**We anticipate we will provide the Fund with an unmodified audit report.**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY OF WESTMINSTER COUNCIL

We have audited the pension fund financial statements of City of Westminster Council (the "Authority") for the year ended 31 March 2017 under the Local Audit and Accountability Act 2014 (the "Act"). The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the City Treasurer and auditor

As explained more fully in the Statement of Responsibilities, the City Treasurer is responsible for the preparation of the Authority's Statement of Accounts, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which give a true and fair view. Our responsibility is to audit and express an opinion on the pension fund financial statements in accordance with applicable law, the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the pension fund financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from

material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the pension fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the City Treasurer; and the overall presentation of the pension fund financial statements. In addition, we read all the financial and non-financial information in the Authority's Statement of Accounts to identify material inconsistencies with the audited pension fund financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on the pension fund financial statements

In our opinion:

the pension fund financial statements present a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2017 and of the amount and disposition at that date of the fund's assets and liabilities; and  
the pension fund financial statements have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

### Opinion on other matters

In our opinion, the other information published together with the audited pension fund financial statements in the Authority's Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the audited pension fund financial statements.

Elizabeth Jackson  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Grant Thornton House  
Melton Street  
Euston Square  
LONDON  
NW1 2EP

XX July 2017



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## Audit and Performance Committee Report

### 2016/17 End of Year Performance Report

Meeting or Decision Maker:	Audit and Performance Committee
Date:	17 <sup>th</sup> July 2017
Classification:	General Release
Title:	2016/17 End of Year Performance Report
Key Decision:	Review and challenge officers on the contents of the report
Report of:	Julia Corkey, Director of Policy, Performance and Communications

#### 1. Executive Summary

This end of year 2016/17 Performance Report presents detailed results for the period April 2016 to March 2017 against the 2016/17 business plans. It provides analysis, explanations and commentary in respect of outstanding, good and poor performance, including achievement of targets, trends, and details of remedial actions being taken. Key opportunities and risks that face Directorates in 2017/18 are also highlighted.

#### 2. Recommendations

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

#### 3. Reasons for Decision

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

#### 4. Background, including Policy Context

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

# 2016/17 End of Year Performance Report

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## Contents

### 1. Overall performance of the City Council

#### 1.1

##### **Introduction**

This report provides an overview of Council performance Council for 2016/17.

#### 1.2

##### **Our Achievements over the Last Year**

Progress towards our goal of creating a City for All.

#### 1.3

##### **Pressures and Challenges Identified for the Year Ahead**

Financial pressures, demographic changes, demand shifts, policy changes that services will face in the year ahead.

#### 1.4

##### **Resident Survey 2016 Results**

Resident Survey conducted via face-to-face in-home interviews with 1,007 residents aged 16 or over.

#### 1.5

##### **Westminster Economic Outlook**

Economic round-up and future issues identified from the Local Economic Assessment (LEA), Central London Forward (CLF) and Ortus Research Analysis undertaken for 2016.

### 2. Performance by exception for each Directorate

The section below presents detailed performance results at year end by service directorate. It highlights areas of achievement and provides explanations and commentary in respect of poor performance or non-achievement of targets, and details of remedial actions being taken where appropriate.

#### 2.1 Adult Services

Front door, Hospital Discharge, Community Independence Services, Complex Community Social Work Services, Public Health, Commissioning, Enterprise, Finance and Resources.

#### 2.2 Children's Services

Westminster Family Services, Education Directorate, Children's Commissioning Directorate, Children's Finance and Resources Directorate

#### 2.3 City Management and Communities

Waste and Street Cleansing, Parks and Open Spaces, Cemeteries, On-street Parking, Public Protection and Licensing, Highways, Sports and Leisure, Libraries (Tri-Borough), Registrars

#### 2.4 Growth, Planning and Housing

Economy, Housing & Regeneration, Development Planning, Place Shaping, Property, Investment & Estates

#### 2.5 Corporate Services

Legal, ICT, Procurement and People Services.

#### 2.6 City Treasurer's

Corporate Finance, Commercial and Financial Management, Treasury and Pensions, Revenues and Benefits, Children's Finance and Adult's Finance

## 2.7 Policy, Performance and Communications

Evaluation and Performance, Policy and Strategy, Cabinet Secretariat and Member Services, Directorate Development, Campaigns and Customer Engagement, City Promotions, Events & Filming, Westco.

# 1. Introduction

This is the end of year 2016/17 Performance Report it describes performance against the council's City for All programme and 2015/16 business plan. It provides analysis, explanations and commentary in respect of outstanding, good and poor performance, including achievement of targets, trends, and details of remedial actions being taken where appropriate. Key opportunities and risks that face Directorates in 2017/18 are also highlighted.

In compiling the Performance Report, the Evaluation and Performance Team have been mindful of the challenge to meet audience needs. Fundamentally the report should be a fully integrated view of activity and expenditure that shows progress against strategic outcomes. The report is split into two sections:

- 1) overall performance summary of the council and
- 2) directorate based performance (including back-office and many business as usual activities)

The report also provides early views into the challenges that await in 2017/18, although the full performance framework for this year is not yet fully established. The reporting challenge for 2017/18 will be to ensure further integration of indicators against deliverables, to provide more rounded financial / activity / satisfaction analysis and to maintain robust backward looking evaluations whilst providing the forward looking insight needed to assure future service delivery.



## 2. Overall Performance of the City Council

### 2.1 Our Achievements over the Last Year

Over the last year we have made substantial progress towards our goal of creating a 'City for All', few highlights include:

City of Aspiration - We will enable our community to share in the economic prosperity of our City	City of Choice - We will create opportunities for residents and businesses	City of Heritage - We will protect and enhance Westminster's unique heritage
<ul style="list-style-type: none"> <li>We continue to support employment in Westminster, the Employment Service delivering 750 jobs for unemployed residents, more than half of whom had been long-term unemployed.</li> <li>Our second ever Westminster Enterprise Week was attended by 2,800 young Westminster entrepreneurs, providing them with a unique chance to meet business leaders and visit our expanding network of enterprise space across the city.</li> <li>We employed 80 apprentices across a range of services, providing work experience alongside a formal qualification to support their aspiration for full time employment.</li> <li>We supported 90 businesses to do more for their local community. There has been a 16% increase (from 49% in 2015) on last year in the proportion of residents that feel that council is doing enough to ensure local businesses act responsibly.</li> <li>This year 269 new affordable homes have been delivered. This brings the total to well over 500 since City for All began. The new Westminster Home Ownership Accelerator scheme with Dolphin Living, that helps residents get on the property ladder, was a winner at the prestigious Housing Innovation Awards.</li> </ul>	<ul style="list-style-type: none"> <li>We have continued provide excellent services and good value for money. 73% of our residents believe we are efficient and well run, an increase on 2015.</li> <li>Open Forum events have put residents at the heart of our decision making in Westminster. Hundreds of people have attended our Open Forum events and over 10,000 people visited our new Open Forum website.</li> <li>We have been recognised by Ofsted as delivering the joint best Children's Services in the country. 74% of young people leaving our care, secured education, employment and training.</li> <li>We have helped give children the best start in life - our secondary schools are among the best in London and 12<sup>th</sup> nationally.</li> <li>In 2016 Westminster was ranked the best place in the UK for providing life chances for young people and reducing child poverty.</li> <li>We continue to promote environmental awareness amongst school children through the new Forest Schools programme. The number of participants exceeded the year-end target of 2,500 with 5,496 visits in 2016/17.</li> </ul>	<ul style="list-style-type: none"> <li>The Council has embarked on an ambitious 5 year £2bn capital programme to help deliver on the aims of the City for All strategy and maintain Westminster's status as a global centre for business, retail, entertainment and tourism.</li> <li>In our 2016 City Survey residents named air quality as their joint top concern. We responded by creating the Marylebone Low Emission Neighbourhood, joining forces with local businesses to invest £2.1m over three years delivering new green initiatives to improve air quality. Initiatives in 2016 include: <ul style="list-style-type: none"> <li>Introduction of a diesel surcharge</li> <li>Minimal payment to park for Electric Vehicles</li> <li>Enforcement of vehicle idling</li> </ul> </li> <li>Westminster marked the centenary of World War I at a number of locations across the city including Lord's Cricket Ground. West End LIVE, our celebration of musical theatre, was the most successful yet and attracted half a million people.</li> <li>The council formally adopted the latest version of Westminster's City Plan which includes the Special Policy Areas and Policies Map Revision, as well as the Basements Revision and the Mixed use Revision.</li> </ul>



City of Aspiration - We will enable our community to share in the economic prosperity of our City	City of Choice - We will create opportunities for residents and businesses	City of Heritage - We will protect and enhance Westminster's unique heritage
	<ul style="list-style-type: none"> <li>• We helped 5,500 of the most vulnerable older people to receive the care they need in their own home. We also supported 5,000 older people to take part in local activities through Silver Sunday and 1,000 more at the 2016 Westminster Tea Dance</li> <li>• During 2016, 13,000 time credits were handed out to our volunteers to recognise the time they give. These credits allow them to visit London landmarks or access our sports and leisure facilities for free.</li> <li>• Our outreach teams supported over 2,900 rough sleepers in 2016 and our work has helped more than 500 people move from hostels to independent living.</li> <li>• The 2016 Westminster Mile was the biggest yet, with over 5,000 people taking to the streets of central London to enjoy a healthy morning run.</li> </ul>	<ul style="list-style-type: none"> <li>• Westminster's new Code of Construction Practice has now been adopted. The purpose of the new code is to monitor, control and manage construction impacts on sites throughout Westminster. This will protect our residents from the disruptive impact of developments.</li> <li>• We put in place new planning controls to protect the special and historic value of unique business communities in Saville Row, Harley Street and other distinctive areas of our city,</li> </ul>

## 2.2 Pressures and Challenges Identified for the Year Ahead



The key pressures and challenges for the year ahead (as identified by service directorates) are highlighted below. Further detail can be found in the service directorate sections below.

- WCC and the RBKC issued notice to H&F to leave the Tri-borough relationship
- Brexit - the UK will cease to become a member of the EU by April 2019
- The General Election was held on the 8th June
- The threat level was briefly raised to critical following the Manchester bombing but has since returned to severe.

- Reductions in government funding will restrict revenue spending
- Significant capital programme across the General Fund and Housing Revenue Account.
- Localising business rates could reduce the Council's income / impact businesses
- Financial implications around delivering on the councils Medium Term savings plan

- There is an increasing risk over of overspend in the future for Adult Social Care.
- Continued pressure on recruitment and retention across London for social care staff.
- Extra cost pressures due to demographics, health service and local market challenges.
- Delay in contract award of the GUM services will increase costs in 2017/18.
- Funding shifting from ring-fence Public Health budget to business rate retention.

- Increase in numbers of unaccompanied asylum seeking children (UASC)
- Ongoing pressures to identify and meet needs of children and young people with SEN
- Challenge to ensure sufficient childcare provision in Westminster
- Increasing demand to provide transport and other education provision for SEN children
- Reduced funding per child in Inner London including in some Westminster schools

- WCC continues to be at risk from failure of ICT system disruptions.
- Issues with MSP continues to affect availability of people services metrics /insights

- Insufficient affordable private sector housing in Westminster
- There are ongoing risks relating to Rough Sleeping numbers exacerbated by the increase in the number of migrants from Eastern European countries sleeping rough.
- Significant capital projects managed by the directorate

- Proposal to charge a diesel surcharge for vehicles paying to park in the F zone of Westminster is new ground for WCC and for a Local Authority in general
- On street anti-social behaviour in hotspots across the city
- The growth of the Night time economy and the impact of the night tube
- New Extremism strategy, a different role for local government and less direct funding
- Increasing visitor numbers to the City as a result of Crossrail / other developments.
- Parking Places (Variation of Charges) Bill – need to ensure that any proposed charging increases continue to be fully justifiable and based on the current fair parking policy.

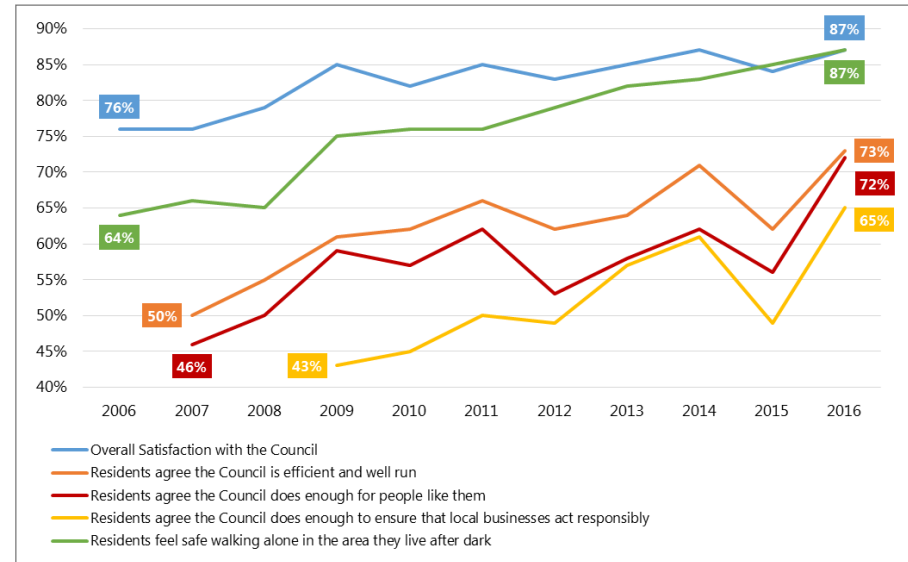


## 2.3 City Survey 2016: Headlines and Results

The City Survey is undertaken with a representative sample of residents conducted via face-to-face in-home interviews. 1,007 residents aged 16 or over were interviewed and headline results from the survey are as follows:

- **Satisfaction with the Council** is at a record high of 87%, a three percent increase on 2015
- **Satisfaction with Westminster as a place to live remains very high**, with over nine in ten (91%) saying they are satisfied with the area. This is in-line with the result from 2015 (92%)
- Nearly three quarters (73%) of **residents agree the Council is well run**, a significant increase on last year (62%). This measure is now at a record high.
- Nearly two thirds (63%) of **residents (63%) agree that they can influence decisions affecting their local area**. This represents a rise of twenty six percent on last year and is the highest figure ever recorded.
- **Residents continue to feel safe in Westminster**. Nine in ten (90%) feel safe in general where they live and over four in five (87%) feel safe after dark.
- Over the last 12 months the number of **residents that said that Council services have got better** increased by six percent, with nearly two thirds (61%) of residents saying that services have stayed the same.
- **Expectations on council services remain high**. Four in five residents think services will get better (22%) or stay the same (64%) over the next 12 months. Only five percent think services will get worse.

**Chart 1 - Record high satisfaction measures**



**Table 1 - Record high satisfaction measures (2010 – 2016)**

City Survey Question	2010	2011	2012	2013	2014	2015	2016
Overall Satisfaction with the Council	82%	85%	83%	85%	87%	84%	87%
Residents agree the Council is efficient and well run	62%	66%	62%	64%	71%	62%	73%
Residents agree the Council does enough for people like them	57%	62%	53%	58%	62%	56%	72%
Residents agree the Council does enough to ensure that local businesses act responsibly	45%	50%	49%	57%	61%	49%	65%
Residents feel safe walking alone in the area they live after dark	76%	76%	79%	82%	83%	85%	87%

## 2.3 City Survey 2016: Satisfaction with Services

- More than four fifths of residents are satisfied with the service areas featured in Chart 2 and Table 2 (below).
- **Road and pavement maintenance** teams have seen a steady rise in satisfaction over the past decade, with a significant increase of 13% over the past year.
- The other services have seen largely flat satisfaction levels in recent years, although there has been a slight decline in satisfaction for **refuse collection, street sweeping and street lighting services** over the past year.
- It is slightly more difficult to draw concrete conclusions from Chart 3, as these questions were limited to users and, as a consequence, draws from a smaller sample size.
- The satisfaction trends among **Parks, Libraries, Recycling, Parking and Council Tax services** look to be steady and healthy, while the Noise service figure will need to be monitored closely in 2017.

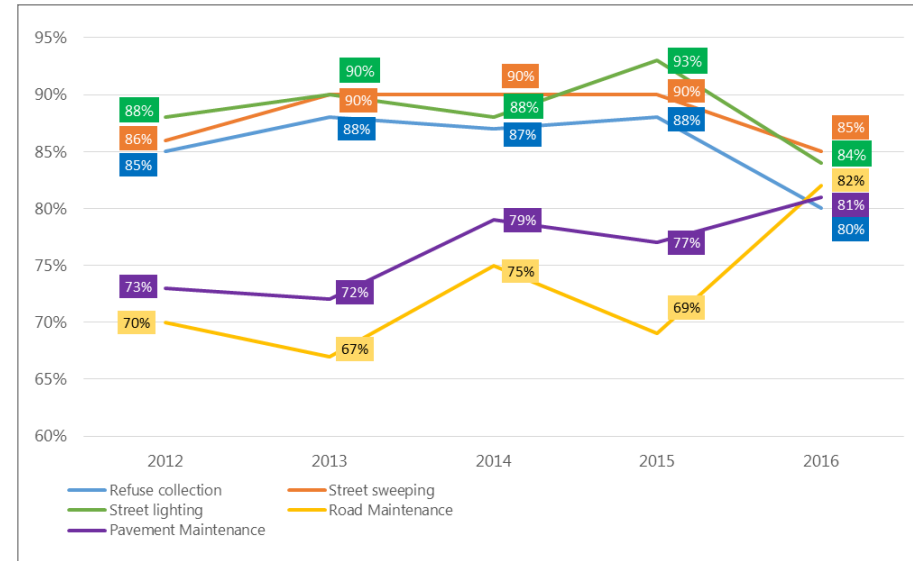
**Table 2 - Resident Service Satisfaction (2012-16)**

Service Area	2012	2013	2014	2015	2016
Refuse collection	85%	88%	87%	88%	80%
Street sweeping	86%	90%	90%	90%	85%
Street lighting	88%	90%	88%	93%	84%
Road Maintenance	70%	67%	75%	69%	82%
Pavement Maintenance	73%	72%	79%	77%	81%

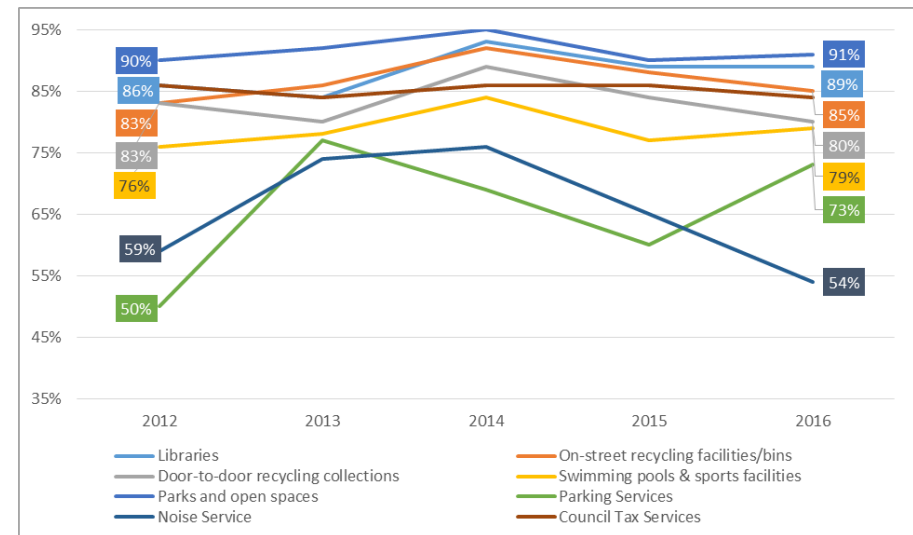
**Table 3 - Service User Satisfaction (2012-16)**

Service Area	2012	2013	2014	2015	2016
Libraries	86%	84%	93%	89%	89%
On-street recycling facilities/bins	83%	86%	92%	88%	85%
Door-to-door recycling collections	83%	80%	89%	84%	80%
Swimming pools & sports facilities	76%	78%	84%	77%	79%
Parks and open spaces	90%	92%	95%	90%	91%
Parking Services	50%	77%	69%	60%	73%
Noise Service	59%	74%	76%	65%	54%
Council Tax Services	86%	84%	86%	86%	84%

**Chart 2 – Resident Service Satisfaction**



**Chart 3 –Service User Satisfaction**



## 2.4 Westminster Economic Outlook – Westminster's Economy

The health of the economy and businesses based in Westminster are fundamental to the success of the City and the prosperity of many of its residents. The prospect of Brexit has sharpened interest – the impacts are at this stage unknown, but an understanding of these, and other risks / opportunities have been gathered so the Council is prepared through active city management, and other response to those issues which will particularly impact the health of the Westminster economy. A number of economic products have been produced across 2016 / 17 by officers and external bodies that reflect on past performance, and future challenges. A very high level summary of the intelligence collated is provided below. These are intended to act as a benchmark against which changes can be monitored and policy decisions developed.

Westminster’s Current Economic Position as reported by the Local Economic Assessment (LEA)

The LEA is no longer a statutory document, but has continued to be produced because of its value in bringing together a diverse range of information from a variety of sources to provide a singular insight into the local economy and population of Westminster. It is largely sourced from open data.

- Westminster has by far the largest number of businesses (Chart 1) out of any London borough, with 47,165 businesses, representing 10% of the London total. Westminster has almost twice the number of businesses compared to Camden, the next highest borough, and almost three times the number in the City of London.
- The distribution of jobs across the London boroughs (Chart 2) follows a similar pattern to the distribution of businesses. Westminster continues to have the largest number of jobs of any London borough (measured 2015), with 697,400 jobs representing 14% of the London total.
- 2015 data (latest ONS data) shows that Westminster’s total Gross Value Added (GVA) generation is estimated to be £53.7 billion, representing 14% of London’s total GVA generation of £378 billion.
- Both Westminster and London have experienced a marked increase in enterprise births (Businesses starting-up or moving into the area) between 2012 and 2015. However, death rates (businesses who cease trading or who move away) have also marginally increased in this time period, resulting in a net gain of 1,440 businesses in Westminster. London follows a similar pattern with a net gain of 29,200 businesses.

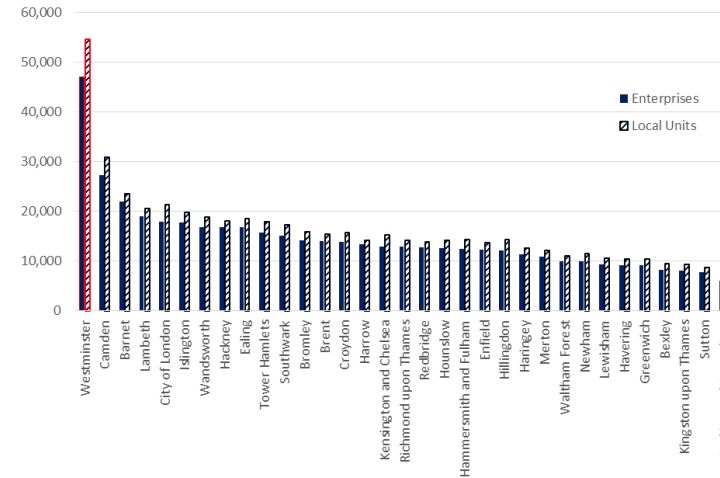


Chart 2: Total Job by London Borough, 2015 (BRES, NOMIS, 2016)

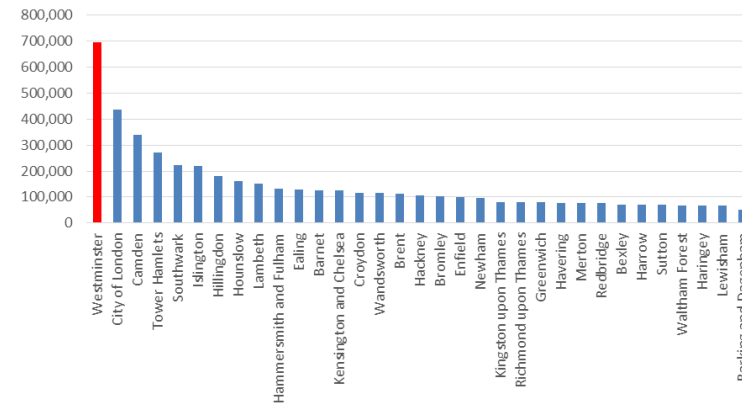


Table 1: 2016 Projected Growth in Employment (employees and self-employed) (GLA,2016)

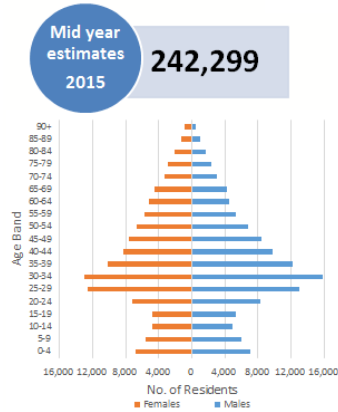
Employees	2016	2021	2026	2031	2036	2041	Change to 2041
<b>Westminster</b>	730,000	740,000	757,000	780,000	812,000	829,000	+14%
<b>London</b>	5,579,000	5,794,000	6,019,000	6,253,000	6,496,000	6,748,000	+21%

## 2.4 Westminster Economic Outlook – Population and Workforce

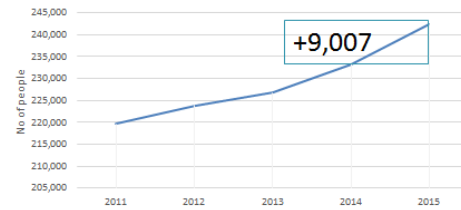
Chart 1: No of enterprises/local units by London Borough, 2016 (UK Business Count, 2016)



- According to ONS data, Westminster has experienced significant population growth and diversification over the past 10 years, experiencing some of the highest rates of international migration in the UK. The current population Mid-Year Estimate (2015) is 242,300, which is 23,000 higher than the 2011 Census. Westminster remains sceptical around the accuracy of this data. The process for counting migration is both poor at the local level with a tendency to inflate in Westminster. Westminster continues to work with ONS and other Inner London boroughs to improve figures, because there is a real risk that the potential resident workforce is neither as high as suggested or growing at such a fast pace.
- In Westminster the relationship between someone counting as a resident (defined as someone spending most of their time in Westminster and at least 12 months in the UK) in population terms, and being a part of the workforce is less clear cut than in areas with low population churn. Many short-term contractors will not count as residents.
- Also, although the majority of the working age population in Westminster, who work, do so in Inner London, fewer than half (around 40%) work in Westminster based businesses. This demonstrates the importance of the wider London economic health for employment opportunities and prosperity of residents.
- Westminster contains a very high proportion of young working age adults. Over 23% of Westminster residents are aged between 25 and 34 (Chart 1), whereas in England around 14% of people fall into this age group. Population models indicate that young people continue to move to Westminster from the rest of the UK and from abroad in very high numbers.
- Westminster is very diverse, and changes to migration policy for both current residents and would be residents will have a potentially significant impact on the work-force. The non-UK born population is now a majority of the population base at 53% (2011 Census) - the third highest proportion of all LAs in the country. The London average is 37% and England 14%. See Chart 2.
- Westminster residents are generally very well-qualified, (the unemployed are also better qualified than counterparts elsewhere) - according to the 2011 Census, 50% of Westminster residents are educated to at least degree level, with 66% educated to A-level and beyond. This is 23% above the average for England and 13% above the average for London.
- Only 64.7% of Westminster's working age population are economically active (Population Survey, 2016). This is significantly lower than the London average of 68.8%. However, Westminster's benefit claimant rates are lower than the London average (ONS, 2016), a rate of 1.4 compared to 1.9 in Nov 2016. Whilst Westminster is home to a minority of residents who do not need to work because of affluence, there are particularly low employment activity rates in some communities – and these will fall within the focus of the Westminster Employment Service.
- According to the 2015 Index of Deprivation (IMD), Westminster was the 57<sup>th</sup> most deprived of the 326 districts in England, from being the 87<sup>th</sup> most deprived LA in 2010. 50% (Map 1) of the most 'deprived' population lives in just 5 wards: Church St, Westbourne, Queens' Park, Harrow Rd and St James's Park. Since the 2015 IMD figure were produced, Welfare Reform impacts have caused a reduction in the number of workless households in the private rented sector, and deprivation in Westminster is likely to be further consolidated into wards with high numbers of social housing – with associated implications for service delivery for people who need support to optimise their opportunities.
- Aside from the 242,299 residents, the population of Westminster over the course of a typical day is estimated to be of around 1.1m people. GLA figures suggest that Westminster experiences over 28m day visitors and 34m overnight foreign visitors annually, much higher than any other London or Metropolitan borough. Over 50% of residents work in Westminster.
- According to the GLA, Westminster's population is projected to increase by 10% (22,225) to 255,486 by 2024, and by 15% (34,550) to 267,811 by 2034. Whilst some of this, is accounted for in significant net housing growth, Westminster and the GLA are working to refine the model to ensure that the lack of full-time occupation of dwellings is fully accounted for.
- GLA 2016 employment projections, based on trend data and with no account of Brexit issues (Table 1) suggest that employment in Westminster is likely to continue to grow rapidly for the next 25 years. During this time it is projected that around 100,000 additional jobs will be created in Westminster, representing an increase of over 14% on 2016 employment levels. However this growth is below that of London as a whole, forecast to grow by around 21% from 2016 to 2041.



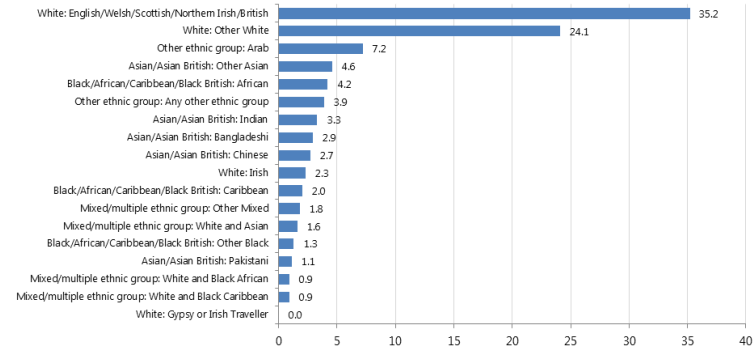
Population change trend 2011-2015 (Source: Mid-year estimates 2011-2015, ONS)



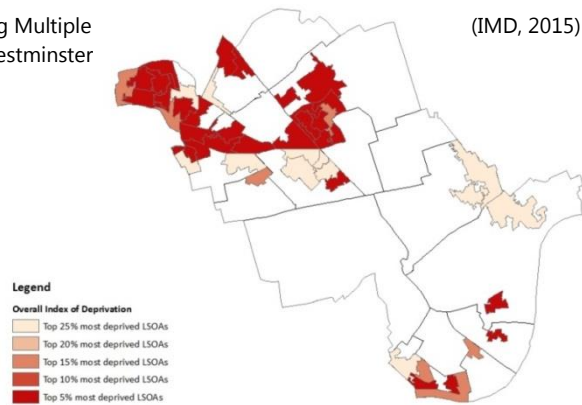
What caused this increase between 2014 and 2015?

<b>Births and deaths</b>	Births: +2,685 births Deaths: 1,163 deaths Net: +0.65% natural population change
<b>Migration</b>	Internal migration: Net -3,272 people (-1.4%) International migration: Net +10,763 (+4.6%)

**Chart 2: The ethnic breakdown of Westminster's residents (%) (2011 Census)**



**Map 1: SOA's Experiencing Multiple Deprivations in Westminster (IMD, 2015)**



## 2.4 Westminster Economic Outlook – Two Views

### Central London Forward (CLF)

At the request of London Councils Chief Executives a separate piece of analysis was commissioned to consider the robustness risks and opportunities for the economy covered by the CLF. The below reflects some of their key draft findings.

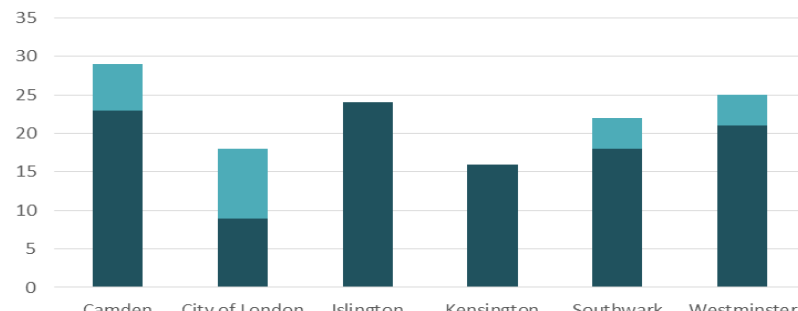
- Westminster's economy as for most boroughs in Central London has become less diverse, with the number of sectors employing 50% of the jobs decreasing by 19% between 2010 and 2015 (Chart 1). This makes the city prone to future economic shocks / opportunities that impact on those few sectors.
- Westminster's sector growth is in traditional sectors such as banking, real estate, hotels & similar accommodation and activities of head offices. Between 2010 and 2015 the number of jobs these sectors increased by 42%.
- London's economy is dominated by large firms (Chart 2) – more than 50% of Central London Forward's (CLF) jobs are in 1,245 businesses, which represent just 0.5% of the total business counts in CLF.
- Faster growth in Central London has reinforced the highly centralised nature of the city and increased pressures on transport and infrastructure as more people travel in from further.
- In Westminster the ratio of rent to income makes it increasingly harder for workers to live in the city. The median rent in Westminster is 103% of the average income for a Westminster resident.
- The proportion of people who earn less than the London Living Wage has increased by 10% between 2010-15. There have been real decreases in bottom decile incomes in Westminster, 4.2% from 2010 to 2015.
- International migrants constitute an important part of the economy (Chart 2), particularly in the construction, food & accommodation, and retail sectors. Without international migration Westminster would have a declining population.
- Overall, Westminster needs to be aware of its increasing dependence on some core sectors. The ability of people to live close to work in some of those sectors which are less well paid, that make the City attractive to work and visit such as hospitality, and which enable people to work or support the vulnerable such as childcare or social care is diminishing. For Westminster, there are economic risks attached to being able to attract staff needing to travel from increasingly further afield.

- Westminster's increased reliance on a few sectors, means that risks and opportunities are particularly closely aligned with future Brexit impacts on the finance and insurance sectors.
- Productivity of businesses in Westminster has been increasing faster than employment in those businesses. It is hard to unpick whether this is because of efficiencies, automation, off-shoring but this indicates an important distinction between Westminster business growth and employment opportunities.
- Foreign owned companies make up 6% of businesses, 15% of employment and 26% of the GVA generated in Westminster. EU owned companies alone provide over 40,000 jobs. The pull on these companies to retain a UK base is arguably lower than UK owned businesses.
- Exchange rates fluctuations are likely to have sizeable positive and negative impacts on different sectors, with low sterling helping to boost tourism, but also raising costs in some sectors such as construction. Impacts in finance sectors are less clear cut.
- EU Nationals / Vacancy rates. 15% of the workforce in Westminster are EU nationals, numbers have grown by 36% in the last 5 years and they work in both the highest and lowest paid sectors. However there are some sectors with particular dependencies - some 44% of the accommodation and food sector are EU nationals, and 20% of caring professions where vacancy rates are already particularly high. The ability to retain or replace these workers is likely to be a key challenge for businesses in the future.

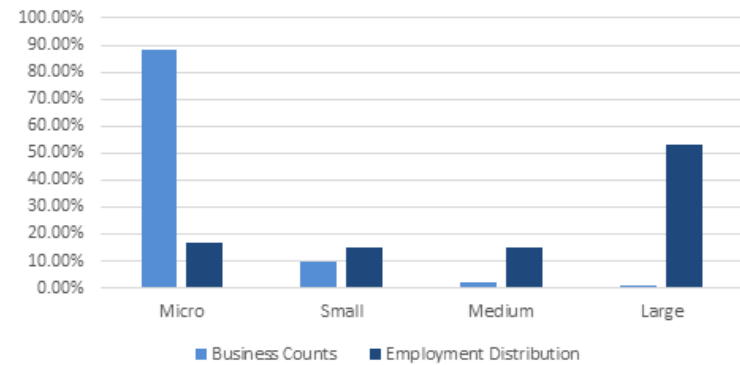
Ortus Report

Ortus were asked by Westminster to take an initial view around risks to the economy around Brexit. Recently completed, highlight messages are:

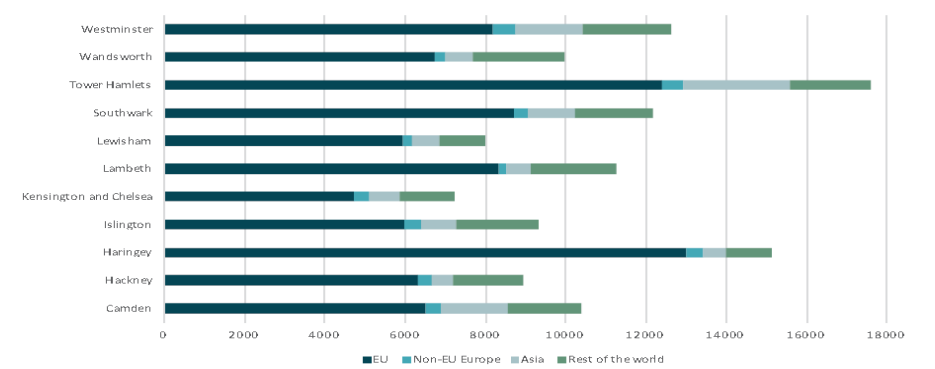
**Chart 1:** Number of SICs sectors that employ 50% of jobs (BRES, 2015)



**Chart 2: Business counts and employment distribution** (ONS Business Counts, 2016)



**Chart 3: National Insurance number registration of overseas nationals** (NIN 2016)



### 3. Performance by Service Directorate

#### 3.1 Adults Services and Public Health Performance

##### Adults Services

Significant achievements at the end of 2016/17:





**Customer Journey**

The programme was formally closed in February 2017 supported by an Internal Audit of the new service system and a full report. The Front Door and Demand Management programme that was initiated in August 2016 has now concluded its definition stage. The programme brief, which is based on integrating funding streams and service systems with health and the voluntary sector, has been translated into a detailed project plan for analytics and evidence, front door and digital development and integrated commissioning of prevention services.

**Outcomes achieved**

The programme restructured ASC operations to provide a more effective and efficient service system including savings over two financial years totaling £5.5m across all three boroughs

**Community Independence Services (CIS)**

Following the take up of operational management across Community Independence Service by Central North West London NHS (CNWL) Trust on 1st November 2016 work is on track to agree a full Section 75 provider to provider agreement by the end of April 2017. This will be a key further step toward a fully integrated service.

**Outputs to be delivered**

A fully integrated service across social and health services to support people to remain/return to their own homes as effectively as possible.

**Sustainability and Transformation Plan (STP)**

Work has now started to develop the 2017/18 Better Care Fund Plan. The programmes focus will be informed by the priorities of the 5 year Sustainability and Transformation plan (STP) and a refreshed WCC Health and Well Being strategy is now in place.

**Outputs to be delivered**

The key projects within this framework have been identified as

1. Protection and development of social care services,
2. Protection and development of NHS Community services,
3. Services interfacing with acute services,
4. Capacity to support key projects (Joint Commissioning Developments),
5. 2016/17 legacy services.

This is associated with a range of factors including - the delivery of savings that are dependent on successful demand and market management, counter demographic and care act pressures that may not be fully catered for through growth, and risks associated with continuity of health funding.

**Mitigation and progress**

Efforts to reduce costs through demand and market management and improved modeling, tracking and reporting systems; relationship management with Health and continued development of whole systems working and prudent use of additional funding to Adult Social Care from a one-off new grant for 2017/18 and funds raised from the Council Tax Adult Social Care precept to assist with Adult Social Care pressures.

**Adult Social Care Market for Care and Support is fragile**

Continuing risk of extra cost pressures in Adult Social Care, beyond 2016/17, due to demographics, health service challenges and a fragile local market.

**Impacts and consequences**

Inability to develop certain services, limited growth capacity, risks around viability of current provision, and difficulty in assuring quality.

**Mitigation and progress**

Mitigation includes market management including working on a regional and sub-regional basis and the appointment of strategic provider partners on a long term basis.

**Risk to reducing customer satisfaction**

Particularly for existing customers that experience change to their services.

**Impacts and consequences**

Inability to develop certain services, limited growth capacity, risks around viability of current provision, and difficulty in assuring quality.

**Mitigation and progress**

Use of customer insight and intelligence to design and delivery all major programmes and projects. Departmental Communications and Change Management strategy has been put into place that puts emphasis on close consultation and co-production through the change process. Lower level plans are in place for all major programmes and projects that are focused on the outcomes that are most valued by customers.

**Significant challenges at the end of 2016/17:**

**Budgetary Pressures**

Potential risk of overspend in the future for Adult Social Care.

**Impacts and consequences**

**3.1 Adults Services and Public Health Performance**

**Public Health**

**Significant achievements at the end of 2016/17:**

**Contracts and Commissioning**





Public Health are delivering major efficiencies across service portfolios through contract management and re-procurement.

**Outputs delivered**

The overall programme includes delivery of savings.

**Outcome achieved**

Greater resources to commission and deliver programmes to meet the needs of communities.

**Rationale for Prioritising**

Development of a prioritisation framework to inform 2018/19 resource allocation decisions.

**Outputs delivered**

- Framework piloted in 2016-17.
- Prioritisation Framework to be used to inform 2018/19 resource allocations.

**Outcome achieved**

Prioritisation programme will enable more robust, transparent and outcomes focused approach to Public Health budget allocations.

**Restructure of Public Health Team**

The redesign will:

- enable Westminster, working with their residents and partners, to achieve their visions for health and wellbeing more quickly and efficiently than the current structure allows.
- ensure that Westminster continues to deliver their statutory duties.
- build sufficient acuity and agility to cope with the end of ring fencing and other changes in the medium term without the need for further major restructuring.

**Outputs delivered**

New service model went live on the 3<sup>rd</sup> April 2017.

**Outcome achieved**

The outcomes will be realised over the course of the year.

The impact is likely to be felt particularly on Public Health as a re-structure has only just been completed.

**Mitigation and progress**

An options appraisal is being carried out to consider how the function is effective in a bi/single borough arrangement.

**Delays in GUM commissioning**

Delay in procurement for Genitourinary Medicine (GUM) services transformation programme due to regional discussions and agreements being delayed in respect of finalising the procurement.

**Impacts and consequences**

Potential cost savings will not be realised.

**Mitigation and progress**

A plan is in place to ensure that we deliver with the shortest delay possible. Public Health is in the clarification phase of the procurement process. The procurement phase will conclude at the end of June 2017.

**Funding arrangement for Public Health**

Funding arrangements shifting from ring-fence PH budget to business rate retention.

**Impacts and consequences**

Need to identify appropriate level of spend for Public Health function.

**Mitigation and progress**

This will come into effect from April 2019. Nationally Public Health England will help develop the assurance arrangements while locally our portfolio of work will be put through a rigorous prioritisation programme.

**Vacancies resulting from restructure**

Implementing a revised staffing structure will reduce capacity during the first quarter of 2017/18 as we recruit to vacant posts and new roles.

**Impacts and consequences**

Programmes of work may not be fully delivered or timescales may slip.

**Mitigation and progress**

Business planning processes have identified priority areas for the first 6 months of the new operational model to allow resources to be targeted during this transitional period.

Other notable's areas of achievement at year end:

**Significant challenges at the end of 2016/17:**

**Notice served on the Public Health Tri-borough arrangements**

Royal Borough of Kensington and Chelsea and WCC decision to issue a termination notice to Hammersmith and Fulham ending Tri-borough arrangements in respect of Children's Services, Adult Social Care and Public Health Services.

**Impacts and consequences**

Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position*	RAG Rating	Direction of Travel
<b>Adult Social Care</b>					
Percentage of people completing re-ablement who require a long-term service	28%	28%	29% (249/845)	Target marginally missed	Stable
Proportion of adults with a learning disability known to Adult Social Care in paid employment	7.4%	7.5%	9.2%	Target Achieved	Improving
<b>Service commentary:</b> Based on provisional year end data (updated position by end May) the target for this indicator has been narrowly missed (by one person) but performance is above national (5.8% in 15/16, latest comparable data) and Inner London levels (5.7%). Performance is closely tracked and work is continuing to increase adults with learning disabilities in paid employment by providing all the necessary support to enter employment and support while in employment.					
Total number of new permanent admissions to nursing care of people aged 65 years and over	53	53	55	Target marginally missed	Stable
<b>Service commentary:</b> There have been more new admissions to nursing care compared to last year. This reflects a shift in the type of care needed as people spend longer periods at home, requiring nursing care at a point when needs are more complex. However, the residential and nursing figure combined is currently lower than last year, suggesting that the council has been successful in managing demand effectively through use of community services such as homecare, direct payments and extra care.					
Percentage of carers receiving an assessment or review	87%	90%	85%	Target Missed	Improving
<b>Service commentary:</b> Data for carer's assessments for Q4 shows a very similar year end position to 15/16 and close to the 90% target. Uptake in 15/16 and 16/17 has been significantly higher than previous years.					
Proportion of adults in contact with Mental Health services in paid employment	6.6%	6.6%	6.8%	Target Achieved	Improving
Adults receiving a personal budget to meet their support needs	92%	90%	92.1% (1,505/1,634)	Target Achieved	Stable
Delayed transfers of care, acute days attributed to social care (cumulative)	1,002	924	827	Target Achieved	Improving
Total number of new permanent admissions to residential care of people aged 65 years and over	46	46	37 (Provisional)	Green	Stable
<b>Public Health</b>					
<b>Service Commentary:</b> Public Health performance indicators all have a lag reporting time of between 2 months to a year. However all indicators have been reported as being on track and to achieving their targets. The most up to date figures have been provided below.					
Percentage of children who received a 2-2.5 year review	53.1% (in Qtr1 2015/16)	69%	100%	Green	Improving
Number of residents reached through community champion activities	13,228	13,228	13,015	Green	Improving
Number of NHS health checks taken up by eligible population	7,784	8,330	6,465	Green	Stable
<b>Service Commentary:</b> National guidance states that each LA should aim to deliver health checks to 15% of the eligible population. Locally WCC has set an ambitious target of 20%. We have achieved an annual outturn of 15.5%					
Stop Smoking Services – number of 4 week quits	1,467 (full year)	1,437 (Year End)	1,483 (Provisional)	Green	Improving
<b>Service Commentary:</b> Figures are provisional 2016-17 outturn. Westminster is on track to meet our target when figures are finalised in June 2017. The proportion of quitters living in the most deprived areas exceeds 70%.					

- ✓ Launched a new Drug and Alcohol Service that provides advice, assessment, referral to treatments, and support to residents.
- ✓ Redesign and re-commissioning of community sexual and reproductive health service to increase our focus on prevention initiatives.
- ✓ Launching a trial for “stop smoking” services making increased use of telephone support and on-line capabilities. Findings from this trial have feed into the service specification for the new Healthy Lifestyles service which will be launched in April 2018
- ✓ Development of a whole council model to tackle childhood obesity, including commissioning a new school health service to promote healthy eating habits at the earliest opportunity. School Health Service went live in April 2017.
- ✓ Westminster is participating in the Great Weight Debate which is raising awareness of childhood obesity and other issues that surround it with residents.
- ✓ A high level of clients with a personal budget, over 9 out of 10 clients in the community have a personal budget, and the proportion of these clients who receive this in the form of a direct payment has increased significantly over the year, from 23% to 35% of clients.
- ✓ Westminster performs better than Inner London and England averages for the proportion of Adults with a with learning disability in employment and in settled accommodation
- ✓ Admission rate to care homes for older people in Westminster is lower than the Inner London and England averages.
- ✓ Nationally recognised work on improving hospital discharge for our residents and those of our West London Alliance neighbours in Brent and Ealing. So far awards won include: Patient Experience Network and Institute for Continuous Improvement in Public Services.
- ✓ Department has been successful in two major bids to support workforce development:
  - Funding of £498k awarded to be shared across North West London to establish a Social Work Teaching Partnership across Children’s and Adults for the next 2 years.
  - £270k has been awarded to develop 20 local employees working as health care assistants, reablement carers and home carers to become nursing associates.

Other service pressures and challenges identified at year end:

- ✗ continued pressure on recruitment and retention risks across London for social care staff.
- ✗ Maintaining low number of delayed transfers of care due to social care reasons is a challenge, given pressures to discharge clients who are medically stable but unwell to re-able.

## Significant achievements at the end of 2016/17:

**Recognised by Ofsted as delivering the joint best Children's Services in the country**  
We continue to be one of only two Children's Services departments judged by Ofsted to be Outstanding and as one of nine local authorities selected by the Government to be "Partners in Practice" we are leading an ambitious programme of sector improvement sharing best practice with other local authorities.

### Outputs delivered

- A reorganisation of local Early Help services was successfully completed leading to an improved model of service
- We have established an intensive support team for adolescents on the edge of care.

### Outcome to be achieved

Strengthening of partnerships with other agencies.

### Young Westminster Foundation

We have established the Young Westminster Foundation as an independent charity with confirmed trustees to work with businesses and other individuals to coordinate and provide services for young people in Westminster.

### Outputs delivered

The Foundation has secured three years of funding from the John Lyons Charity and has also received additional start-up funding from the City Council.

### Outcome to be achieved

Work closely with the Economy Team to identify opportunities for local businesses, through their corporate social responsibility plans, to support vulnerable children and young people.

### Pupil Attainment

Attainment under a range of measures at Westminster schools continues to exceed London and national averages both for children at the end of primary phase or those taking GCSEs.

### Outputs delivered

- Westminster is ranked 5th for the new Progress 8 measure
- Westminster has the 3rd highest performance for the inner London boroughs.
- 97% of our schools are judged to be good or outstanding by Ofsted compared with a national figure of 89%

### Outcome to be achieved

To maintain level of good and outstanding schools.

### Significant involvement in sector-led and service improvements

Reshaping the practice of the entire local social care workforce through the "Focus on Practice" programme and more recently leading sector improvement and de-regulation more widely through the Partners in Practice programme.

### Outputs delivered

- Reduced numbers of children in care and entries to care (excluding UASC)
- Reduced social worker turnover and use of agency staff

### Outcome to be achieved

Increased clinical support for practitioners and reduced numbers of children entering care

## Significant challenges at the end of 2016/17:



City of Westminster

### Increase in numbers of unaccompanied asylum seeking children (UASC)

Pressure on resources including caseloads and care placements resulting from increases in numbers of unaccompanied asylum seeking children. The Children and Social Work Bill, due to be enacted in 2017 will extend the duty to provide support for care leavers up until the age of 25 therefore placing greater demands on the service.

### Impacts and consequences

Exacerbated by the need to support new arrivals who are eventually dispersed to other local authorities leading to further pressure on caseloads and placements.

### Mitigation and progress

- Westminster has exceeded the Government quota for the maximum number of UASC who should be cared for in one local authority area so new arrivals are now usually dispersed.
- Review of overall UASC costs. Tracker of placements and associated costs is in place.
- Implementation of a new Placements Strategy

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

The requirements of the Children and Families Act in relation to children with special educational needs and disabilities have led to challenges in ensuring that children's needs are identified and met across a wider age range, following integrated planning with a wide range of agencies.

### Impacts and consequences

- Challenge to ensure children with SEN are transferred onto new Education, Health and Care plans and assessed in a timely way.
- Local Area Inspection is due.

### Mitigation and progress

- Plans in place and resources reviewed to ensure the required number of transfers take place and new assessments are completed in time.
- Reorganisation of SEN Service
- Regular oversight of service performance by the Director of Education
- QA Board oversight of preparation for Local Area inspection with PM driving self-evaluation

### Childcare Provision

Challenge to ensure sufficient childcare provision including targeted offer of 2-year-old places, the universal offer of 15hrs free childcare for 3 and 4 year olds as well as the additional 15hrs free childcare entitlement for working parents of 3-4 year old children. Additional need to consolidate more 2 year olds from vulnerable families to take up the offer of free childcare places. Also ongoing pressure to ensure a sufficient supply of 30hrs a week childcare places for 3 and 4hrs in line with Government policy but within the special circumstances of London's childcare market.

### Impacts and consequences

Impacts associated with this being a legal duty

### Mitigation and progress



- Steering group in place.
- Capital funding for further expansion is being focused on the schools sector.
- Co-design workshops have been held with a wide range of partners
- Additional strategies planned for 2017/18 including eligibility checking system.

Other notable's areas of achievement at year end:

- ✓ 400 child care places have been identified for two year olds who are vulnerable and we are now above target for vulnerable 2 year olds take up of places.
- ✓ The Troubled Families service has worked with over 304 families leading to significant and sustained improvements in their lives. This was 104% of the revised target number of families of 293 for this year.
- ✓ The numbers of young people aged 16-18 who are not in education, employment or training has reduced between 2015 and 2016 with the rate reported in July 2016 being below both London and national rates. Meanwhile 74% of young people leaving our care were in education, employment or training.
- ✓ We have increased the take up of school meals through a contract with a new provider. Take-up was 76% compared with a target of 70%.
- ✓ We have maintained our strategy to keep more adolescents out of care. This has led to a further decrease of those who enter and remain in care. By January 2017, 17 young people aged 14 to 17 entered care (not including those who arrived as unaccompanied asylum seekers or were on remand), compared with the 23 who entered care in 2015-16.

Other service pressures and challenges identified at year end:

- ✗ increased numbers of unaccompanied asylum seeking children leading to increased caseloads and costs resulting from demand on limited care placements and the need to provide care leaving services. I
- ✗ increasing demand to provide transport to school and other education provision for children with special educational needs, partly reflecting the increasing numbers and wider age range of children who require such services I
- ✗ school funding arrangements are being revised nationally which is likely to lead to reduced funding per child in Inner London including in some Westminster schools. S
- ✗ the overall development and improvement of our services in taking place in a context of ongoing and anticipated change in key partner agencies such as the NHS and the Police. T

Key Performance Indicators

Provisional Year End figures reported below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>Children's Services</b>					
<b>Number of foster carers recruited by September 2016.</b>	17	25	<b>18</b>	<b>Target Not Achieved</b>	Stable
<b>Service Commentary:</b> During 2016-17, a total of 18 foster carers have been newly recruited this compares favourably with performance in 2014/15 and 2015/16 when eleven foster carers were newly recruited. Two applications in 2016/17 were deferred to April 2017 as the DBS checks were not received and a further application was paused by the service due to a concerning reference check. There are a further five foster carers in assessment which are likely to go to panel by June 2017.					
<b>% of care leavers aged 19,20, 21 who are in education, training or employment</b>	63% (104/166)	75%	<b>73%</b> (to end Dec 2016)	<b>Green</b>	Stable
<b>Child protection cases per 10,000 child population</b>	21.9 per 10,000	Maintain below national rates	<b>20.2 per 10,000</b>	Context	Stable
<b>Looked After Children rate per 10,000 child population</b>	40.1 per 10,000	Maintain below national rates	<b>43 per 10,000</b>	Context	Stable
<b>Number of 16 to 18 year olds not in education and training (NEET)</b>	1.9% (64/3,698)	2% (66)	<b>1.6%</b> (55/3,801)	<b>Target Achieved</b>	Stable
<b>% of care episodes starting that relate to young people aged 14-17 years who are Westminster Citizens (non as a result of LASPO Act 2012 or UASC status).</b>	20%	23%	<b>17%</b> (17/107)	<b>Target Achieved</b>	Stable
<b>% of early help cases who are young carers</b>	New Indicator	TBC	<b>100%</b> (20/20) (to end Dec 2016)	<b>Green</b>	N/A
<b>Service Commentary:</b> This measure shows the percentage of young carers identified as young carers at the point of assessment who then received an intervention.					



Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
% of re-referrals to early help/social care within 12 months of the previous referral	9.4% (154/1,641)	15%	10% (175/1,759)	Target Achieved	Stable
Percentage of children in care aged under 16, who have been continuously in care for at least 2.5 years, who have lived in the same placement for at least 2 years.	75% (52/69)	80%	78%	Target marginally missed	Stable
<b>Service Commentary:</b> These figures are also still provisional whilst the validation is completed for the statutory returns due in to DfE at the end of June and so may be subject to change. The most recent published national rates for this figure is 67% and therefore performance is good overall and higher than comparator authorities.					
Percentage of children in care with three or more placement moves	11% (18/166)	Less than 10%	10% (18/175)	Target marginally missed	Stable
<b>Service Commentary:</b> These figures are also still provisional whilst the validation is completed for the statutory returns due in to DfE at the end of June and so may be subject to change. The most recent published national rates for this figure is 11% and therefore performance is in line with comparator authorities.					
% of 2 year olds meeting the criteria taking up a targeted 2 year old place	68% (425/626)	70%	74.8%	Target Achieved	Stable
% of primary pupils achieving Level 4+ in Reading, Writing and Mathematics at KS2	New Indicator	Above the national rates	58%	Context	N/A
% Westminster's pupils who achieved Attainment 8 and Progress 8	New Indicator	Attainment 8: 5.5 Progress 8: 0.4	Attainment 8: 54.5 Progress 8: 0.32	Context	N/A
30 Primary School places by September 2016 (Christchurch CE Primary School)	New indicator	30	30	Target Achieved	N/A
% of Phase 2 troubled families turned around	New Indicator	17% (385 families)	104% (304/293)	Target Exceeded	N/A

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### 3.3 Corporate Services Performance

#### Significant achievements at the end of 2016/17:

##### Implementation of New Digital Platforms

All WCC users were migrated to Office365 using in house solutions and new policy, training and capabilities were developed and deployed by the Information Services team. The launch was led by a new Intranet in April 2016, followed by new platforms to enable agile working. In Quarter 4, the team also established new mobile CMC applications, along with the procurement of the Council's new digital platform, Microsoft Dynamics.

##### Outcomes achieved

The new platforms have led to the establishment of new collaboration and mobile working capabilities to support organisational priorities and ways of working. This will enable the City Hall decant phase and allow for the reduced desk ratio in decant locations. The Microsoft Dynamics platform is expected to bring benefits to both customers and services within the next financial year.

##### City Hall Refurbishment

Corporate Services have provided support across key elements of the City Hall refurbishment project, from the procurement of contractors, the aforementioned launch of agile working, the creation of a Change Advocate network, the establishment of new IT in decant suites and decommissioning legacy datacentres.

##### Outcomes achieved

Contracts are now in place to refurbish City Hall and the early movement of staff to Portland House and 5 Strand has been a success. These locations have now been connected seamlessly into the corporate network and legacy datacenters have been shut down.

##### Launch of People Plan

Westminster City Council's People Plan aims to create a world class workforce to deliver a world class Westminster.

The 6 strands to our people plan are: Employer of Choice, Effective Leaders, Supporting and Developing our People, Engaged and Empowered Employees, Agile Workforce, Health & Wellbeing

##### Outcomes achieved

- People Plan approved by Cabinet with associated 3 year programme of initiatives
- Awarded the first two accredited levels of the London Healthy Workplace Charter
- Delivered 90% of the Working the Westminster Way programme to all employees
- Delivered a successful pilot of 360 degree feedback for our senior leaders

#### Significant challenges at the end of 2016/17:

##### Major Failure of ICT Systems

WCC continues to be at risk from failure of ICT system disruptions.

##### Impacts and consequences

Inability to deliver statutory and non-statutory Council services resulting in significant operational, financial and reputational damage as well as harm or inconvenience to Council service users.

##### Mitigation and progress

Legacy server infrastructure has now been decommissioned, ahead of the completion of the City Hall decant by May 2017. A review of Systems Health has also been completed with the Business Continuity team. The team also conducted a health check of the Council IT security controls, with a submission made to Public Services Network (PSN) for compliance certification.

##### Accidental or Malicious Loss of Council Data

Risk of virus/hacking from external sources remains high, in line with the external threat profile.



**Impacts and consequences**

Data breaches could result in harm to Council customers. Significant reputational damage may occur resulting in loss of trust in the Council. Fines from the regulator (ICO) may be incurred.

**Mitigation and progress**

Information Governance processes including staff training and policy awareness and data breach handling has been strengthened by new Bi-Borough team. The reporting of incidents improved and NetConsent has now been rolled out across all Westminster users. Significant progress has been made but more work is needed on user training and engagement needed in 2017/18

**Failure to Complete the Managed Services Programme (MSP)**

Underperformance of MSP continues to affect availability of meaningful services metrics /insights

**Impacts and consequences**

Increased costs to the Councils, statutory and other external deadlines are missed, operational impacts to the organisation and potentially its suppliers, customers and employees.

**Mitigation and progress**

Operational governance of the current recovery plan is essential and satisfactory completion of activities will be confirmed through regular HR and Finance Business Change meetings. There will be regular reporting to Audit and Pensions Committees with additional resources recruited by BT and to deliver support in key areas. Key base references have been delivered for year end and a process has been agreed with BT to review the remaining services that are not currently 100% delivered to determine what additional work is required to get to a service which is "Good Enough" by the end of September 2017. Re-procurement activity has started with a view to having an alternative supplier by March 2019 at the latest

Other notable areas of achievement at year end:

- ✓ 91 apprenticeships delivered by year end, 55 internal placements and 36 with external partners. The Apprenticeship Levy will enable us to identify future skill gaps across the council.
- ✓ Completion of 83 procurement exercises in 2016/17
- ✓ Undertook a review of Westminster's external recruitment site and its employer branding to support and improve recruitment and retention of employees by improving Westminster's Employee Value Proposition
- ✓ Completed End User Computing upgrade (Windows 7 and new hardware) and implemented the Office365 collaboration platform providing new flexible working solutions for staff ahead of the City Hall decant
- ✓ Secured Public Services Network compliance for Westminster City Council, to preserve access to critical Government services, without overly compromising flexibility and collaboration capability
- ✓ Completed reorganisation of ICT into a new shared service between RBKC and WCC
- ✓ Delivered significant cash savings in Legal Services through the merging of our staffing structure, co-location in one building and bringing externalised legal work in-house
- ✓ Successfully recruited permanent legal staff to reduce dependence on temporary staff and developed new standardised financial reports for Legal service clients
- ✓ Legal Services achieved high levels of client satisfaction. Of the 24 forms returned, 18 scored the service provided as excellent, 5 as good and 1 as satisfactory.
- ✓ Working with BT, completed 212 of the 323 outstanding work packages identified in August as part of the recovery plan for Managed Services.
- ✓ Completed the roll out of Westminster Way. So far, 586 employees (Bands 4 to 7) have completed Leading the Westminster Way and 1105 (Bands 1 to 3) completed Working the Westminster Way.
- ✓ We have created the internal capability to continue to deliver the Westminster Way programme for new entrants and promotees

Other service pressures and challenges identified at year end:

- ✗ WCC continues to be at risk from failure of remaining legacy datacentre services although these are now massively reduced going into 2017/18.
- ✗ The lack of availability of People Metrics has impacted reporting for use on policy development and workforce planning.
- ✗ The announcement of the end of the Tri-borough arrangement will potentially impact all of the service lines within Corporate Services by creating unplanned demands, requiring additional unbudgeted resource.
- ✗ There is a potential risk of insufficient HR resources within the existing BAU headcount, to support the size and impact of the change

Key Performance Indicators

Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated





Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>People Services</b>					
<b>Offer 'supported employment' places (for people with learning disabilities)</b>	New Indicator	30	25	Target Not Achieved	New Indicator
<b>Service Commentary:</b> During the early part of the year, the number of supported employment places secured did not meet our expectations therefore in Q4 we increased our effort in this area to increase the numbers of placements. We are working closely with the Economy and Employment team to ensure all of the work in this area is joined up and links to apprenticeships and supported employment are maximised. A presentation to CLT was given in April to encourage senior engagement and sponsorship of the programme and this was well received.					
<b>Total 12 month rolling cost of agency contractors (£m)</b>	£14.25m	£12.0m	£14.08m	Target Not Achieved	Improving
<b>Service Commentary:</b> Year end 12 month rolling spend on TACs was £14,080,292. Spend peaked in Q3, but has reduced by £1.38m at year end, this reduction was enabled by 2 things: overall there has been a 10% reduction in TACs to 236 at year end and there has been a big focus on resolving long term TACs. As a result just under a quarter of TACs engaged have tenure of 12 months or more at year end. This has been reduced from over half of the overall TACs in September being 12 months or more in tenure.					
<b>Number of new apprenticeships (internal and external)</b>	103	110	91	Target Not Achieved	Stable
<b>Service Commentary:</b> At year end, there were 91 apprenticeships in place (including 12 placements that are currently being recruited to). 55 of these are internal and 36 are external placements (with contractors). The number of external placements has been lower than expected. This is in part due to contractors reviewing their commitments nationally, ahead of the launch of the Apprenticeship Levy. At least two teams within WCC (Libraries and Public Health) will be recruiting apprenticeships shortly. The People Services team are focusing on creating a new model on apprenticeships to maximise the opportunity given by the levy.					
<b>Reduce staff turnover</b>	-	12%	16%	Target Not Achieved	Stable
<b>Service Commentary:</b> Between April 2016 and March 2017 there were 302 leavers (excluding redundancies), giving an annual turnover of circa 16%. This is in line with the median turnover % for all London Boroughs. Our recently approved People Plan has a number of activities designed to increase employee engagement and create career paths for people within the Council. This will over the next 3 years help to keep turnover at competitive levels. It is worth noting that only 2 boroughs in London have a turnover rate of 12% or lower.					
<b>Total number of agency contractors (per month)</b>	278	180	236	Target Not Achieved	Improving
<b>Service Commentary:</b> Overall there has been a 10% reduction in TACs to 236 at year end. During Q4 a number of TACs were identified as being procured through a non-standard route so recorded TAC numbers increased. As a result of the pending reorganisation of Tri borough services, the number of TACs is likely to increase (including those over 12 months) in the short term until decisions are made regarding future structures and our recruitment approach. In 2017/2018 People Services will continue to work with managers to redress the balance of resource type to ensure TACs are used appropriately.					
<b>Procurement Services</b>					
<b>% of contracts awarded that include the benefits of Responsible Procurement</b>	New Indicator	60%	48% (29/60)	Target Not Achieved	N/A
<b>Service Commentary:</b> A target of 60% was set for all contracts however, as many procurements were in train at the point that we started to measure, those existing procurements could not be influenced. Going forward, procurement Services are expecting 100% of contracts to include Social Value outcomes					
<b>Information Services</b>					
<b>Freedom of information compliance</b>	89%	90%	84%	Target Not Achieved	Improving
<b>Service Commentary:</b> Performance has been relatively stable during 2016/17 but still not met targets due to issues within the departments. Typically late responses are due to staff absences, workload pressures or issues with contractors. Specific challenges in Q2 with Children's Services performance (53%) were addressed and performance for Q4 was only slightly down on 87% average for 2015/16, and within tolerance to avoid Information Commissioners Office (ICO) intervention.					
<b>IT Service resilience (as measured in Priority 1 incidents per month)</b>	New Indicator	2 (per month)	16 (in a one year period)	Target Exceeded	Improving
<b>Service Commentary:</b> There were significant challenges with this measure due to major incidents in Q2 and specifically the SAN outage on 22 August 2016 caused by failure of legacy datacentre platforms. In Q3 there were also a higher number of Priority 1 incidents related to Agresso and Framework i. However, by Q4 resilience had improved significantly, with only 1 major incident in March.					
<b>End user satisfaction with IT service (as measured in helpdesk survey)</b>	91%	79%	93%	Target Exceeded	Improving
<b>People Services</b>					
<b>TACs employed for over 12 months</b>	33%	25%	24%	Target Achieved	Improving
<b>Number of internal apprenticeships</b>	46	50	55	Target Exceeded	Stable
<b>Reduce average number of sickness days per FTE*</b>	-	5.75 days	3 days	N/A	Context
<b>Service Commentary:</b> As reported in Q3, there are concerns about the accuracy of this figure due to the under reporting of sickness absence. People Services will continue to work with managers to emphasise the need for timely and accurate sickness absence reporting.					

### 3.4 City Management and Communities

#### Significant achievements at the end of 2016/17:

#### External Funding Success (Community Safety)

Community Safety have successfully leveraged a range of external funding in order to maintain and improve commissioned services across crime reduction and Prevent.

#### Outputs achieved

- Over £200k funding for Prevent staff, increasing capacity from 3 to 5 staff.
- Over £185k funding secured for Prevent projects, a £40k increase from 2016/17.
- £1.5m over 2 years from the London Crime Prevention Fund for community safety issues
- £500k from DCLG for accommodation based support for victims of violence and abuse,
- Continuation of Home Office Sexual Violence support funding, as well as match funding from the CCG for mental health support linked to the Integrated Gangs Unit (IGU)

#### Outcome achieved

Greater capacity to commission and deliver programmes to meet the needs of communities.

#### Delivered high volume, value for money services

Public Protection and licensing service, is responsible for setting the standards and working closely with partners to deliver a world class city, ensuring all our businesses are compliant.

#### Outputs achieved

- 409 illegal street trading interventions
- 1,039 licensing inspections to premises including bars, nightclubs and massage premises
- 1483 inspections to check compliance with licences for tables and chairs
- Processed 5,770 licensing applications
- 318 engagements and interventions with Street Entertainers
- 2,716 food inspections and 706 accidents investigated

#### Outcome achieved

87% of residents feel satisfied with the way the city is being run, up 3% from last year. 16% increase on last year in the proportion of residents that feel that council is doing enough to ensure local businesses act responsibly.

#### Greener City, Vehicle Idling & the Low Emissions Neighbourhood (LEN)

Following the successful bid for LEN funding, work continues to develop parking-related LEN initiatives alongside other emissions-based charging policies and air quality measures

#### Outputs achieved

- The LEN initiative proposals include the introduction of a diesel surcharge in F zone for pay-to-park tariffs, planned to come into effect from 5 June 2017.
- A city-wide nominal charge for EVs & PHEVs was introduced on 10 April to allow accurate demand data to be captured to support infrastructure expansion.
- Enforcement of vehicle idling by code 63 PCN began in February 2017 at identified 'hot spot' locations and the wider 'Don't be Idle' campaign is being delivered.

#### Outcome achieved

City Management & Communities are coordinating the delivery of Greener City activities across all key service areas through a Greener City Network. The activities form part of the Council's long term Greener City Action Plan strategy and positive progress is being made.



## Significant achievements at the end of 2016/17:

### Active Westminster

2016 has been a successful year for the Active Westminster programme

#### Outputs achieved

- Positive progress with the Moberly/Jubilee Sports Centre project is being made.
- The Council's new sports and leisure contract has been successfully mobilised. £9.5m capital improvements will also be realised through the contract.
- The new PE and school sport programme has successfully engaged 90% of Primary schools and 100% of secondary schools.
- Forest school programme – The number of day sessions exceeded the yearend target of 2,500 with 5,496 visits in 2016/17
- Neighbourhood Sports Programme delivering 120hrs of free sport and physical activities
- The Vitality Westminster Mile attracted over 5,500 participants in 2016 and a related Daily Mile programme has now been launched to promote physical activity in schools.

#### Outcome achieved

Resident satisfaction with sport facilities has increased to 79% (in 2016) from 77% (in 2015) and participation levels in physical activity remain in the top quartile.

### Better Working in our Neighbourhoods

A key opportunity going forward is linked to the "More effective working in our neighbourhoods". We are working to develop a neighbourhood approach where services are delivered locally and tailored to the needs of the community. Service transformation will deliver improved efficiencies that will ensure more effective coordination and delivery, reductions in expenditure, better skilled workforce, income growth and external funding.

#### Outputs achieved

Approval has been given to support the direction of travel from both EMT and Cabinet and a dedicated team is now in place to drive the delivery of this project. A PID is being finalised and programme board and project governance has now been established.

#### Outcome achieved

This sets in place a process for aligning services in neighbourhoods delivering value for money, one-front-door access and local ownership, leading to improved community engagement and increased compliance. The next phase of the programme will be delivered in early 2018.

### Supporting cohesion within our communities and preventing extremism

Working with the home office and community organisations to stop people becoming terrorists or supporting terrorism.

#### Outputs achieved

- Delivered 45 Workshop Raising Awareness of Prevent sessions to 1300 front line workers
- Over 100 individuals have attended our Prevent Parenting Programme – to address the risks of radicalisation and extremism.
- Launched a pilot programme to engage with young people about the risks and threats they face from both gangs and radicalisation.

### Outcome achieved

- 82% of residents agree that their local area is a place where people from different backgrounds get on well together.

## Significant challenges at the end of 2016/17:

### Emissions-Based Charging

The LEN-related proposal to charge a diesel surcharge for vehicles paying to park in the F zone of Westminster (Marylebone, Hyde Park and Fitzrovia) is new ground for WCC and for a LA in general.

#### Impacts and consequences

The effect of the planned surcharge is currently unknown and it has not been implemented in any UK city before and therefore it is difficult to predict the likely effect on demand and reduction in diesel vehicles.

#### Mitigation and progress

The service will closely analyse the effects on demand and a quarterly review process has been built into the proposal.

### Parking Places (Variation of Charges) Bill

A Private Member's Bill is making its way through Parliament which is expected to introduce compulsory procedures that all local authorities must follow when making tariff and parking charge changes.

#### Impacts and consequences

Any future tariff changes and any other traffic order-dependent parking charges may require full consultation prior to implementation.

#### Mitigation and progress

This will become a statutory obligation so any mitigation is limited, but any proposed charging increases will continue to need to be fully justifiable and based on the current fair parking policy.

### Concerns regarding Police Reforms and the proposed Borough Command Unit merger

We are opposed to proposed BCU merger with Kensington and Chelsea and Hammersmith and Fulham. This is set against a backdrop of increasing crime in key areas such as gun and knife crime across London, including Westminster.

#### Impacts and consequences

Westminster's unique crime profile, particularly around the West End, requires its own dedicated local command structure. There is a significant risk that the resources available to keep non-West End neighbourhoods safe would be diluted as a result. A strong effective partnership will be required to reduce the levels of gun and knife crime, through tackling the root causes.

#### Mitigation and progress





Significant lobbying has taken place at all levels, including a letter, signed by the Leader of the Council, Cllr Glanz and Cllr Cox, outlining our concerns through our response to the consultation and discussed in subsequent meetings with the Deputy Mayor. We are also supporting MOPAC to seek an uplift in National and International Capital Cities Grant.

Significant challenges at the end of 2016/17:

**On street anti-social behaviour in hotspots across the city**

A partnership plan has been set up to tackle the on-going issues of anti-social and criminal behaviour on Westminster's streets. This will focus on hotspot areas across the city such as, Charing Cross underpass, Strand area, the Piazza and Victoria Street.

**Impacts and consequences**

Issues include begging and vagrancy, drug related nuisance, street drinking, environmental damage including littering and dumping of rubbish, sleeping in tents or encampments, intimidation/public order offences, carrying weapons and street urination/defecation.

**Mitigation and progress**

A joint task and finish group has been established between the council and the Met Police to establish and monitor the effectiveness of the initial actions to tackle this problem.

Other notable areas of achievement at year end:

- ✓ Joint work across WCC, hostels and police to alleviate local problems, by agreeing approaches and successfully lobbying re: Spice drug categorization
- ✓ Successful prosecutions against non-compliant landlords and property agents, predominantly involving the offence of failure to license Houses in Multiple Occupation.
- ✓ Reduced levels of domestic abuse - supported over 375 survivors of domestic abuse with 93% reporting reduced levels of abuse
- ✓ Supported over 10,000 older residents to help them stay in their own homes for longer
- ✓ New financial support for local talented athletes
- ✓ Improved opportunities to promote local employment including new apprenticeships
- ✓ 240+ new volunteers engaged in activities within Outdoor Learning & Sports and Leisure
- ✓ Zipcar launched an electric vehicle fleet with charging points installed at 42 sites.
- ✓ Operation Unite has helped to reduce violent crime in the borough.
  - a. 70% reduction in the number of foreign nationals sleeping rough on Streets
  - b. 18% increase in arrests for aggressive begging
  - c. 23% reduction in crime reports for theft
  - d. Almost total reduction in Illegal Street Gambling
- ✓ reate Church St programme presented first two funding awards to Showroom Gallery & Marylebone Bangladesh Society to increase employability skills and reduce isolation.
- ✓ he use of automated cameras to manage the enforcement of MTC's has led to significant efficiencies in the operation.

Other service pressures and challenges identified at year end:

- ✗ The behaviour of some street performers continues to cause concern for stakeholders and residents across the City.
- ✗ The growth of the Night time economy and the impact of the night tube
- ✗ Extremism – a new government strategy, a different role for local government and less direct funding
- ✗ Increasing visitor numbers to the City as a result of Crossrail / other developments.
- ✗ A significant funding gap exists in the Community Safety budget from 2018/19 as a result of the new funding formula for the London Crime Prevention Fund. We are working with to mitigate this through accessing the MOPAC co-commissioning fund and are also exploring all possible funding streams.
- ✗ Parking revenues, particularly suspension revenues could be pressured by reduction in market demand.
- ✗ Slight decline in satisfaction levels for waste collection and street cleansing can not be directly defined, service levels and resources were unchanged and there was no increase in complaint levels. Independent surveys by the Tidy Britain Group also confirmed the continued decline in actual litter levels. The impact of short-term letting, fly-tipping around street bins, anti-social behaviour (fouling etc.) and rough sleeping detritus are all likely to have impacted on perceptions of cleanliness

## Key Performance Indicators

\*Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>Highways</b>					
% planned maintenance and public realm improvement schemes on agreed programme delivered	All schemes delivered where possible.	100%	100%	Target Achieved	Stable
<b>Public Protection and Licensing</b>					
% of licensed applications issued within agreed timescales	21%	70%	70%	Target Achieved	Improving
<b>Community Services</b>					
Number of new sports apprentices engaged	11	10	4	Target Not Achieved	Stable
<b>Service Commentary:</b> A new Workforce Development Group has been set up to drive apprenticeship placements forward, working closely with Everyone Active and their own social value commitments. A further 8 apprentices are being recruited in June 2017 and the full year target for 17/18 will be achieved.					
<b>Parking Services</b>					
Maintain levels of overall customer satisfaction with the Parking Service	87.8%	88%	88%	Target Achieved	Stable
<b>Waste and Parks</b>					
% growth in household waste	N/A	2%	2%	Target Achieved	Stable
% household waste recycled	19%	20%	20%		
% commercial waste recycled	14%	16%	17%		
% waste sent to landfill	2%	2%	2%		
% of on-line reports for waste, recycling and street cleansing related issues.	24%	50%	61%	Target Exceeded	Stable
Number of Green Flag awards	23	23	23	Target Achieved	Stable
<b>Public Protection and Licensing</b>					
% of licensed applications processed within 2 days of receipt	76%	80%	84.89%	Target Exceeded	Stable
% of premises that do not require a revisit following an inspection	69%	75%	82%	Target Exceeded	Stable
<b>Parking Services</b>					
% of vehicles that park in compliance with parking rules	98.8%	99%	98.8%	Target Achieved	Stable
% increase in charge points of the electric vehicle network	10%	10%	70%	Target Exceeded	Stable
<b>Service Commentary:</b> 39 new sites delivered					
<b>Community Services</b>					
Number of visits to the Council's sports and leisure facilities	3,823,440	3,600,000	3,650,859	Target Achieved	Stable
Number of volunteers engaged in the sports and leisure programmes	174	150	495	Target Exceeded	Improving



City of Westminster

## 3.5 Growth, Planning and Housing Performance

### Significant achievements at the end of 2016/17:

#### Supporting People into Work

A new Westminster Employment Service has been established – a City for All priority-bringing under one roof disparate initiatives. Enhancing our offer for unemployed residents and local employers looking to recruit locally.

#### Outputs achieved

In designing our Service, we have listened to over 100 front line advisors, 40 separate partners, employers and clients through customer journey analysis and design workshops. Our approach was commended by Scrutiny Committee and approved by the Cabinet Member in January 2017 and we have recently been put forward for a prestigious industry Innovation award.

#### Outcome achieved

Outcomes for long term unemployed into work via our services have increased by over 100% compared with 2015/16; we have agreed a new home for the Service at a new £7M adult employability centre, the first of its kind in London and new services prototyped include an Advisor Academy to support the professional development of front line staff, a new customer relationship management system, website and triage offer.

#### University Technical College

Sir Simon Milton University Technical College Westminster

#### Outputs achieved

The main construction work of the UTC structure is now completed, which was celebrated with a Topping Out Ceremony led by the Leader of the Council in April 2017. Construction has now moved to the fit out stage, in advance of opening this new academic year in September 2017. The student recruitment programme has proved a very popular.

#### Outcome achieved

This new learning facility will educate the next generation of professional engineers, technicians and innovators, providing initially 225 new school places from September 2017.

#### Successful first phase decant of City Hall.

On track to remove all 1,100 staff based at City Hall out of the building into temporary accommodation between March and May 2017. Over 200 staff so far moved to the Strand and over 400 to Portland House with the remaining moves planned for end April and May.

#### Outputs achieved

- 202 staff moved to 5 Strand - Corporate Services, Adults & Public Health & Children's
- 406 staff moved to Portland House – CMC & GPH (excluding Planning).
- Moves remaining:- 335 staff to 5 Strand – (28 Apr to 26 May)
- 159 to Portland House – 12 May.

#### Outcome achieved



- The moves are a major strategic exercise involving careful planning, consultation and collaboration with services and staff. The first phase has been successfully achieved with the minimum of disruption to services.

### Significant challenges at the end of 2016/17:

#### Capital Projects

The scale of projects managed by the Major Projects team and the sensitive nature of some projects provides a degree of uncertainty around timings of deliverables.

#### Impacts and consequences

Slippage could detrimentally affect the revenue cost of borrowing.

#### Mitigation and progress

A review of our resources and Governance arrangements has been undertaken to ensure we have the right skills and capacity to deliver our projects. A restructure of the Major Projects team is underway which will provide a more coherent approach to project development and delivery. The Directorate is working closely with Finance to facilitate accurate forecasting of draw down against capital and more regular reporting.

#### Affordable housing in Westminster

Insufficient affordable private sector housing in Westminster

#### Impacts and consequences

Supply of private sector housing affordable to households on low incomes does not meet demand from the Council's statutory requirements (whether for Temporary Accommodation (TA), homeless prevention or to deliver discharge of duty).The increasing costs of the local housing market, loss of and reduced margins in surplus-making TA properties, reducing income levels from the government set TA subsidy regime and the potential impact of the new Homeless Reduction Bill leads to continuing high levels of homelessness and increased expenditure on TA.

#### Mitigation and progress

Restructuring the Housing Options Service, implementing a new policy framework to support discharge of housing duty, sourcing additional properties through established contractors, continuing with schemes to purchase properties for TA, improved financial management information to identify changes in spend profile quickly, identifying new sources of affordable housing and making best use of vacant properties within WCC. In addition, changes within the way TA is funded through the removal of the management fee payable through Housing Benefit and its replacement by a block grant may lead to some opportunities to be identified through in-depth scrutiny of TA financial management information through period monitoring.

Other notable areas of achievement at year end:

Other service pressures and challenges identified at year end:

- ✘ KPI: Rough sleeper numbers (those whom Westminster has a duty to assist) to be reduced and maintained below 90. At the March 2017 Westminster Street Count, 145 rough sleepers (as defined above) were found; an increase of 29 on the previous count in November 2016. We are concerned about the numbers of new rough sleepers coming to the street, with an increase of 79 per cent compared to the previous count. A large proportion of these have come from outside of the borough. Despite the increase in new rough sleepers, we ensured that just 17 of the new people spent an extended period on the street, with the vast majority not spending a second night out.
- ✘ Police operations around the piazza as well as Operation Kaskara (Met Police targeting ASB around the Strand) are having an impact.
- ✘ Fencing has been erected at the Adelphi building, preventing up to 18 individuals from sleeping there (a large hotspot on the March count).
- ✘ Operation Kaskara has led to several dealers being arrested and not being able to return to the Charing Cross area, reducing the draw of the drug Spice.

- ✓ Affordable Housing Supply: 263 affordable homes delivered in 2016-17. The Council has exceeded its City for All target of 479 new affordable homes to be delivered during the 2 year period 2015/2016 and 2016/2017. The actual outturn for this period was 532 new affordable homes delivered. This new affordable housing supply has been delivered from a combination of sources including new build homes delivered on s106 sites and directly by Registered Providers and also through the purchase of market housing units that have been converted to affordable housing use. Some of the new affordable schemes delivered during this period include:
  - The former Middlesex Hospital Site provided by Exemplar and delivering a mix of 54 social and intermediate affordable homes to Octavia Housing
  - Trenchard House, providing 65 intermediate homes through Barratt Homes and Dolphin Square in the middle of Soho
  - 232- 242 Vauxhall Bridge Road providing 25 social and intermediate homes built by the Peabody Trust
  - Clelland House, John Islip Street built by Berkeley Homes that includes a mixture of 67 social and intermediate homes managed by Dolphin Square
  - 64 open market purchases secured by the Council and its housing association partners and converted to affordable housing use

Planning Application Performance:

- 70% minor applications determined within 8 weeks against a target of 70% (up from 63% performance in 2015/16)
- 75% of other applications determined within 8 weeks against a target of 70% (and up from 67% performance in 2015/16).
- 65% of planning appeals determined in favour of Westminster City Council (above target of 60%)
- ✓ Against a backdrop of increased volumes, and despite disruption during the process of digitalising services, these outturns represent excellent performance. As reported in Quarter 3, DCLG had written to the Council, about its performance in determining non-major applications and there was a risk of the Council being designated as underperforming. Improving performance throughout 2016-17 demonstrated to DCLG that no such action was necessary.
- ✓ Property Acquisition Programme – 50 in Borough and 100 out of Borough Units secured (target achieved) This provides much needed temporary accommodation for homeless households and a long-term revenue stream for the Council.
- ✓ Westminster Business Unit - In its first year, the unit handled a total of 306 business enquiries (target of 300). A resolution rate of 95% has been achieved. A number of more complex enquiries/issues are ongoing. The most common enquiry type was Business Advice/Support, with Licensing and Business Rates coming second and third respectively. 90 businesses were engaged in the first year of the City for All Business Engagement Programme, exceeding the annual target of 75.

Key Performance Indicators

Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
Housing Services					



Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>Rough sleeper numbers to be reduced and maintained below 90.</b>	86	Less than 90	<b>145 (Mar Count)</b>	<b>Target Not Achieved</b>	Deteriorating
<b>Service Commentary:</b> Based on a single count in March 2017. Although we have concerns over the number of new rough sleepers attracted to Westminster's streets (and are tackling this through a range of measures – [see above] , this figure is not considered representative of the current position, with the follow-up count at the end of April finding 104 rough sleepers to whom Westminster has a duty.					
<b>Council tenant satisfaction with services provided by landlord</b>	89%	86%	<b>85%*</b>	<b>Target marginally missed</b>	Reducing
<b>Service Commentary:</b> Changing from a mainly postal methodology to email/phone was expected to result in a dip in satisfaction. Use of a range of methods of measurement is being considered.					
<b>Property and Estates</b>					
<b>Percentage of void properties in the Councils investment portfolio</b>	3.3%	Less than 4.0%	<b>5.25% (19/362)</b>	<b>Target Not Achieved</b>	Deteriorating
<b>Service Commentary:</b> At the end of the financial year 19 units out of 362 were vacant. However, 4 were of these were under offer (which once completed will bring the figure down to 4.1%) and a further 4 were being marketed. These voids represent just 1.92% by ERV.					
<b>Housing Services</b>					
<b>No families is in bed and breakfast for more than 6 weeks</b>	0	0	<b>0</b>	<b>Target Achieved</b>	Stable
<b>Acquisition programme to achieve 50 in borough &amp; 100 out of borough units</b>	88	50/100	<b>50/100</b>	<b>Target Achieved</b>	Improving
<b>No. households in Temporary Accommodation</b>	2,423	N/A	<b>2,503</b>	No target	Increasing
<b>Rough sleeper numbers (those whom Westminster does not have a duty to assist).</b>	214	Monitoring Indicator	<b>88</b>	No target	Reducing
<b>Service Commentary:</b> There were also at total of 86 rough sleepers who were either unidentified or where nationality was unknown. Nevertheless, this represents a sustained reduction.					
<b>No. homeless applications</b>	954	Monitoring Indicator	<b>878</b>	No target	Reducing
<b>No. homeless acceptances</b>	511		<b>496</b>		
<b>Deliver Affordable Homes programme of 479 homes April 2015 to Mar 2017</b>	269	479 (over 2 years)	<b>532 (2016-18)</b>	<b>Target Achieved</b>	Stable
<b>Development Planning</b>					
<b>% of 'Major' planning applications determined within 13 weeks</b>	72% (23 of 32)	50%	<b>65% (13/20)</b>	<b>Target Achieved</b>	Deteriorating
<b>Percentage of 'Minor' planning applications determined within 8 weeks</b>	63% (1,789 of 2,841)	70%	<b>70% (2,247,3,211)</b>	<b>Target Achieved</b>	Improving
<b>Percentage of other applications determined within 8 weeks</b>	68% (2,801 of 4,120)	70%	<b>75% (3,251/4,335)</b>	<b>Target Achieved</b>	Improving
<b>Percentage of planning appeals determined in favour of Westminster City Council.</b>	76% (159)	60%	<b>65% (216/334)</b>	<b>Target Achieved</b>	Deteriorating
<b>No. of reports of unauthorised development</b>	2,575	N/A	<b>2,664</b>	No target	Decreasing
<b>Total number of planning applications received and determined by the Council YTD.</b>	11,888 Received 9,977 determined	N/A	<b>12,127 received 10,853 determined</b>	No target	Increasing
<b>Economy</b>					
<b>No. of additional external apprenticeships offered by the private sector through Council support by the end of March 2017</b>	New Indicator	100	<b>Supported over 100 opportunities for apprentices</b>	<b>Target Achieved</b>	N/A
<b>Service Commentary:</b> Final outturn being audited					
<b>No. of long term unemployed residents supported into job-starts and sustained employment of 13 weeks or 26 weeks</b>	190	227	<b>442</b>	<b>Target Achieved</b>	Improving
<b>Service Commentary:</b> Outturn is long term unemployed residents into employment in 16/17. Y/End data awaited for some projects.					
<b>No of businesses engaged in the 1st year of the Business Engagement Programme</b>	New Indicator	75	<b>90</b>	<b>Target Achieved</b>	Improving
<b>No. of young people engaged through Westminster Enterprise Week 2016.</b>	963	1,000	<b>2,879</b>	<b>Target Achieved</b>	Improving

### 3.6 City Treasurers Performance

#### Significant achievements at the end of 2016/17:

##### **Council's statement of accounts for 2017**

In 2017 the Council's statement of accounts was delivered in a record 6 days after year end, 3 days quicker than 2016, the fastest Local Authority and better than 95% of the FTSE 100.

##### **Outputs achieved**



- Resource is freed up to focus on the budget and medium term planning earlier in the year.
- Team can turn its attention to in year issues and planned improvement earlier
- National recognition as one of the leading local government Finance teams in the UK.
- The early programme builds in capacity to address emerging issues in a timely manner

**Outcome achieved**

Timely submission and publication of the accounts is very important to demonstrate the Council's commitment to public accountability and to maintain its reputation as an efficient and high-performing local authority. It sets a standard of quality, aspiration and timeliness which is then applied to other financial work. Council compliance with statutory requirements, budget management and excellent financial practice.

**Medium Term Savings Plan**

The net savings proposals put forward amount to £35.446m. This is an increase of £1.000m due to a shortfall against estimates for the New Homes Bonus funding of £1.000m.

**Outputs achieved**

The budget target for net savings has been achieved.

**Outcome achieved**

In delivering robust proposals to address the anticipated budget reductions and cost pressures for 17/18, the department has taken a lead role in supporting the sustainability of services and providing a platform on which the authority's City for All plan can be delivered.

**Financing proposal for the West End Project (WEP)**

The development of an innovative financing proposal for WEP which includes contributions from central government, private sector, TFL and BIDS.

**Outputs achieved**

A "Case for the West End" funding plan was submitted by the WEP to the government during 16/17 and was widely supported by partners in the West End. One of the options put forward the City Council retained 6.5% rather than 4% of the £1.8 billion Business Rates collected, this would provide over £400m of new public funding over 15 years. This would be invested in infrastructure improvements and encourage inward investment which, from initial estimates could create £12.3 billion in additional economic output and generate at least £2.5 billion in additional tax, as well as over 100,000 new jobs and productivity gains in the UK economy.

**Outcome achieved**

All key stakeholders have come together in the WEP to design, implement and fund a £1 billion (real terms) strategic investment programme for the West End over the next 15 years. The investment programme comprises a number of projects to transform the West End's infrastructure, competitiveness and productivity.

**Significant challenges at the end of 2016/17:**

**Reductions in government funding will restrict revenue spending**

Following the offer of a four year funding allocation in the 2016/17 Local Government Finance Settlement (LGFS), the Council opted to accept this offer in order to gain some level of certainty on future funding and assist in service planning and collaboration with partner organisations.

**Impacts and consequences**

This gave the Council a Settlement Funding Assessment (SFA) reducing from £140.57m in 2016/17 down to £119.86m in 2019/20. This will restrict the City Council's revenue spending and impact on the sustainability of services but provide a greater degree of certainty.

By accepting the four years settlement, we are guaranteed not be worst off.

**Mitigation and progress**

The department is collaborating with strategic leaders to understand the potential challenges and identify savings where possible.

**Significant capital programme across the General Fund and the Housing Revenue Account**

The programme is set in detail over a five year period from 2017/18 to 2021/22 at a gross budget of £1.935bn (including the HRA) and is fully funded through the use of external funding, capital receipts and borrowing. Capital investment is targeted to deliver the aims of City for All, delivering affordable homes, improved facilities and well-maintained infrastructure and public realm.

**Impacts and consequences**

There is a risk of unexpected variances to the capital programme in terms of timescales or financial values. Overspends or reductions in funding are possible without strong financial management. Conversely projects slipping in delivery dates can cause adverse financial impacts plus the opportunity cost of not investing in other schemes during the overrun period.

**Mitigation and progress**

Any increase or reduction income will need to be managed by the service areas and either contained within the project or funded from elsewhere within the relevant service. A robust overview of the capital programme will be maintained, ensuring sufficient scrutiny of assumptions where necessary.

**Business Rate localisation arrangements**

The Council has found itself with consistently and substantially lower NNDR yields than required to meet its DCLG-assumed Baseline Funding levels.

**Impacts and consequences**

This has meant that in each year since the introduction of localised business rates, the Council has been underfunded by the maximum 7.5% of Baseline Funding before the NNDR Safety Net applies. Until the system for dealing with valuation errors is corrected, it is expected to remain in this safety net position – for 2017/18, this shortfall in funding is calculated to be £6.33m. The total losses borne by the Council since the start of the localised Business Rates retention scheme, and not protected by the Safety Net threshold, will have totalled £30.64m by 2017/18.

**Mitigation and progress**

Council officers are working with local government bodies to engage with Central Government. The group is working to highlight problems with Business Rate localisation arrangements and to propose viable solutions ahead of the full planned national localisation of Business Rates in 2020.

Other notable areas of achievement at year end:



- ✓ Supporting the Council in delivering the highest quality services whilst ensuring value-for-money for residents and service users through delivery of £2.2m of recurring full-year savings;
- ✓ Implemented a team-wide coaching pilot and other training sessions to embed a coaching culture
- ✓ Received recognition through a number of awards including Highly Commended in the MJ awards, team of the year and additional commendations in the Westminster way awards, selected as a finalist in the public sector finance innovation awards based on the strength of the training and development initiatives
- ✓ Leading on financial modelling on STP for NW London. This area of local government finance has featured heavily in the news recently and represents a significant challenge in how the NHS and local authorities work together to address the pressures in social care and health funding.
- ✓ Training sessions rolled out to over 250 budget managers across the business in the first half of the year, which were very well received
- ✓ Provided relevant financial advisory and major project financial management services to support the development and delivery of the 5 year, £2bn capital programme
- ✓ Council Tax & NNDR collection was on a par with previous highest ever collection rates

Other service pressures and challenges identified at year end:

- ✗ Maximising the benefits and operation of the Managed Service
- ✗ Resolution of "future of Tri-borough" extensions or other changes
- ✗ Managing the scale and pace of change
- ✗ Taking through the budget reductions which will be received from government
- ✗ Dealing with the financial implications of the demand and other pressures that impact on the Medium Term Planning
- ✗ Over receipting of income led to there being a significant positive variance to budget

### Key Performance Indicators

Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>City Treasurers</b>					
Variance between budget and full year forecast	Underspend of less than £1m	Underspend of less than £1m	Underspend of £17.2m	Target Exceeded	Stable
Total savings achieved, on track to be achieved or equivalents identified for 2016/17	100%	100%	100%	Target Achieved	Stable
Total trade debtors (aged >12 months gross)	<£5m	<£5m	£1.44m	Target Achieved	Stable
Projected general fund reserves to date	£41.6m	£41.6m	£48.8m	Target Exceeded	Stable
Projected percentage of Council Tax collected	96.30%	96.50%	96.4%	Target Achieved	Stable
Projected percentage of business rates collected	98.40%	98.40%	98.4%	Target Achieved	Stable
Rate of return on investment	New	0.61%	0.62%	Target Achieved	N/A
% of capital projects >£10m with approved business case	New	100%	100%	Target Achieved	N/A
% of payments made via Purchase Order	New	70%	89.2%	Target Exceeded	N/A

### 3.7 Policy, Performance and Communications Performance

Significant achievements at the end of 2016/17:





**Launch of City for All 2017/18**

PPC held the successful Leader's Breakfast event in March 2017 which saw the Leader launch 'City for All' 2017/18 to Westminster's key stakeholders.

**Outputs achieved**

The 'City for All' Task Group was brought together from across the whole of PPC and with colleagues from CLT and other parts of the organisation to co-ordinate the narrative and launch of the Council's update to 'City for All'. Five brand new programmes were announced to enable the Council to deliver our priorities; Civic Leadership, Building Homes and Celebrating Neighbourhoods, Greener City, World Class Westminster and Smart Council

**Outcome achieved**

The task group devised twenty five commitments to ensure that there is opportunity and fairness across the city, with civic leadership at the heart of what we do. Delivering on these commitments will set the standards for a world class city.

**Brexit**

The Article 50 notification for the United Kingdom to leave the EU was delivered to the President of the European Council in March. The UK will cease to become a member of the EU by April 2019, unless negotiations between the UK and EU are formally extended.

**Impacts and consequences**

Major organisations have recently announced the creation of subsidy offices based at various European locations. Examples include Lloyds of London opening offices in Brussels and many banks looking at Dublin or Frankfurt. Uncertainties from the leaving process and unknown impact have led to a surge in demand in professional and legal services.

**Mitigation and progress**

Officers will continue monitoring the economic health of Westminster and lobby government to ensure that during negotiations the areas important to Westminster's industries are heard.

**Highlighting the Impact of the drug Spice**

A successful media and lobbying campaign raised the profile of the dangers of the drug Spice.

**Outputs achieved**

PPC successfully highlighted the impact of Spice on vulnerable people in Westminster. The campaign featured on BBC News, ITV News, The Sun and the Evening Standard between October and December and was coupled with lobbying of the Home Affairs Select Committee

**Outcome achieved**

Our work resulted in the re-classification of Spice to Class B in January. The re-classification will give the police more powers to protect those vulnerable to the drug

**Ending of Tri-Borough Arrangements**

Westminster City Council and the Royal Borough of Kensington and Chelsea issued notice to Hammersmith and Fulham of their formal intention to leave the Tri-borough relationship

**Impacts and consequences**

Initially, the proposed withdrawal will affect Adult Social Care, Children Services and Public Health.

**Mitigation and progress**

A programme has been set up to manage the migration and changes in services and the future position of other Tri-borough services (Libraries and Corporate Services) will be monitored.

**Rough Sleeping Strategy and Homelessness Policy**

The City Council is committed to helping rough sleepers and those at the risk of homelessness

**Outputs achieved**

The Policy & Strategy team, in partnership with GPH, helped to secure a total of £1.5m of funding towards projects to support homelessness and rough sleeping from the Department of Communities and Local Government.

**Outcome achieved**

The funding will support the delivery of the Rough Sleeping Strategy 2017-20 and homelessness policy.

**General Election**

The Prime Minister has called for a General Election on 8th June

**Impacts and consequences**

- The General Election will likely disrupt the business of government
- Usual voting patterns may change due to wider implications of result
- Manifestos are likely to be published at the end of April and will be assessed for implications for the council
- Existing communications activity will be reviewed for suitability during the election and may lead to some disruption for the council

**Mitigation and progress**

- PPC will review the manifestos
- Communications will be reviewed during the election period

Other notable areas of achievement at year end:





- ✓ We have rewarded residents that volunteer in their community with time credits to visit London landmarks or access our sports and leisure facilities for free.
- ✓ Westminster holds a privileged position as the stage for the country's biggest events and delivered another successful West End LIVE, attracting half a million people.
- ✓ The council formally adopted a new policy on basement extensions in July 2016 as a revision to the Westminster City Plan. The new controls will protect residents from the disruptive impact of iceberg basements
- ✓ The Special Policy Areas revision took on board the concerns of local business in Saville Row, Harley Street and other distinctive areas of our city, putting in place new planning controls to govern the use of property in these protected areas.
- ✓ Five thousand older residents to take part in activities through Silver Sunday and over a thousand people took to the floor at the 2016 Westminster Tea Dance.
- ✓ Residents hold air quality as their joint top concern. We responded by creating the Marylebone Low Emission Neighbourhood, which will invest £2.1m in the Marylebone LEN
- ✓ A Joint Health & Wellbeing Strategy has been adopted following development by the council, Central and West London Clinical Commissioning Groups, Healthwatch and the voluntary and community sector.
- ✓ Hundreds of people have attended our Open Forum events and over 10,000 people visited our new Open Forum website

Other service pressures and challenges identified at year end:

- ✗ There were significant announcements in the Budget regarding business rate devolution, with reforms to mitigate the impact of the revaluation on small firms. PPC's role will be develop credible propositions that go with the grain of national policy whilst also furthering the interests of the city
- ✗ A decline in satisfaction over the past year in three areas of the City Survey:
  - Fewer residents agree that the Council offers value for money
  - Residents feel less informed about services and benefits
  - A fall in residents that feel informed about plans for their local area
- ✗ The current threat level for international terrorism in the UK is 'severe'. Following the attack on the Westminster Bridge and at the gate of the Houses of Parliament, PPC must continue its role in supporting the response to such emergencies.

Key Performance Indicators

Year-end figures reported in the table below are year-to-date, April 2016 to March 2017, unless indicated

Performance Indicator	2015/16 Performance	2016/17 Target	Year End position	RAG Rating	Direction of Travel
<b>City Survey Results</b>					
Residents agree Council offers value for money	71% (2016)	Improve on last year	66% (2016)	Target Not Achieved	Deteriorating
Residents feel informed about services and benefits	78% (2016)	Improve on last year	71% (2016)	Target Not Achieved	Deteriorating
Residents feel informed about plans for their local area	73% (2016)	Improve on last year	71% (2016)	Target marginally missed	Deteriorating
<b>Service commentary:</b> Although there has been a fall in perceptions of these three measures for 2016 this has been back to a level seen in 2014 and in line with trends in previous years. The observed fall in these three City Survey results have influenced the development of information for the public on what the council is doing. In particular the Open Forum initiative will help improve understanding of the work of the council in local areas and provide more opportunities for local residents to influence decisions."					
Resident satisfaction with the Council	84% (2015)	Improve on last year	87% (2016)	Target Exceeded	Improving
Residents have seen the Westminster Reporter	76% (2016)	Improve on last year	79% (2016)	Target Exceeded	Stable
Residents satisfaction with registering to vote	84% (2016)	Improve on last year	92% (2016)	Target Exceeded	Improving
<b>Customer Service</b>					
Total customer calls answered in 20 seconds by the Council	87.5%	80%	84.57%	Target Exceeded	Deteriorating
Total customer calls answered in 60 seconds by the council (contract agreement)	95.5%	95%	95.56%	Target Achieved	Deteriorating
Number of calls abandoned in less than 20 seconds	New indicator	4%	1.63%	Target Achieved	New
<b>Community Engagement</b>					
Number of attendance Open Forum/City for All face-to-face meetings	New indicator	TBC	330	N/A	N/A
Number of people registered on the Open Forum website	New indicator	TBC	251	N/A	N/A
<b>Children and Young People</b>					
Young Westminster website number of page views	New Indicator -Launched April 2016	4,000 page views within first 3 months	59,090 unique page views	Target Achieved	N/A





City of Westminster

## Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	7 <sup>th</sup> July 2017
<b>Classification:</b>	General Release
<b>Title:</b>	Annual Contract Review 2016/17
<b>Wards Affected:</b>	N/A
<b>Financial Summary:</b>	N/A
<b>Report of:</b>	Chief Procurement Officer
<b>Author:</b>	Marivie Papavassiliou, Interim Procurement Governance Manager

### 1. Executive Summary

1.1 This report forms the Annual Contracts Review for consideration by the Audit and Performance Committee, in accordance with their Terms of Reference, specifically those listed below under Performance Monitoring:

- 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.

1.2 This format of reporting focuses on the [Executive Management Team](#) (EMT). The EMT is made up of eight directors, including the Chief Executive, who are responsible for the overall management of the council, for setting and monitoring overall direction, ensuring high performance and for overall risk and reputation management.

1.3 This report is a summary of contract data taken from capitalEourcing and the recommendations recorded from the action logs of the Procurement Assurance Board (PAB) which are used to inform EMT on a quarterly basis, for Westminster contracts only.

**1.4** The final element of this report highlights a number of areas where Procurement Services are working to support the Council deliver best value, in terms of Professional development of staff, departmental accreditation and the procurement programme to address priorities for 2017/18.

## **2. Recommendations**

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

## **3. Background, including policy context and procurement systems**

**3.1** The Procurement Code sets the mandatory rules on behalf of Westminster City Council in regards to the award, management and monitoring of contracts and is aligned with the Councils overall governance practices. It applies to all Members and officers that are responsible for conducting procurement and contract management activity on behalf of the Council. The code informs users of the appropriate governance and procurement assurance processes which ensures good business practices are applied and that the Council achieves best value, whilst ensuring risks are minimised and procurement complies with relevant legislation, corporate strategies and policies.

**3.2** A review of the Procurement Code and procurement assurance process was conducted during quarter 3 of 2016/17 and the updated Code was published in January 2017.

**3.2.1** The Procurement Code was updated and published following approval from EMT and the Cabinet Member for Finance and Corporate Services. The code is reviewed regularly to make sure it is in line with any amendments to legislation and/or corporate policy, as well as ensuring it is easy to understand and follow. This review was developed in response to consultation with wider Council officers, was made more 'user friendly' and introduced some key updates such as; Corporate Contracts mandate; Inclusion of Spend definitions; Category Planning section; Contract Management mandate; Responsible Procurement mandate.

**3.2.2** In order to streamline procurement assurance across the Tri-borough and for Westminster City Council (WCC), a single Procurement Assurance Board (PAB) was created to replace the Tri-Borough Contract Approval Board and the WCC Board. The new PAB is commonly referred to as Gate and all procurement activity with an estimated total contract value of £100,000 and above is reviewed by this board. In addition, procurement assurance for both Adult Social Care (ASC) and Children Services (CS) was delegated to the respective Contract and Commissioning Boards (CoCo). This meant that ASC and CS would no longer attend the newly formed PAB, however, the Corporate Procurement teams, Legal and finance representatives would be

represented at both CoCo's. Terms of Reference for the PAB and both CoCo's were also finalised and agreed.

**3.3** capitalEsourcing is used to manage the majority of the Councils procurement and contract management activity. The use of a single system provides an important source of data and a complete audit trail of the Councils activities, enabling full visibility of commercial commitments; better management of risk; identification of commercial opportunity and resource planning.

#### **4. Review of contracts let by the Council for value for money and adherence to the Procurement Code**

**4.1** The term contracts let refers to all contracts in capitalEsourcing with a service commencement date within the relevant reporting period (2016/17 financial year). Contracts that are not registered on the system are not captured in this report

**4.2** EMT is issued a quarterly contract review report which provides information on the procurement activity that has taken place in their area of remit. This gives EMT members the opportunity to scrutinise any areas of concern or non-compliance. The quarterly contract review reports are based on contract data from the capitalEsourcing system and recommendations from the action logs of the procurement Assurance Board, reporting on: contracts let and overall compliance with the Procurement Code, Extensions/variations and waivers.

**4.2.1 Contracts Let:** A total of 73 contracts commenced during the 2016/17 period. Appendix A provides a detailed summary.

**4.2.1.1** 39 contracts were below the value of £100,000 threshold and are classed as devolved procurements.

- 3 have no contract value assigned
- 1 was compliant with the procurement (as part of wider procurement)

**4.2.1.2** 34 contracts were over the value of £100,000.

- 28 contract awards were compliant with the Procurement Code
- 4 contract awards were recommended by CoCo
- 2 were let following approval of a waiver

**4.2.2 Extensions/Variations:** There were 12 extensions of existing contracts which are detailed in Appendix B.

**4.2.3 Waivers:** It is recognised that there are instances where the requirements of the Procurement Code cannot be precisely followed so a waiver of the Code must be sought. The waiver process is defined in the Procurement Code and officers must submit a waiver request using a standardised template, providing sufficient justification to key questions. Approval for contracts below £1,500,000 must be sought from the CPO and for contracts exceeding £1,500,000 (£300,000 for consultancy) a Cabinet Member decision is required. Appendix C provides full details of the waivers that were approved.

4.2.3.1 The numbers of waiver requests are indicated in table 1 below:

Table 1

	Number of Waivers				
	Qtr1	Qtr2	Qtr3	Qtr4	Total
2014/15	20	19	28	37	104
2015/16	13	8	15	19	55
2016/17	24	9	11	15	59

4.2.3.2 Table 2 below provides a summary of the reasons why waivers were sought, by type of waiver and by Service Area during 2016/17. It should be noted that 68% of the total number of waivers related to contracts where the total value did not exceed £100,000.

Table 2

2016/17 Waivers, by type	No. of Waivers		Grand Total
	Under £100k	Over £100k	
Waiver Directly award a contract without competition.	29	9	38
Waiver Non compliant contract extension	8	7	15
Waiver Contract award with change to evaluation criteria	1	3	4
Waiver Use of a Memorandum of Understanding	1		1
Non compliant retrospective waiver	1		1
<b>Grand Total</b>	<b>40</b>	<b>19</b>	<b>59</b>
	<b>68%</b>	<b>32%</b>	

4.2.3.3 Table 3 provides a breakdown of the 19 contracts over £100k where waivers were approved. The justification for each waiver is detailed in Appendix C.

Table 3

2016/17 Waivers, by type and directorate (£100k+ only)		No Waivers	Grand Total
Waiver Contract award with change to evaluation criteria		3	£38,901,443
Growth, Planning & Housing	<i>Procurement Strategy (Pre-tender)</i> Housing Options Service	1	£35,000,000
	<i>Procurement Strategy (Pre-tender)</i> Semi-Independent Housing Services	1	£3,661,443
Public Health	<i>Procurement Strategy (Pre-tender)</i> Maternity Champion Contracts	1	£240,000

2016/17 Waivers, by type and directorate (£100k+ only)		No Waivers	Grand Total
<b>Waiver Non-compliant contract extension</b>		<b>7</b>	<b>£12,402,698</b>
Corporate Services	<b>Ericsson</b> Telephony Service Provision	1	£9,968,598
Adult Social Care	<b>Housing and Care 21</b> Older People with complex needs and Outreach services	1	£906,000
	<b>Housing and Care 21</b> Glarus Court enhanced home care	1	£725,000
	<b>Paddington Development Trust</b> Community Champions project Church St	1	£135,000
	<b>Queens Park/Mozart</b> Community Champions Project	1	£135,000
Growth, Planning & Housing	<b>London Business School</b> Council House - Additional refurbishment works comprising installation of audio and visual services, restoration of window reveals and 2 no listed chimneys.	1	£313,100
	<b>Phoenix Software Ltd</b> Microsoft Office 365 Licenses	1	£220,000
2016/17 Waivers, by type and directorate (£100k+ only)		No Waivers	Grand Total
<b>Waiver Directly award a contract without competition.</b>		<b>9</b>	<b>£3,832,333</b>
Adult Social Care	<b>Housing and Care 21</b> Provision of Dementia Services	1	£1,171,872
	<b>Westminster Society</b> Residential Care (5 Homes, 19 Units) Accommodation services for people with Learning Disabilities	1	£153,749
	<b>Supported Housing</b> (88 Units dispersed). Accommodation services for people with Learning Disabilities.	1	£229,005
Corporate Services	<b>Penna PLC</b> Advertising Recruitment	1	£659,000
Children's Services	<b>Family Lives</b> Westminster Children's Centre Outreach Service	1	£518,457
Growth, Planning & Housing	<b>G.E.M. Environmental Services Ltd</b> Mechanical Services Contract	1	£307,250

	<b>PRP Architects</b> Lead Consultants to prepare a concept scheme to gain planning permission for the Beachcroft Specialist Housing for Older People programme Site RIBA Stage 2-3	1	£125,000
City Treasurers Department/Finance	<b>Insight Investment Management (Global) Ltd</b> Investment Management Agreement	1	£380,000
Policy Performance & Communications	<b>Verint Systems UK Limited</b> Lagan CRM Solution	1	£288,000
<b>Grand Total</b>		<b>19</b>	<b>£55,136,474</b>

**4.3** The data above is dependent on the source of information input into the capitalSourcing system. Compliance regarding completion of mandatory fields and ensuring that contract records are accurately maintained is actively monitored and Contract Managers are informed and supported through training and regular communications.

**4.3.1** Compliance for 2016/17 is recorded as 85%, which is a slight decrease from the 94% recorded during 2015/16. However, it is evident that compliance is improving as more departments within the Council are actively managing contracts and ensuring records are registered in the capitalSourcing system.

**4.3.2** The compliance project was reviewed during 2016/17 and it has been highlighted that the current scope of checks was limited. A second project phase has been agreed for 2017/18, whereby the scope of compliance checks has been widened to include areas such as; recording recommendations made at PAB; applying policing rules to every stage of the tendering process; ensuring contracts are activated following a contract award; ensuring all activated contracts include a soft copy of the final contract.

#### **4.4 2016/17 value add (Procurement and Contract management activity)**

**4.4.1** Westminster City Council is committed to ensuring the best value for money for the services it delivers. The Council's vision to be a City for All is also supported through our Responsible Procurement approach. As part of the 2016/17 review of the Procurement Code, it was mandated that all contracts with a total contract value of £100,000 or above, must ensure a minimum of 5% total weighting of the tender evaluation score to be allocated to Responsible Procurement.

**4.4.2** Some examples of significant procurement and contract activities which demonstrate best value are listed below:

##### **4.4.2.1 Ricoh Contract**



Print and Document Management - Five local authorities have reviewed the framework and are in discussions with Ricoh to call-off from the agreement. They are at various stages of reaching an agreement with Ricoh, which range from an imminent commencement date to early stages of discussions. The local authorities in talks at present include Camden, Hammersmith & Fulham, Waltham Forest, One Source (Havering, Newham and Bexley) and Ealing. WCC are supporting Ricoh with their efforts to promote their services which we hope to create the revenue stream for Procurement via a rebate process.

#### **4.4.2.2 Managed Service for Temporary Agency Resources Procurement**

A further competition exercise was undertaken using the YPO HR Services and Solutions Framework (Lot 1). The annual contract value is in the region of £14m with a supply base of 142 agencies.

The new contract aims to deliver improved service standards to enhance service quality and user experience, control agency fees over the term of the contract and achieve and maintain financial & non-financial benefits to drive continuous improvement.

##### **Savings forecast:**

Estimated overall savings of £165k based on FY 15/16 volumes)  
Potential YPO rebate of £75k per annum (based on YPO framework performance where clients receive on average £5k for each £1m spent)

##### **Social Value:**

Quarterly skills training & CV workshops

Circa 200 work experience placement could be offered through supply chain & commitment to create a week long work experience placement each quarter within the WCC Matrix Hub

Collaboration with agencies to assist long-term unemployed residents

#### **4.4.2.3 Community Sexual Health Procurement**

Investment in adult community sexual health services has been inconsistent. The redesign of the services intends to deliver improvements in quality and move the balance of care away from Genito Urinary Medicine (GUM) services to the more accessible community based services for the residents of the three boroughs. The procurement was tendered across the three councils for two services:

- Lot 1 sexual health promotion and psychosocial support
- Lot 2 contraception and sexually transmitted infection screening in the community

The tender outcome has forecast £3.9m savings which is based on the tenderers' prices per borough, against the baseline budget of circa £13m (over the three year term). The savings will form part of the respective council's financial plans.

**5. Overview of overall contract performance of ‘active’ contracts over £100,000**

**5.1** Procurement Services have been working with each of the Service areas to ensure overall contract performance is carried out in the system. It is the responsibility of Contract Managers to carry out the first assessment within the capitalEsourcing system, 12 months following the service commencement date, for all contracts that have a total contract value of £100,000 or above.

**5.2** The following four categories are used to rate overall contract performance: Exceeds expectations; Meets Expectations; Below Expectations; Critical Failure.

**5.3** Appendix ‘D’ provides an extract of all active contracts currently registered on capitalEsourcing that are over £100,000 and their contract performance rating.

**5.3.1** In summary it shows of 174 active contracts of which 150 (86%) were assessed and performance rated:

- 138 (79%) were assessed and rated as ‘Meets Expectations’
- 6 (3%) were assessed and rated as ‘Above Expectations’
- 6 (3%) were assessed and rated as ‘Below Expectations’
- No contracts were performance rated as ‘Critical Failure’

**5.3.2** In terms of the total number of contracts assessed in the system, 86% represents a positive increase on the number of contracts assessed and reported on during 2015/16 (63%)

**5.3.3** Table 4 below provides a breakdown of contract performance by each Service area.

**Table 4**

<b>Service Area</b>	<b>Meets Expectations</b>	<b>Not Evaluated</b>	<b>Above Expectations</b>	<b>Below Expectations</b>	<b>Grand Total</b>
Growth, Planning & Housing	48	7	2	1	58
Adult Social Care	42	8	1	2	53
City Management & Communities	19	1		1	21
Corporate Services	14			1	15
Public Health	5	5	1	1	12
Policy Performance and Communications	2	2	2		6
Children's Services	4	1			5
City Treasures Department	4				4
<b>Grand Total</b>	<b>138</b>	<b>24</b>	<b>6</b>	<b>6</b>	<b>174</b>

**5.3.4** Of the 24 Contracts that have not been performance rated in the capitalEsourcing system, 12 have a total value over £1.5million and table 5 provides a summary. Procurement Services are working with each service area to ensure the contract performance rating is updated in capitalEsourcing system.

Table 5

<b>Contract Performance - Not Evaluated</b>	<b>Contract Value</b>
<b>Growth, Planning &amp; Housing</b> - Amey: ecm_WCC_3653 Tri-Borough Total Facilities Management Contract and London boroughs framework agreement	£154,812,103
<b>Adult Social Care</b> - Care UK Homecare Limited: ecm_WCC_2460 Nursing and Res Care Forrester Court	£56,722,425
<b>City Management &amp; Communities</b> Sports and Leisure Management Ltd: con_WCC_8889 Management of Leisure Portfolio Contract	£35,441,542
<b>Growth, Planning &amp; Housing</b> Geoffrey Osborne Ltd: con_WCC_10256 Lisson Arches Contract	£20,000,000
<b>Adult Social Care</b> - Vincentian Care Plus: con_ASC_10296 Provision of Home Care Services for Westminster - Vincentians	£14,700,000
<b>Adult Social Care</b> - Sage Care Ltd: con_ASC_10297 Provision of Home Care Services - Sage Care Ltd	£13,000,000
<b>Adult Social Care</b> - London Care LTD: con_ASC_10298 Provision of Home Care Services - London Care Ltd	£11,900,000
<b>Growth, Planning &amp; Housing</b> - Faithful+Gould: con_WCC_7453 Project Management and Design Team Services for City Hall Refurbishment	£7,000,000
<b>Growth, Planning &amp; Housing</b> - Faithful+Gould: con_WCC_7520 Project Management and Design Team Services for City Hall Refurbishment	£3,912,955
<b>Public Health</b> - Turning Point: con_WCC_7222 Lot 1 WCC Substance Misuse Treatment Service	£7,602,404
<b>Childrens Services</b> - Caterlink: con_RBKC_7301 WCC School Meals Mini-competition	£7,500,000
<b>Public Health</b> - change, grow, live (CGL): con_WCC_7225 Lot 2 - WCC Alcohol Specific Treatment Interventions Services	£3,362,471
<b>Grand Total</b>	<b>£335,953,900</b>

**5.3.5** Six contracts were performance rated as 'Below Expectations' and are summarised below in Table 5. Commentary for this assessment is available for two contracts (as indicated below) and Procurement Services are working with Contract Managers to provide commentary for the remaining contracts on the capitalEsourcing system.

Table6

<b>Contract Performance rated Below Expectations</b>	
<b>Service Area Supplier Name / Contract Title</b>	<b>Contract Value</b>
<b>Adult Social Care, Sanctuary Housing Association</b> SHSOP – Contract: (Start: 24/08/15 - End: 23/08/23) Date of Contract Performance rating:	£13,609,935.60
<b>Adult Social Care, One Westminster</b> Befriending Plus: (Start: 01/10/13 - End: 30/09/17)	£200,600.00
<b>Adult Social Care - subtotal</b>	<b>£13,810,535.60</b>
<b>Corporate Services, BT Global Services</b> Managed Services for HR, payroll and finance (Lot 1) - WCC Call Off contract (Start: 01/06/2013 – End: 31/05/2018) Reason for rating: Well documented below par performance of this contract relating to still outstanding transition activities. Ongoing Commercial discussions to resolve and develop plan to deliver outstanding functionality and review key troublesome processes.	£9,478,000.00
<b>Corporate Services subtotal</b>	<b>£9,478,000.00</b>
<b>Public Health, Central London Community Healthcare NHS Trust</b> Contract for the Provision of PH 0-5 and FNP -WCC (Start: 01/10/15 - End: 30/09/17)	£8,501,572.00
<b>Public Health subtotal</b>	<b>£8,501,572.00</b>
<b>City Management &amp; Communities, Enterprise Mouchel Limited</b> Contract D - Gully Service: (Start:01/04/14 - End: 31/03/18) Reason for rating: The service has been struggling to meet its performance targets almost since its start. The service changed hands during the first two years and it was clear that the service was significantly under resourced meet the operational requirements. Late last year Kier, the new owner approached the City council to explore the opportunity to withdraw by mutual agreement from the service. This was reviewed with procurement and in June of this year, following approval by Gate a new contract was awarded to the main Highways provider FM Conway which commenced on 1st July 2017.	£800,000.00
<b>City Management &amp; Communities subtotal</b>	<b>£800,000.00</b>
<b>Growth, Planning &amp; Housing, OCS Environmental Services Limited</b> Asbestos Removal and Encapsulation: (Start: 01/05/13 - End: 30/04/18)	£625,000.00
<b>Growth, Planning &amp; Housing subtotal</b>	<b>£625,000.00</b>
	<b>£33,215,107.60</b>

**5.3.6** It is recognised that the current methodology for recording contract performance is transactional in nature. Therefore, during 2016/17, feedback was sought from Contract Managers. The general view was that this method was too simplistic and did not provide a true representation on the overall performance of a particular contract. As such, during 2017/18, Procurement Services will be conducting a review of Contract performance with a view to piloting a contract performance score card. The approach will be focused on value and risk to provide more meaningful information and greater visibility.

## **6. Professional Development**

- 6.1** The majority of Procurement Services are either qualified or part qualified and studying for full membership of the Chartered Institute of Procurement & Supply. The majority of Category Managers are fully qualified at level six with the remainder at level four or five.
- 6.2** An ongoing training programme ensures that all team members are kept up to date with procurement related skills and legislation
- 6.3** During 2015/16 the Chief Procurement Officer (CPO) implemented a rolling training programme “Procurement & Commercial Training Programme” that included:
  - 6.3.1** Category Management – mandated for all procurement staff
  - 6.3.2** Contract Management Framework – mandated for all Commissioners, Contract Managers and Procurement Staff
  - 6.3.3** Legal Aspects & Contract Development (Back to Basics) – mandated for all Procurement staff
  - 6.3.4** EU Procurement Directive
- 6.4** During 2016/17 the “Procurement & Commercial Training Programme” has been maintained with Adult Social Care and Children Services also accessing the Category Management training. Competitive Dialogue training was also made available.
- 6.5** The programme is being updated to include the following additional modules:
  - 6.5.1** Specification writing
  - 6.5.2** Negotiation
- 6.6** Core elements of the programme are available for booking via the Council’s Learning Management System.
- 6.7** The CPO is sponsoring the introduction of a Public Commercial Officer Apprenticeship. In our Route Map to Success, the Councils is committed to becoming a more commercially savvy organisation and the CPO has been tasked with enabling this through the development of commercial skills across the organisation. One element of this skills programme is to offer existing staff with contracts/procurement/commissioning roles the opportunity to develop their commercial skills through a new higher level Public Commercial Officer Apprenticeship programme.

**6.8** The 2017 Procurement Programme includes a work stream entitled 'Engaged & Capable Team' which will look to develop signposting to opportunities, training, seminars, job share, and other means for continuous professional development.

## **7. Chartered Institute of Procurement & Supply**

**7.1** Westminster City Council received confirmation of achieving the CIPS standard in October 2016, becoming the second London Borough to win an award. The award followed a formal review of the organisation, strategy, people, processes and performance management.

**7.2** The Procurement Services team received recognition that its work has maintained procurement policies, procedures, processes and systems that meet the required CIPS standards.

**7.3** In addition to the above, CIPS are leading a campaign to ensure greater accountability for organisations and individuals by the inculcation of a voluntary professional procurement licence. The aim is to improve corporate governance, transparency, anti-corruption measures and recognise the importance of the profession for sustainable development.

**7.4** EMT approved a recommendation to support the CIPS campaign and this will be actioned by Westminster City Council issuing a joint statement of support this year.

**7.5** Finally, following the judging of the CIPS UK, Supply Management Awards 2017, Westminster City Council have been shortlisted by CIPs for 'Delivering Social Value through Responsible Procurement' in the Best Contribution to Corporate Responsibility category. The awards presentation will be held in September this year.

## **8. Further developments and Procurement Programme 2017/18**

**8.1** The main objectives and priorities for the Procurement Service over the next year are to lead and support the commercial procurement activity in line with the Council's needs and priorities, as part of the wider Corporate Services team. The Corporate Services vision is to Enable and Protect the Councils we serve by providing a range of high quality services that support the frontline operations of the Councils.

**8.2** Procurement Services will do this by working towards the Procurement vision of 'Procurement Excellence' which is delivered through the 5 key [Corporate Service objectives](#). Transform; Value; People; Partner; Commercial

**8.3** The Procurement Programme 2017/18 is split into these 5 objectives with work streams under each to address specific priorities.

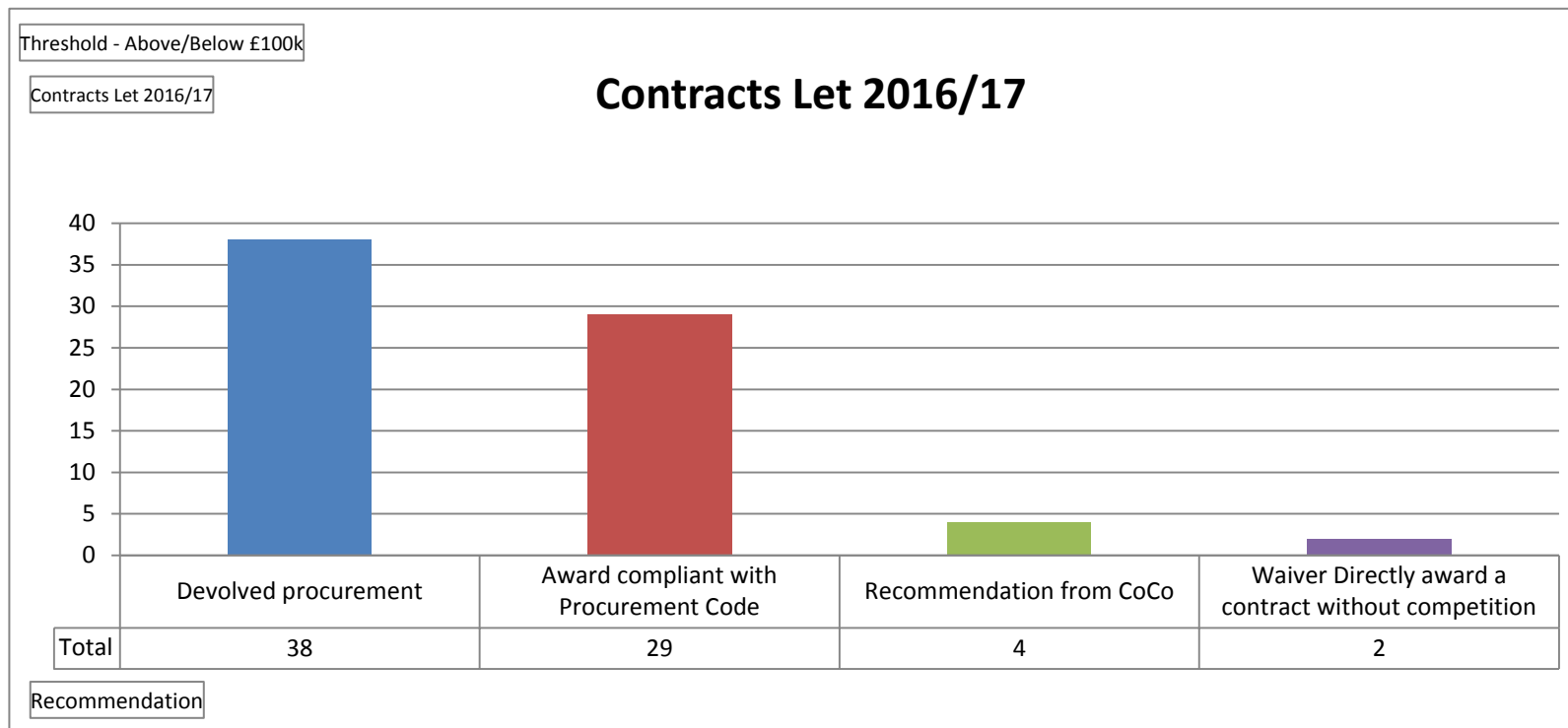
<p><b>Transform:</b></p> <ul style="list-style-type: none"> <li>Contract Management - To improve and standardise contract management practices, develop closer relationships with contract managers and key suppliers</li> </ul>
<p><b>Value:</b></p> <ul style="list-style-type: none"> <li>Value Measurement - To ensure robust and credible systems are in place to capture and measure value created</li> <li>Responsible Procurement – To maximise value for money and drive additional social value outcomes</li> </ul>
<p><b>People:</b></p> <ul style="list-style-type: none"> <li>Engaged and Capable Team - To ensure continuous professional development and to have an informed, motivated and high performing team</li> </ul>
<p><b>Partner:</b></p> <ul style="list-style-type: none"> <li>Governance - To minimise and simplify control mechanisms and improve transparency of data and process</li> <li>Relationship Development - Increase the credibility of Procurement Services with stakeholders across the organisation</li> </ul>
<p><b>Commercial:</b></p> <ul style="list-style-type: none"> <li>Category Management - To embed a Category Management approach for all of the Council's spend</li> </ul>

**8.4** Procurement Services will be introducing eSignatures for our contracts for Goods, Services and Works via the capitalEsourcing system. Legal Services have confirmed their support and Procurement Services will run an initial pilot with two service areas during quarter 2 of 2017/18. Next steps following successful completion of the pilot will be to submit a report to EMT, which will cover off the reasons for the change; an overview of how the process will work in practice; assurance on how robust the capitalEsourcing system is in terms of security and governance. Pending agreement from EMT this will be rolled out across all service areas.

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## Contract Review 2016/17



**Appendix A: Contracts Let - 2016/17**

A total of 73 Contracts were let during the reporting period 2016/17.

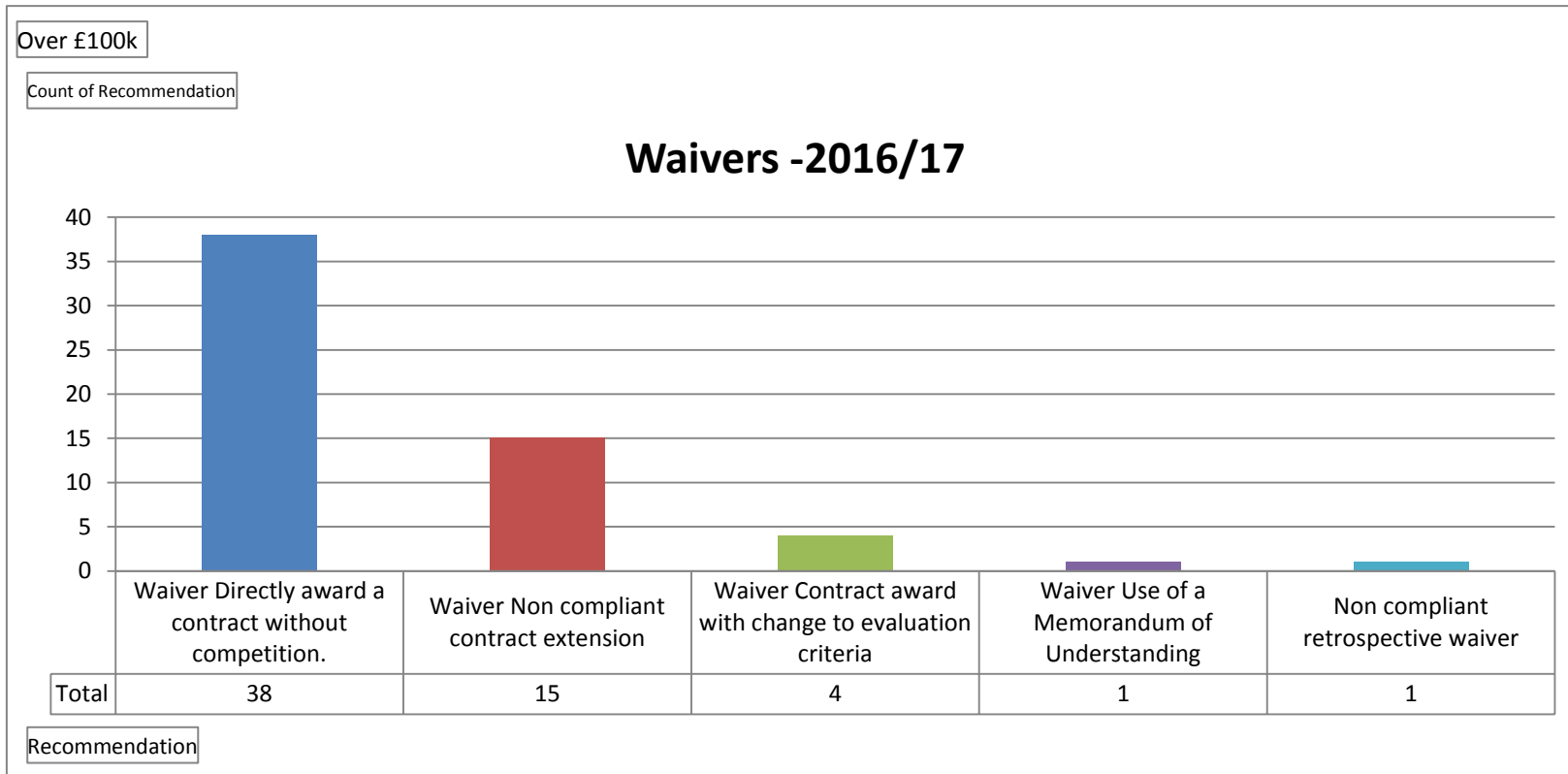
The term 'Contracts Let' refers to all contracts registered in the capitalEourcing system with a service commencement date starting within the 2016/17 reporting period.

**Recommendations** - Compliance with the Procurement Code

All Procurement activity over £100k must be led by Procurement Services and seek a recommendation from the Procurement Assurance Board as to whether to proceed with the Contract Award.

Procurement Activity below £100k are led by the service areas & procurement assurance is via Peer Review / Corporate Leadership Team. This type of activity is classed as a 'Devolved Procurement'.

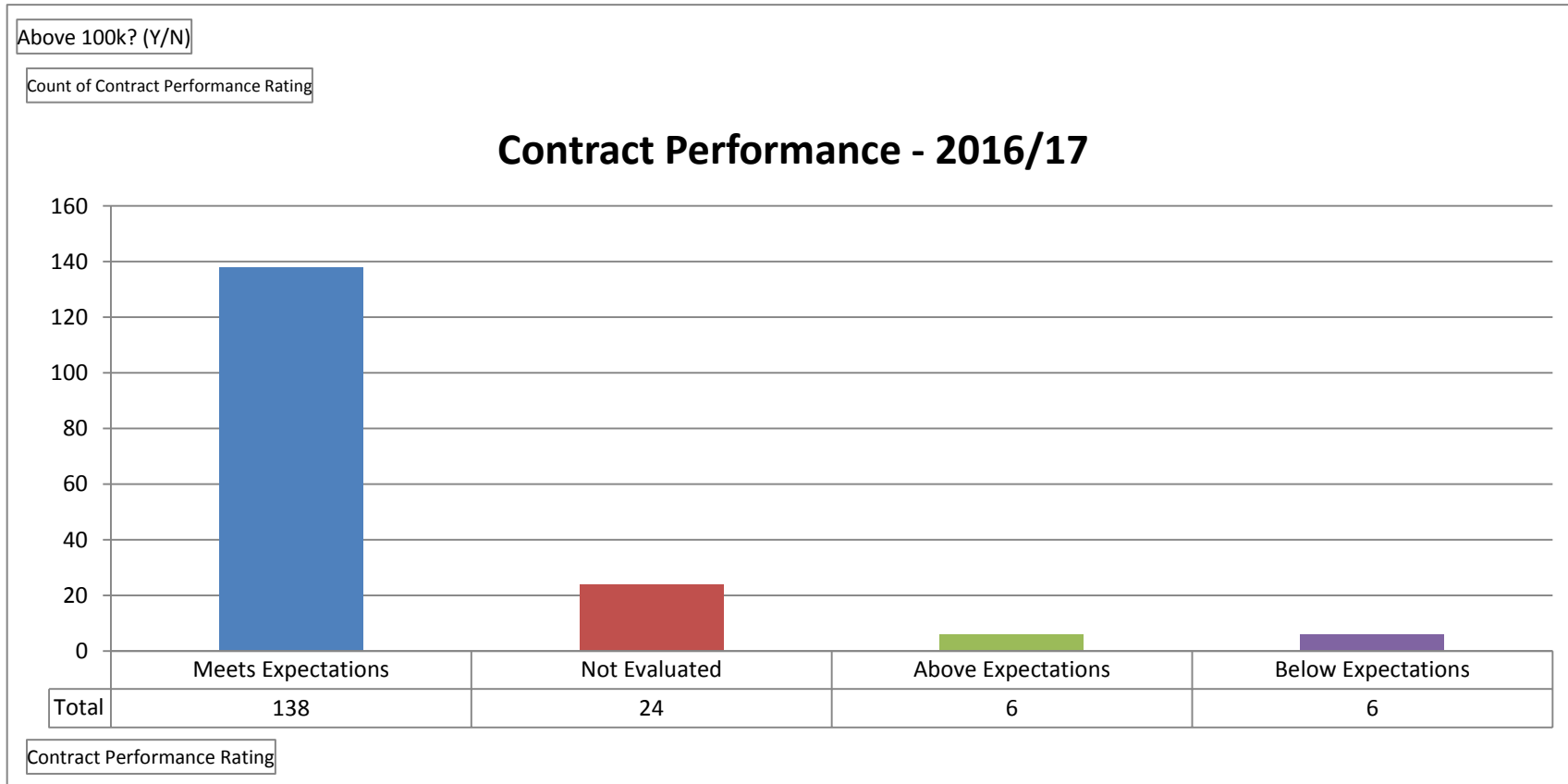
## Contract Review 2016/17



### **Appendix C: Waivers - 2016/17**

The above chart summarises the total number of waiver requests and the reasons why they were sought during 2016/17.

## Contract Review 2016/17



### **Appendix D - Contract Performance Rating**

Overall Contract Performance is carried out within the capitalSourcing system. Contract Managers must carry out the first assessment 12months following the service commencement date, for all contracts that have a total contract value that is £100,000 or above. **(Note:** This data excludes contracts that commenced after June 2016.)

There are a total of 174 contracts registered on the capitalSourcing system that have a total contract value of £100,000 or above. 24 contracts have not been evaluated and as part of the ongoing compliance, contract managers are being supported to update their contract records

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Appendix A Contracts Let

Contract Code	Title	Main Contractor	Contract Administrator	Status	Start/Commencement Date	Current Expiry Date	Total Value of Contract (excluding extensions unless the extension has been agreed)	OVER £100K	Recommendation	QUARTER	Directorate
con_WCC_10220	Westminster City Boys School Expansion	Neilcott Construction Limited	Wharton Alan	Open	24/03/17	18/12/17	4,376,950.0	YES	Recommendation from CoCo	4	Children's Services
con_CWH_10212	V159 - Works at 205 Gloucester Terrace W2 6HX	AXIS EUROPE	Khan Sohail	Closed	09/01/17	24/03/17	83,372.0	NO	Devolved procurement	4	Corporate Services
con_ASC_10171	C186 - Penfold Street Extra Care Facility - Care for Older People with Dementia	Notting Hill Housing Trust	Griffin Dominic	Open	01/03/17	31/05/18	1,218,799.0	YES	Recommendation from CoCo	4	Adult Social Care
con_ASC_10109	Integrated dementia services Westbourne Park Road W2	Ark Home Healthcare Limited	Griffin Dominic	Open	01/01/17	31/03/18	1,123,630.0	YES	Recommendation from CoCo	4	Adult Social Care
con_ASC_10098	Prepaid Account Contract	Prepaid Financial Services Ltd	Joseph Karen	Open	01/09/16	31/08/20	302,000.0	YES	Recommendation from CoCo	2	Adult Social Care
con_ASC_10070	WCC and RBKC- Expect the Best Pilot	Barnet Mencap	Bhayani Meera	Open	01/02/17	31/01/19	60,000.0	NO	Devolved procurement	4	Adult Social Care
con_CWH_9843	External Repairs, Internal Communal Repairs and Redecoration at 71 Sutherland Avenue, Maida Vale, London W9 2HF	Mitie Property Services (UK) Ltd	Whitehouse Kerry	Closed	28/11/16	17/04/17	80,097.69	NO	Devolved procurement	3	Corporate Services
con_CWH_9842	FRA Works to Naylor House and Oak Tree House	Niblock Building Contractors	Whitehouse Kerry	Closed	27/02/17	08/05/17	94,009.43	NO	Devolved procurement	4	Corporate Services
con_WCC_9813	Our Parks SLA 2016/17 (Q3 & 4)	Our Parks	Minogue Eugene	Closed	01/10/16	31/03/17	2,420.0	NO	Devolved procurement	3	City Management & Communities
con_WCC_9807	Portfolio Mgmt - Policy, Performance and Communications Contract	Ernst & Young LLP	Gilchrist Catherine	Closed	09/03/17	13/04/17	35,150.0	NO	Devolved procurement	4	Policy Performance and Communications
con_WCC_9734	Investment Consultancy Services for the Westminster Pension Fund	Deloitte	Onofeghare Ruth	Open	22/03/17	21/03/21	323,310.0	YES	Award compliant with Procurement Code	4	City Treasures Department/Finance
con_WCC_9732	Monitor Screens, Power Sockets and Over Desk Clamps	XMA Limited	Duffield Ti	Closed	22/02/17	24/04/17	158,267.5	YES	Award compliant with Procurement Code	4	Corporate Services
con_RBKC_9677	Web analytics contract (WCC)	SiteImprove Ltd	Mileusnic Marijana	Open	27/01/17	27/01/19	8,082.0	NO	Devolved procurement	4	Corporate Services
con_WCC_9477	Pensions Investment Management	Insight Investment Management (Global) Limited	Nikki Parsons	Open	01/01/17	31/12/17	380,000.0	YES	Waiver Directly award a contract without competition	4	City Treasures Department/Finance
con_CWH_9475	INFILL PROGRAMME – DESIGN TEAM FOR NEW BUILDING PROJECTS	Metropolitan Workshop LLP	Whitehouse Kerry	Open	23/11/16	23/07/17	274,105.0	YES	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_CWH_9463	Infill Programme - Building Surveyor-led Design Team Services	Lambert Smith Hampton Group Ltd.	Whitehouse Kerry	Open	23/11/16	23/11/17	205,900.0	YES	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_CWH_9461	Infill Programme (Consultants) EA and Cost Consultancy services	WYG Environment Planning Transport Limited	Whitehouse Kerry	Open	28/11/16	28/11/18	199,227.0	YES	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_WCC_9447	PRS - Lot 2 - Referrals from Hostels and Supported Accommodation	Passage 2000	Gallou Elizabeth	Open	23/01/17	31/03/18	20,000.0	NO	Devolved procurement	4	Growth, Planning & Housing
con_WCC_9446	PRS - Lot 1 - Referrals from Outreach and Day Centre Services	Passage 2000	Gallou Elizabeth	Open	23/01/17	31/03/18	20,000.0	NO	Devolved procurement	4	Growth, Planning & Housing
con_WCC_9403	Language Services- Westminster	DA LANGUAGES LIMITED	Gray Judith	Open	12/01/17	02/01/19	153,341.57	YES	Award compliant with Procurement Code	4	Adult Social Care
con_WCC_9357	Provision of high speed internet connection	Imperial College London	Cooke Catherine	Open	01/11/16	31/10/20	44,000.0	NO	Devolved procurement	3	City Management & Communities
con_WCC_9331	Housing Strategic Options Study	Deloitte LLP	Mathias Jake	Open	03/08/16	03/08/17	40,000.0	NO	Devolved procurement	2	Growth, Planning & Housing
con_WCC_9207	City Hall Removals & Disposals	Harrow Green	Duffield Ti	Open	01/12/16	31/12/18	230,000.0	YES	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_CHS_9161	Caxton Youth Organisation - WCC - Youth	Caxton Youth Organisation	McGirr Owen	Open	01/10/16	31/03/18	25,039.5	NO	Devolved procurement	3	Children's Services
con_CHS_9159	Westminster Children's Centre Outreach Service	Family Lives	McGirr Owen	Open	01/10/16	30/09/18	518,457.0	YES	Waiver Directly award a contract without competition	3	Children's Services
con_WCC_9146	City Hall Refurbishment PCSA	ISG Interior Services Group UK Plc [See Notes]	Bond Chris	Open	21/11/16	01/07/17	51,854.0	NO	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_CHS_9117	Children with Disability & Special Educational Needs Commissioning Support - ConsultancyOne Framework Call-Off	Ernst & Young LLP	Okolieh Henry	Closed	18/11/16	17/02/17	178,650.0	YES	Award compliant with Procurement Code	3	Children's Services
con_WCC_9115	HCA Framework: Beachcroft House - Technical, M&E Services for Planning Application	Mott MacDonald Limited	Rix Samantha	Closed	03/10/16	31/12/16	197,765.0	YES	Award compliant with Procurement Code	3	Growth, Planning & Housing
con_WCC_9058	Technical Accounting Consultancy	Worth Technical Accounting Solutions Ltd	Bacchus Jake	Open	10/10/16	17/06/17	56,000.0	NO	Devolved procurement	3	City Treasures Department/Finance
con_WCC_9010	City of London Gymnastics Club SLA 2016/17	City of London Gym Club	Minogue Eugene	Closed	01/04/16	31/03/17	5,376.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_9008	Dry Recyclables Reprocessing and Marketing Contract (Contract 2)	Veolia ES (UK) Limited	Robson Philip	Open	16/09/16	31/03/20	4,427,377.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_9001	Animal Wardens Service	SDK Environmental Ltd	Corp Daniel	Open	01/06/16	31/05/19	240,000.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_8951	Hungerford VP Drugs and Alcohol Service	Turning Point - Hungerford Drug Project	Dhillon Linda	Closed	01/04/16	31/03/17	150,000.0	YES	Award compliant with Procurement Code	2	Public Health
con_WCC_8944	Food Waste Treatment and Disposal Contract	Veolia ES (UK) Limited	Robson Philip	Open	16/09/16	31/03/20	350,000.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_8926	Civic Amenity Site Service	Western Riverside Waste Authority	Griffiths Jon	Open	16/09/16	15/09/26	1,550,000.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_8906	Vehicle Relocation Services	The Mansfield Group	Ridley Colin Antony	Open	04/07/16	01/07/18	400,000.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_8889	Management of Leisure Portfolio Contract	Sports and Leisure Management Ltd	Barua Sagar	Open	01/07/16	30/06/25	35,441,542.0	YES	Award compliant with Procurement Code	2	City Management & Communities
con_WCC_8576	OVER 50'S COMPLEX NEEDS SUPPORTED HOUSING SERVICE Contract	Look Ahead Care and Support	Aseervatham Victoria	Open	01/04/16	31/03/19	1,275,331.0	YES	Award compliant with Procurement Code	2	Growth, Planning & Housing
con_WCC_8566	Ebury Bridge Estate Cost Consultant	Sweett (UK) Limited	Eddings Roxane	Open	22/08/16	29/09/17	67,050.0	NO	Devolved procurement	2	Growth, Planning & Housing
con_H&F_8355	Roger Butler	Roger Butler	McGirr Owen	Open	01/09/16	31/07/17	0.0	NO	Devolved procurement	2	Children's Services
con_WCC_7820	Church Street Masterplan	Peter Brett Associates LLP	Tony Hutchinson	Open	01/05/16	01/05/19	670,000.0	YES	Award compliant with Procurement Code	1	Growth, Planning & Housing
con_WCC_7797	Sport Westminster SLA 2016/17	Sportwestminster C.I.C	Minogue Eugene	Closed	01/04/16	31/03/17	17,520.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7795	Unique Dynamites Cheer & Dance SLA 2016/17	Unique Dynamites Cheerleading & Dance Academy	Minogue Eugene	Closed	01/04/16	31/03/17	1,680.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7793	Tri-Slacklining SLA 2016/17	Tri Slacklining Ltd	Minogue Eugene	Closed	01/04/16	31/03/17	960.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7791	Parkour Generations SLA 2016/17	Parkour Generations Ltd	Minogue Eugene	Closed	01/04/16	31/03/17	17,520.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7789	Serpentine SLA 2016/17	Serpentine Running Club (Juniors Section)	Minogue Eugene	Closed	01/04/16	31/03/17	1,920.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7787	Paddington Development Trust SLA 2016/17	Paddington Development Trust	Minogue Eugene	Closed	01/04/16	31/03/17	9,000.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7785	Met-Track SLA 2016/17	British Athletics Charitable Trust - Met-Track	Minogue Eugene	Closed	01/04/16	31/03/17	1,920.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7783	London Tigers SLA 2016/17	London Tigers	Minogue Eugene	Closed	01/04/16	31/03/17	6,000.0	NO	Devolved procurement	1	City Management & Communities

Contract Code	Title	Main Contractor	Contract Administrator	Status	Start/Commencement Date	Current Expiry Date	Total Value of Contract (excluding extensions unless the extension has been agreed)	OVER £100K	Recommendation	QUARTER	Directorate
con_WCC_7781	Churchill Gardens Residents Association - SLA 2016/17	Churchill Gardens Residents Association	Minogue Eugene	Closed	01/04/16	31/03/17	6,000.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7779	Chelsea FC SLA 2016/17	Chelsea FC Foundation	Minogue Eugene	Closed	01/04/16	31/03/17	5,000.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7777	Avenues SLA 2016/17	The Avenues Youth Project	Minogue Eugene	Closed	01/04/16	31/03/17	1,200.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7775	Arsenal SLA 2016/17	Arsenal in the Community	Minogue Eugene	Closed	01/04/16	31/03/17	0.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7773	All Stars SLA 2016/17	All Stars Youth Club Limited	Minogue Eugene	Closed	01/04/16	31/03/17	22,560.0	NO	Devolved procurement	1	City Management & Communities
con_RBKC_7609	Children in Needs Funding for afterschool, Sat and Holiday for Children with Disabilities	The Westminster Society	Clements Katie	Open	01/04/16	31/03/18	72,186.0	NO	Devolved procurement	1	Children's Services
con_RBKC_7607	Agreed Transport costs for Short Breaks contracts for Children with Disabilities	The Westminster Society	Clements Katie	Open	01/04/16	31/03/18	80,000.0	NO	Devolved procurement	1	Children's Services
con_RBKC_7605	After School and Evening Short Breaks for Children with Disabilities	The Westminster Society	Clements Katie	Open	01/04/16	31/03/18	193,050.0	YES	Award compliant with Procurement Code	1	Children's Services
con_RBKC_7603	Weekend Short Breaks for Children with Disabilities	The Westminster Society	Clements Katie	Open	01/04/16	31/03/18	92,664.0	NO	Devolved procurement	1	Children's Services
con_WCC_7600	Westminster City Council - Independent Street Surveys	Keep Britain Tidy	Sweeting Edward	Open	24/06/16	31/03/19	40,350.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_7582	Personality Disorder Support Service	ENABLING ASSESSMENT SERVICE LONDON	Aseervatham Victoria	Open	04/05/16	31/03/18	0.0	NO	Devolved procurement	1	Growth, Planning & Housing
con_WCC_7514	TEAM WESTMINSTER VOLUNTEER OUTREACH AND DEVELOPMENT SERVICE	One Westminster	Godwyll Yacoba	Open	01/11/16	30/09/19	241,474.17	YES	Award compliant with Procurement Code	3	Policy Performance and Communications
con_WCC_7497	Landscape Architect - Green Spine	BDP	Cloke Rebecca	Open	01/07/16	30/07/17	299,450.0	YES	Award compliant with Procurement Code	2	Growth, Planning & Housing
con_WCC_7453	Project Management and Design Team Services for City Hall Refurbishment	Faithful+Gould	Chris Bond	Open	01/05/16	31/05/19	7,000,000.0	YES	Award compliant with Procurement Code	1	Growth, Planning & Housing
con_WCC_7422	21 Boldero Place	A N Contract Services Ltd	Fernandez Barney	Closed	01/06/16	12/01/17	84,296.07	NO	Devolved procurement	1	Growth, Planning & Housing
con_WCC_7421	10 Church Street	A N Contract Services Ltd	Fernandez Barney	Closed	01/06/16	12/01/17	69,114.69	NO	Devolved procurement	1	Growth, Planning & Housing
con_WCC_7418	Crime and Disorder CCTV maintenance and support	A TEC Security Ltd	Findlay Maddy	Terminated	01/04/16	31/03/17	250,000.0	YES	Award compliant with Procurement Code	1	Corporate Services
con_WCC_7386	NHS Health Checks IT Software	Health Diagnostics Ltd	Brown Lisa	Open	01/04/16	31/03/18	27,360.0	NO	Devolved procurement	1	Public Health
con_RBKC_7301	WCC School Meals Mini-competition	Caterlink	Yeomans Allison	Open	11/04/16	10/04/19	7,500,000.0	YES	Award compliant with Procurement Code	1	Children's Services
con_RBKC_7296	Holiday Non Term Time Short Breaks for Children with Disabilities	The Westminster Society	Clements Katie	Open	01/04/16	31/03/18	358,776.0	YES	Award compliant with Procurement Code	1	Children's Services
con_WCC_7225	Lot 2 - WCC Alcohol Specific Treatment Interventions Services	change, grow, live (CGL)	Colquhoun Neil	Open	01/04/16	31/03/19	3,362,471.49	YES	Award compliant with Procurement Code	1	Public Health
con_WCC_7222	Lot 1 WCC Substance Misuse Treatment Service	Turning Point	Colquhoun Neil	Open	01/04/16	31/03/19	7,602,404.0	YES	Award compliant with Procurement Code	1	Public Health
con_H&F_7141	WCC - Mental Health Awareness Training for Managers	Hammersmith & Fulham MIND	Prabatani Shelina	Closed	01/04/16	31/03/17	20,000.0	NO	Devolved procurement	1	City Management & Communities
con_WCC_6978	WCC Bibliotheca	Bibliotheca	Tony Rice	Open	01/04/16	31/03/18	164,000.0	YES	Award compliant with Procurement Code	1	City Management & Communities

NOTE: Source data "ContractListAdditionalInfo 02.06.2017"

Appendix B Extension Variation

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Contract code (if in capitalEsourcing)	Approval	Number	Notes
Personality Disorder Support Service	ENABLING ASSESSMENT SERVICE LONDON	04/05/16	05/05/17	31/03/18	£ 133,008.00	Yes	Aseervatham Victoria		Growth, Planning and Housing (Ed Watson)	Ed Watson	n/a	n/a	Extension compliant with Procurement Code	con_WCC_7582	07/02/2017 PAB	4	
Provision Of Dementia Services In The City Of Westminster	Housing and Care 21	01/12/12	28/02/15	31/02/2018	£ 1,171,872.00	YES	Frank Hamilton	ASC Commissioning	Adult Social Care and Public Health (Liz Bruce)	Liz Bruce	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists for the period 1st Dec 2016 until 31st March 2018	The extension of this contract will ensure continuity of service to vulnerable adults with dementia and their carers whilst a strategic review and joint re-tendering of Older People and Dementia Services across WCC, RBKC and LBHF is completed, including any necessary consultations. The proposed timeline is to carry out a joint procurement during 2017 with a new service model in place in April 2018. The award of contract will ensure that the Council is compliant with its statutory duty under the the Care Act 2014 which is to provide a range of services that prevent, delay or reduce care needs. An award of contract will also regulate contracting arrangements ensuring compliance whilst officers undertake the necessary due diligence for Housing and Care 21 proposed novation to Ark Home Healthcare Limited .	Waiver Directly award contract without competition	-	06/12/16	3	Award Extension
Parking and other Debt Management Services	Marston Group Ltd	01/03/13	28/02/17	31/10/17	£ 100,000.00	YES	Damon Budds	CS - Procurement Services	Corporate Services (John Quinn)	John Quinn	Waiver to be completed	Waiver to be completed	Waiver Non compliant contract extension	prj_WCC_504	13/12/16	3	Award Extension
WCC Mental Health Day Services	CNWL	01/04/07	31/12/16	31/03/17	£ 749,934.00	YES	Christine Baker	CS - Procurement Services	Corporate Services (John Quinn)	John Quinn	Waiver to be completed	Waiver to be completed	Waiver Non compliant contract extension	ecm_WCC_2686	20/12/16	3	Award Extension
Housing and Care 21 - Glarus Court	Housing and Care 21	01/03/15	20/02/17	31/03/18	£ 725,000.00	YES	Sarah Newton	Commissioning and Enterprise	Adult Social Care and Public Health (Liz Bruce)	Liz Bruce	This request is that the Chief Procurement Officer (CPO), on recommendation of the Contracts Approval Board (CAB), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to extend this contract.	Housing and Care 21 are exiting the home care market and planning to novate their work to Ark Home Healthcare. The service delivery of Glarus Court, currently seen as 'hybrid extra care', needs reviewing to agree what it offers and who should best provide the care in the future. The contract extension will allow officers to review the service, residents needs and agree how it should be provided and by whom. This is expected to take a few months; the contract extension allows for stability while due diligence is undertaken regarding Ark, and decisions regarding the future of the service are made.	Waiver Non compliant contract extension	ecm_RBKC3970	20/12/16	3	Award Extension
Pullen Day and Outreach Services	Housing and Care 21	01/04/2015	31/03/2017	31/03/18	£ 906,000.00	YES	Frank Hamilton	Procurement Services	Adult Social Care and Public Health (Liz Bruce)	Liz Bruce	This request is that a waiver of the WCC Procurement Code is obtained from the WCC Chief Procurement Officer to allow for the Executive Director for Adult Services to extend the contracts held by Housing and Care 21	To ensure continuity of service whilst a strategic review of Older People Day Centres is concluded. Subject to approval, the contract extension will ensure that the Council be contract compliant whilst Officers undertake due diligence for the proposed novation to Ark Healthcare Limited.	Waiver Non compliant contract extension		20/12/16	3	Award Extension
Lot 1- New and Flow Rough Sleepers Outreach Team	St Mungo Community Housing Association	01/07/14	31/03/17	31/03/18	£ 3,000,000.00	YES	Victoria Aseervatham	City of Westminster	Growth, Planning and Housing (Ed Watson)	Ed Watson			Extension compliant with the procurement code	Ecm_WCC_2389	20/12/16	3	Award Extension
Rough sleeping outreach services contract extensions: Lot 2 Hotspot rough sleeping outreach contract	St Mungo Community Housing Association	01/07/14	31/03/17	31/03/18	£ 763,031.00	YES	Victoria Aseervatham	City of Westminster	Growth, Planning and Housing (Ed Watson)	Ed Watson			Extension compliant with the procurement code	Ecm_WCC_2390	20/12/16	3	Award Extension
Lot 3 - Entrenched rough sleeping outreach team	The Connection at St Martin-in-the-Fields	01/07/14	31/03/17	31/03/18	£ 1,087,274.00	YES	Victoria Aseervatham	City of Westminster	Growth, Planning and Housing (Ed Watson)	Ed Watson			Extension compliant with the procurement code	Ecm_WCC_2391	20/12/16	3	Award Extension
Temporary Agency Workers Services	Comensura Ltd	03/06/13	02/06/16	02/06/17	£ 68,000,000	Y	Kurkuzinskaite, Greta	Human Resources	Corporate Services (John Quinn)	John Quinn			Extension compliant with Procurement Code	ecm_WCC_1920	Gate 26 Apr 16	1	Extended in cEs.
Learning Disability Short Breaks Service (2 Homes, 21 Units).	Westminster Society	27/07/15	01/02/17	31/01/18	£ 2,999,792	Y	Goulding, David	Adult Social Care	Adult Social Care Services (Liz Bruce)	Liz Bruce			Extension compliant with Procurement Code	con_H&F_5787	CAB 17 May 16	1	To be extended in cEs.
Next Generation Network - Provision of the Data communication services both between [Wide Area Network (WAN) and within Local Area Network (LAN)] City Council locations. In addition it provisions access to the wider Internet, covers security functions and other technical and support services key to ensuring the City Council can support day to day operations.	Virgin Media Business	15/04/11	15/04/16	09/04/18	£ 3,500,000	Y	Wells, Alan		Corporate Services (John Quinn)	John Quinn			Extension compliant with Procurement Code	prj_H&F_334 ecm_WCC_908	CAB 24 May 16	1	Extended in cEs on 4 Jul 16.

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Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Provision of Voluntary and Community Sector Support Service	OneWestminster	01/04/17	30/09/17	N/A	£ 40,000.00	NO	Yacoba Godwyll	Policy and Strategy	Policy Performance and Communications	Julia Corkey	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract to ensure service continuity whilst allowing sufficient time to re-procure.	The award of the contract will allow WCC to undertake a full OJEU procurement, incl. but not limited to, market engagement, full tender, evaluation, governance and award. OneWestminster were awarded the original contract in 2015 following a competitive exercise (only 2 bids were received).  There has been a delay in commencing the new procurement due to the following:  The initial review of the contract took place in July 2016, however, at that point, the key stakeholder was having discussions with Public Health who have similar contracts in place to identify any opportunities for consolidation. The decision on scope for consolidation is yet to be made (no timescales can be provided at this time).	Waiver Directly award a contract without competition.	13/01/2017
Qube Managed Service	Qube Managed Services Ltd	01/04/14	30/01/17	31/01/18	£ 99,260.22	NO	Kevin Rainsbury	IT	Corporate Services	John Quinn	This request is that the Chief Procurement Officer (CPO), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The Transportation web forms are a bespoke set of services that are a critical element of the current Transportation IT solution and the overarching Transportation service. They enable information to be accurately captured and, with the use of an integrated risk register, allow reported issues to be accurately triaged and responded to in the most efficient manner. It is therefore essential that the infrastructure that hosts them is sustained. The renewal would commence on 1st February 2017.	Waiver Non compliant contract extension	16/02/17
Parking Debt Management	Marstons Group	01/03/13	28/02/17	31/10/17	£ 6,000.00	NO	Damon Budds	Parking Services	City Management and Communities	Stuart Love	This request is that the Chief Procurement Officer (CPO), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to extend the contract with Marstons.	Request that a waiver of the procurement code is approved to allow the extension of the contract with Marston Group Ltd for 8 months from 01 March 2017 to 31st October 2017. This will align the expiry of the current contract with that of the Revenues and Benefits department's debt management contract, with whom a joint procurement exercise is underway and on track to provide a new service from 1st November 2017. This extension will ensure on-going service provision is maintained by the incumbent, who's performance in delivering the service throughout the life of the contract has been good, with KPIs consistently met and exceeded. The estimated payment from Westminster City Council to Marston Group during the proposed contract extension period is £6k. A reprocurement is in progress with a contract due to start on 1 November 2017.	Waiver Non compliant contract extension	17/02/17
Maternity Champion Contracts		24/04/17	23/04/21		£ 240,000.00	YES	Linda Thomas	Public Health	Public Health	Liz Bruce	This request is that the Chief Procurement Officer (CPO), on recommendation of the Procurement Assurance Board (PAB), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to evaluate the Maternity Champions tender using a Quality:Price ratio of 80:20.	There is a risk that a weighting of 60% Price will force all bidders to adopt a bidding strategy that gives too great a focus on offering the lowest price. Such a strategy is likely to come at the expense of quality which is highly important given the nature and impact of these services to users. We therefore recommend a waiver to the requirement under section 6.2 of the WCC Procurement Code from the 40:60 ratio due to an enhanced focus on Quality to be delivered through these services.  This weighting strategy was adopted (and approved by PAB and Cabinet Members) for all of the previous Community Champion tenders that have taken place across the three boroughs in the past two years which used a Quality:Price ratio of 80:20.	Waiver Contract award with change to evaluation criteria	24/02/17
VAT Consultancy	KPMG LLP			31/03/18	£ 29,000.00	NO	Michelle Robinson	Corporate Finance	City Treasurers Department/Finance	Steven Mair	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to allow continued due diligence of the Council's VAT and CIS arrangements.	KPMG were appointed through a procurement during 2015/16 to review the Council's VAT and CIS arrangements. KPMG gained an understanding of the Council's business and systems during the course of this time which means that they can provide assurance more quickly and more cost effectively than another supplier which does not have this existing knowledge, business understanding etc. The Council has a complex operating model with a wide range of line of business systems and a major capital programme which means that issues in respect of VAT in particular are complex.	Waiver Directly award a contract without competition.	20/02/17

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Debt Management (Revenues & Benefits and Parking Services)	N/A	01/11/17	30/10/17	N/A	£ -	NO	Phil Black - Revs & Bens. Damon Budds Parking	Revs & Bens/Parking	Corporate Services	Steven Mair	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to vary the evaluation criteria weightings from quality (60%) and price (40%) to quality (80%) and price (20%).	<p>Given the importance and objectives of the contract and the fact that there is no significant price element to the tender, it is recommended that the Procurement Code is waived to allow for the technical/price ratio to be 80:20.</p> <p>Gate 1 approval was given on 14 February 2017 and included in the Gate report detailed the need to amend the councils evaluation criteria due to the nature of the contract as is documented below:</p> <p>The Taking of Control of Goods Regulations 2013 in effect detail how Enforcement Agent contracts are priced. These regulations set out the fees that the Enforcement Agent can charge the debtor. They are constructed on the basis that the Local Authority will not be directly charged by the Enforcement Agent.</p> <p>The current Revenues &amp; Benefits Enforcement contract was let on a zero cost basis. The current Parking Enforcement contract has a pricing component although this was significantly lower than the previous contract due to the competitive nature of the market.</p> <p>Given the sensitive nature of the Services and the high profile nature of operating within Westminster it is imperative that the potential contractors have extensive experience in operating in similar sized authorities.</p> <p>The only element of price that could be evaluated with reference to Revenue &amp; Benefits is Sundry Debt Recovery including Housing Benefit Overpayment Debt and for Parking is Pre-TEC registration recovery, Debtor tracing and address validation, Expired Warrant Recovery, Foreign Debt Recovery, Scottish Debt Recovery and Persistent Evader Enforcement.</p>	Waiver Contract award with change to evaluation criteria	24/02/17
Housing Options Service Reprocurement	Garnet Consulting	27/02/17	31/10/17	Nil	£ 90,000.00	NO	Brownlee, Barbara	Housing	Growth, Planning & Housing	Ed Watson	The request is that the Chief Procurement Officer (CPO) on recommendation of the Director of Housing and Regeneration grants a waiver of the WCC Procurement Code in order to safe guard the delivery and mobilisation of the new Housing Options Services Contracts.	Garnet Associates are required to provide project management resources to support the wider council team in the delivery and mobilisation of the new Housing Options Contracts. These contracts are currently out to tender and the additional project management resources are required to ensure that the restructured contracts are successfully awarded and implemented. The services will be charged on an actual cost basis and working days will be delivered as required during the procurement programme.	Waiver Directly award a contract without competition.	01/03/17
Mechanical Services Contract	G.E.M. Environmental Services Ltd	04/01/17	30/06/17		£ 307,250.00	YES	Tony Newberry	Procurement Services	Growth, Planning & Housing	Jonathan Cowie	This request is that the Chief Procurement Officer (CPO), on recommendation of the Procurement Assurance Board (PAB), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to award a temporary contract for Mechanical Services, waiving the approvals process whilst the long term contract is making its journey through Peer Review, Gate and Cabinet Member approval.	A full OJEU compliant procurement has been completed and a waiver of the procurement code approvals process is sought for a short term solution noting the contract expiry of the current contract. The existing provider will not extend their contract.	Waiver Directly award a contract without competition.	23/03/17
Advice Plus	A2 Dominion	01/04/14	31/03/17		£ 45,000.00	NO	Pete Westmore	Public Health	Public Health	Liz Bruce	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The extension of this contract will ensure continuity of service for an interim period of up to 12 months, by which time, needs will be built in and met by other WCC contracts currently being reprocured. Short contract duration precludes effective service delivery or efficiencies from competition.	Waiver Directly award a contract without competition.	23/03/17
North Westminster Network	Paddington Development Trust	01/04/14	31/03/17		£ 36,000.00	NO	Pete Westmore	Public Health	Public Health	Liz Bruce	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The extension of this contract will ensure continuity of service for an interim period of up to 12 months, by which time, needs will be built in and met by other WCC contracts currently being reprocured. Short contract duration precludes effective service delivery or efficiencies from competition.	Waiver Directly award a contract without competition.	23/03/17

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Positively Physical	Open Age	01/04/14	31/03/17		£ 33,500.00	NO	Pete Westmore	Public Health	Public Health	Liz Bruce	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The extension of this contract will ensure continuity of service for an interim period of up to 12 months, by which time, needs will be built in and met by other WCC contracts currently being reproced. Short contract duration precludes effective service delivery or efficiencies from competition.	Waiver Directly award a contract without competition.	23/03/17
South Westminster Network	Abbey Community Association Limited	01/04/14	31/03/17		£ 36,000.00	NO	Pete Westmore	Public Health	Public Health	Liz Bruce	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The extension of this contract will ensure continuity of service for an interim period of up to 12 months, by which time, needs will be built in and met by other WCC contracts currently being reproced. Short contract duration precludes effective service delivery or efficiencies from competition.	Waiver Directly award a contract without competition.	23/03/17
Semi-Independent Housing Services	n/a	01/10/17	30/09/20	30/09/23	£ 3,661,443.00	YES	Robert White	Rough Sleeping Commissioning Team	Growth, Planning & Housing	Ed Watson	This request is that the Chief Procurement Officer (CPO) and the Cabinet Member for Finance grant a waiver to the Westminster City Council (WCC) Procurement Code in order to amend the price:quality evaluation criteria split.	We have requested a waiver to change the price:quality split to 40:60 and feel that it is appropriate and necessary for this contract. There is a clear cost envelope for this service and the upper limit will be specified as the maximum acceptable contract price, reflecting the target savings. Given the sensitivity of the services, and the Rough Sleeping Commissioning team's knowledge of the costs of service provision, any bids below the lower limit will be investigated under the abnormally low tender provisions. This will mitigate the risk of the highest scoring bidder being unaffordable; it will also mean that the level of competition that there can be on price is limited. The Rough Sleeping Commissioning team believe that the majority of bidders will bid at the lower end of the cost envelope even with the 40% weighting for price; if we put 60% emphasis onto the price, the larger providers are likely to further undercut the smaller providers and we risk losing the high quality support for a very high need client group that a smaller provider could offer. Furthermore, the building is owned by one of the potential bidders; if too much emphasis is put on cost there will be greater incentive for them to make their housing management fees too expensive for another provider whilst bidding at the lower limit of the cost envelope, effectively pricing out the competition on an already limited market. The qualitative evaluation will seek to draw out high quality proposals relating to a number of different aspects of the service whilst maintaining the 5% to be awarded for added social value.	Waiver Contract award with change to evaluation criteria	23/03/17

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Rough sleeping entrenched outreach service contract St Mungos	St. Mungo's	01/04/17	31/03/18	n/a	£ 50,000.00	NO	Victoria Aseervatham	Rough Sleeping Commissioning Team	Growth, Planning & Housing	Ed Watson	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract.	The commissioning team are looking to pilot a "Housing First" scheme as a new approach to meeting the increasing demand for supported hostel bed spaces. Mainstream self contained properties are used, supported with intensive work by skilled holistic workers supporting just up to 7 residents at a time. There is a growing evidence base on the effectiveness of the model, with tenancy sustainment averaging 70-90%. Housing Association Partners were approached at a meeting of Chief executives, brokered by the WCC Head of Affordable Housing. Sanctuary Housing came forward with a proposal to use properties they were holding empty because of previous ASB. A business case was prepared on the merits of the pilot model (with extensive risk mitigation) and 10 properties were put forward by Sanctuary for a pilot. A request for quotations procedure was considered however this would take c 3 months to achieve and time is critical for the Housing Association partner. Procuring properties to use for Housing First is often difficult because of the risks involved of tenancy breakdown and social landlords being unwilling to take these risks, especially where mainstream social housing is so in demand. The arrangement with Sanctuary was reached through 'right place, right time' introductions. Sanctuary have 10 empty properties of very high quality in the Pimlico area which they only want to let on 2 year fixed tenancies. Sanctuary were reassured with the risk mitigation plans we have for tenancy breakdown (intensive support to avoid difficulties but in the worst case scenario, support to relinquish the tenancy and space created to return to immediately supported housing). However Sanctuary's stipulation is that the properties are let in April 2017. There is not enough time to complete an RFQ in time to meet Sanctuary's stipulation of the start date of the pilot and Sanctuary are an ideal partner to supply properties (because of the quality of the properties and the fact that they are already in the area).	Waiver Directly award a contract without competition.	23/03/17
Cycle Training	Cycle Confident	May-06	31/03/17	31/10/17	£ 58,000.00	NO	Carla Lowe	Road Safety	City Management and Communities	Stuart Love	This request is that the Chief Procurement Officer (CPO), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award a interim contract with Cycle Confident for period of 6 months from 01/04/17.	The existing Framework Agreement that is currently being used (TFL) expires at end of the month (Mar17). The initial recommendation was to call off the TFL Framework before expiry date but having explored this option was unable to as the framework agreement was already extended beyond it's initial end date so there was no provision to continue with this option. There is scope to run a call off under the RBKC Framework Agreement however work to put in place a council wide Training Framework Agreement that is in progress with expected go live in late 2017. Due to the above, the recommendation is to put in place a 6 month contract with the existing provider to a) allow the council framework to be let and OR b) run a mini competition via RBKC framework agreement. As this will take us past the 31st March a waiver of the procurement code is required? 6 month spend is expected to be approx £50 - £60k.	Waiver Directly award a contract without competition.	29/03/17
Provision of Data Cabling ServiceServices - Cray Valley Communications	Cray Valley Communications	01/11/16	30/06/17		£ 35,000.00	NO	Alan Wells	Information Services	Corporate Services	John Quinn	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code for Dataq cabling services to be procured.	The City Council has for a number of years used Cray Valley Communications, on an ad-hoc basis. The Council needs to utilise a supplier for provision of IT Cabling that will be flexible and dependable in the short term due to requirements that are emerging of key project delivery. Cray Valley Communications are an organisation the Council has confidence in being able to deliver to this requirement based on our past experience of supply to the Council over many years in what will be a testing period as we move from City Hall and complete other IT projects. ( further supporting documents are attached )	Waiver Non compliant contract extension	Approved 17/11/2016

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Microsoft Office 365 Licenses	Phoenix Software Ltd	01/02/16	31/12/16	31/12/18	£ 220,000.00	YES	John O'Dor	CWH Procurement Services	Growth, Planning & Housing	Jonathan Cowie	This request is that the Chief Procurement Officer (CPO), on recommendation of the CityWest Homes Ltd, Transformation Programme, grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract.	The contract will ensure continuity of service and stability during the implementation of the Transformation phase and convergence of CWH IT Services with Westminster's. This strategic decision has been taken at a high level and has the approval of Ben Goward (Triborough Head of Digital Services, Information Services Director's Office). Please see attached email. The Pricing and terms are in line with the Crown Commercial Services, Cloud Transformation Agreement. Phoenix Software Ltd are a designated Microsoft distributor and are a CCS Framework supplier. (please see schematic plan on tab of this file). Thi Waiver is supported by a briefing note attached to email submitting this request.	Waiver Non compliant contract extension	Approved 22/11/2016
Provision of Development Advisory Services - Ebury Bridge Estate	Deloitte Ltd	21/11/16	15/12/16		£ 50,000.00	NO	James Green	Development Advisory Services	Growth, Planning & Housing	Ed Watson	This request is that the Chief Procurement Officer (CPO), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract without competition. The development advisory services include the presentation of a detailed technical report to demonstrate to Cabinet a clear strategy to progress the development and regeneration of the Ebury Bridge Estate	Cabinet have requested that the report is provided by 15th Dember 2016. Not only is there insufficient time to undertake a full procurement process in order to meet this deadline, Deloitte Ltd have advised upon the Housing Options study that is intrinsically linked and feeds in to the technical aspects of this work item. They are therefore the only realistic company able to fulfil the contract award criteria.	Waiver Directly award a contract without competition.	Approved 24/11/2016
Advertising Recruitment	Penna PLC	01/04/15	30/11/16	31/05/17	£ 659,000.00	YES	Harbinder Manku	Procurement Services	Corporate Services	John Quinn	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists	The extension of this contract is for 6 months and will ensure continuity of service and stability during the procurement of the Advertising Recruitment service this will and enable procurement officers to review and test the the market place. This extension will also allow People Services to carry out a branding exercise so that WCC get the best talent for future opportunities. The strategic approach to go out to market will allow WCC to get the service for this requirement.	Waiver Directly award a contract without competition.	Approved 02/12/2016
Housing Options Service	tbc	42745.00	30/09/2022	30/09/2024	£ 35,000,000.00	YES	Rebecca Ireland	Housing and Regeneration	Growth, Planning & Housing	Ed Watson	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to vary the evaluation criteria weightings to quality (60%) and price (40%).	This is a critical, high profile, frontline statutory service attracting considerable attention and legal challenge due to the difficult statutory decisions and discharge of duties undertaken. A greater concentration on quality rather than price is therefore considered essential. It is critical that we select a service provider adequately equipped to deliver robust and accurate decisions and to protect the reputation of the Council. It is also important to appoint a provider that focuses on a partnering approach to service delivery and who is willing and able to work with the Council and adapt to changing legislation, best practice and pan-London approaches in the interests of delivering better outcomes and long term solutions for the Council.	Waiver Contract award with change to evaluation criteria	Approved 05/12/2016 Approved by Tim Mitchell on 13/12/2016
Provision of Dementia Services	Housing and Care 21	01/12/12	28/02/15	31/02/2018	£ 1,171,872.00	YES	Frank Hamilton	ASC Commissioning	Adult Social Care	Liz Bruce	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists for the period 1st Dec 2016 until 31st March 2018	The extension of this contract will ensure continuity of service to vulnerable adults with dementia and their carers whilst a strategic review and joint re-tendering of Older People and Dementia Services across WCC, RBKC and LBHF is completed, including any necessary consultations. The proposed timeline is to carry out a joint procurement during 2017 with a new service model in place in April 2018. The award of contract will ensure that the Council is compliant with its statutory duty under the the Care Act 2014 which is to provide a range of services that prevent, delay or reduce care needs. An award of contract will also regulate contracting arrangements ensuring compliance whilst officers undertake the necessary due diligence for Housing and Care 21 proposed novation to Ark Home Healthcare Limited .	Waiver Directly award a contract without competition.	Approved 06/12/2016

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Provision of Dementia Adviser	Housing and Care 21	Not known	Not known	Not known	£ 68,667.00	NO	Frank Hamilton	ASC Commissioning	Adult Social Care	Liz Bruce	This request is that the Chief Procurement Officer (CPO), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract where no further extension provision exists for the period 1st Dec 2016 until 31st March 2018	The extension of this contract will ensure continuity of service to vulnerable adults with dementia and their carers whilst a strategic review and joint re-tendering of Older People and Dementia Services across WCC, RBKC and LBHF is completed, including any necessary consultations. The proposed timeline is to carry out a joint procurement during 2017 with a new service model in place in April 2018. The award of contract will ensure that the Council is compliant with its statutory duty under the the Care Act 2014 which is to provide a range of services that prevent, delay or reduce care needs. An award of contract will also regulate contracting arrangements ensuring compliance whilst officers undertake the necessary due diligence for Housing and Care 21 proposed novation to Ark Home Healthcare Limited .	Waiver Directly award a contract without competition.	Approved 06/12/2016
Glarus Court enhanced home care	Housing and Care 21	01/03/15	28/02/17	31/03/18	£ 725,000.00	YES	Sarah Newton	Commissioning and Enterprise	Adult Social Care	Liz Bruce	This request is that the Chief Procurement Officer (CPO), on recommendation of the Contracts Approval Board (CAB), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to extend this contract.	Housing and Care 21 are exiting the home care market and planning to novate their work to Ark Home Healthcare. The service delivery of Glarus Court, currently seen as 'hybrid extra care', needs reviewing to agree what it offers and who should best provide the care in the future. The contract extension will allow officers to review the service, residents needs and agree how it should be provided and by whom. This is expected to take a few months; the contract extension allows for stability while due diligence is undertaken regarding Ark, and decisions regarding the future of the service are made.	Waiver Non compliant contract extension	Approved 15/12/2016
Provision of Consultancy Services to Support the Digital Programme	Ember Services Ltd	16/12/16	As and when completed	N/A	£ 70,000.00	NO	Maria Benbow	Corporate Services	Corporate Services	John Quinn	This request is that the Chief Procurement Officer (CPO) grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award this contract due to the urgency of requirement.	The award of this contract will enable WCC to progress with the Digital Programme. The programme team is due to present their Procurement ICS Strategy to the Gate Panel on 24th January and therefore require urgent input from Ember Services to ensure the strategy is fit for purpose.	Waiver Directly award a contract without competition.	Approved 15/12/2016
Older People with complex needs and Outreach services	Housing and Care 21	01/04/2015	31/03/2017	31/03/18	£ 906,000.00	YES	Frank Hamilton	Procurement Services	Adult Social Care	Liz Bruce	This request is that a waiver of the WCC Procurement Code is obtained from the WCC Chief Procurement Officer to allow for the Executive Director for Adult Services to extend the contracts held by Housing and Care 21	To ensure continuity of service whilst a strategic review of Older People Day Centres is concluded. Subject to approval, the contract extension will ensure that the Council be contract compliant whilst Officers undertake due diligence for the proposed novation to Ark Healthcare Limited.	Waiver Non compliant contract extension	Approved 20/12/2016
Investment Management Agreement	Insight Investment Management (Global) Ltd	01/05/2006	31/12/16	31/12/17	£ 380,000.00	YES	Nikki Parsons	Pensions	City Treasurers Department/Finance	Steven Mair	This request is that the Chief Procurement Officer (CPO), on recommendation of the Gate Review Panel (Gate), grants a waiver to the Westminster City Council (WCC) Procurement Code in order to directly award a contract with Insight for a period of 12 months to 31/12/16.	Normally we would retender this mandate resulting in a new contract either with Insight or an other. However, there is one complexity. The London CIV. Under Government rules, all fund manager appointments must in the next few years (circa 2020 for this type of asset) be transferred to the London CIV. The Government has decided that large pools can negotiate cheaper fees and wish all LGPS investment manager decisions to be taken at pool level. The London CIV has only really been active for a year and is currently working to establish structures for listed equities. It is anticipated that by end of 2017 all of Westminster's equities will be managed through the London CIV. This waiver will also allow the service area to work with procurement to tender for an investment manager during 2017.	Waiver Directly award a contract without competition.	Approved 22/12/2016



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Legal fees associated with potential dispute with Contractor	Clarke Willmott LLP	20/06/16	01/06/17		£ 90,000.00	NO	Barbara Brownlee	CityWest Homes	Growth, Planning & Housing	Ed Watson, Executive Director for Growth, Planning and Housing	Continuation of Clarke Willmott's appointment to provide legal services associated with an emerging dispute with Keepmoat Limited for their failure to complete major works at Barrow Hill in accordance with the Contract.	Clarke Willmott were appointed in April 2016 to give a high level review and opinion of the case against Keepmoat for the Director of Property and Development as urgent decisions were required as to how we proceed given the political pressures. Specialist construction lawyers with experience of building product and defect experience are required to successfully prosecute this claim. Capital Programme spoke with the Tri Borough legal team who confirmed that they do not have a specialist in this area and would likely suggest that the issue be contracted to an external firm using the LBLA panel. CWH engaged with Clarke Willmott in 2014 to prosecute an adjudication against Balfour Beatty for defective works carried out in 2012 to street properties in the Maida Vale area of Westminster, and they successfully prosecuted that case to much acclaim. Clarke Willmott also have the benefit of a proven track record in this field and as a larger practice has the ability to call on other legal support on associated matters. Clarke Willmott have previously been appointed to provide advice on behalf of Westminster City Council position on the matter and have supported CityWest Homes with their strategy to ensure the best outcome for the Council.	Waiver Directly award a contract without competition.	Approved by CPO 12 Jul 16
Council House - Additional refurbishment works comprising installation of audio and visual services, restoration of window reveals and 2 no listed chimneys.	London Business School	08/07/16	08/08/17		£ 313,100.00	YES	Guy Slocombe	Corporate Property	Growth, Planning & Housing	Ed Watson, Executive Director for Growth, Planning and Housing	WCC have granted a 35 year lease to London Business School (LBS). The waiver request is to provide funds to LBS to provide additional works at Council House. The accommodation will be used to host the Council's meetings and the Registrars accommodation. WCC Councillors have confirmed they required a revised layout and additional acoustic and audio visual services are now required.	The additional works to host the Council's meetings was requested by WCC Councillors. LBS are in possession of the building and given the nature of the works to be procured, it is not practical or feasible for another contractor (other than the current contractor on site) to undertake these works. LBS did seek a competitive tender when procuring their construction contractor. The current design team own the IPR to the existing drawings. Council House is a grade 1 listed building and the works are of a complex nature. The Council is aware that the building contract between LBS and their construction contractor is late and it is highly unlikely they would agree to another contractor undertaking the refurbishment works.	Waiver Non compliant contract extension	Approved by CPO 06 Jul 16
Professor Greg Clark: West End economic and business case peer review	Professor Greg Clark, Business of Cities Group, University College London	06/07/16	30/09/16		£ 40,000.00	NO		Westminster Finance	City Treasurers Department/Finance	Steven Mair, Westminster Finance	The request is to seek advice from Professor Greg Clark of University College London to provide peer review and challenge to the City Council's economic and business case submission to HM Treasury for the West End of London. Having considered options for such a peer review within the timeframe required (by end of July) it is clear that the only senior academic currently available with the background in international city competitiveness is Professor Greg Clark of UCL.	There is a need to refine augment the Council's submission of a business rates off set arrangement to HM Treasury by the end of July. This requires a peer review of the case from an internationally recognised expert in international city economies. The only such academic with the correct credentials available in July is Professor Clark at the UCL Business of Cities Group.	Waiver Directly award a contract without competition.	Approved by CPO 11 Jul 16
Specialist support for urgent changes to Confirm	Applications Ltd	11/07/16	30/09/16		£ 8,000.00	NO		Transportation	City Management and Communities	Stuart Love, City Management and Communities	A waiver is required for Applications Ltd to undertake urgent changes to the CONFIRM system. Applications Ltd can provide this service and are more cost effective than the software provider. We have an urgent deadline to achieve for September and Applications Ltd are able to supply this service immediately.	The City Council has an urgent deadline to achieve for September and Applications Ltd are able to supply this service immediately.	Waiver Directly award a contract without competition.	Approved by CPO 08 Jul 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Observational study and comparative analysis of the Mayfair night time economy	Dr Philip Hadfield	21/07/16	20/10/16		£ 15,000.00	NO	Barry Smith, Head of City Policy & Strategy	Policy, Planning and Performance	Policy Performance and Communications	Julia Corkey, Director of Policy, Performance and Communications	The requirement to seek at least 3 competitive quotes	Dr Phillip Hadfield's background is in criminology and urban design (crime prevention and cultural planning) and he has experience of working with Westminster on licensing data, appeals and hearings and is aware of and understands the evidence base for our cumulative impact areas. In particular, he has a detailed understanding of local issues in respect of 'public nuisance' alongside other issues of concern in the statutory Licensing Objectives: Crime and Disorder, Public Safety, and the protection of young people from alcohol-related harm. Dr Hadfield has carried out similar studies in Westminster and would integrate his qualitative approach to assessing similarities and differences between the evening and late-night economy of Mayfair with the work he has carried out in other parts of Westminster.	Waiver Directly award a contract without competition.	Approved by CPO 26 Jul 16
Contract Extension	Bellenden Ltd	01/04/16	31/12/16		£ 10,000.00	NO	Barry Smith, Head of City Policy & Strategy	Policy, Planning and Performance	Policy Performance and Communications	Julia Corkey, Director of Policy, Performance and Communications	Approval is requested to extend the existing contract with Bellenden Ltd for the provision of consultancy services to the Inner London BIDs Group.	Category Manager's approval has been provided by Greta Kurkuzinskaite on the basis that the extension required was not anticipated for when the contract was initially put in place.  Due to external funding being available service continuation is required, however, the approval is provided on the basis that no further extension is to be requested. Should the service be required following the expiry of the contract, a new contract will need to be awarded following a competitive process.	Waiver Non compliant contract extension	Approved by CPO 27 Jul 16
WCC Cash Collection and Delivery	Loomis UK Ltd	01/09/16	31/08/18		£ 50,000.00	NO	David Hodgkinson	Westminster Finance	City Treasurers Department/Finance	Steven Mair, Westminster Finance	The requirement to seek at least 3 competitive quotes - based on lower contract value and proposed length of direct award.	Waiver is sought to directly award to Loomis for a further 2 years whilst we align cash requirements to the digital programme, before conducting a full procurement process.	Waiver Non compliant contract extension	Approved by CPO 03 Aug 16
Reporting tool for the legacy Financial data - Insightsoftware	InsightSoftware.com Limited	15/08/16	15/08/21		£ 65,330.00	NO	Ben Goward	Information Services	City Treasurers Department/Finance	Steven Mair, Westminster Finance	To waiver to allow entering into a new contract with Insightsoftware for 5 years. Without a full procurement	This is required to enable a Westminster historical solution to allow the decommissioning of the JDE WIMS system and the Liberata contract costing £29k per month. This contract arrangement ends on the 31/10/16.  MSP where to provide a historical solution but as yet not provided a working model. The risk is now too high to rely on MSP with the deadline now so close Westminster need to have a solution. Therefore there is a need to work extremely quickly. Westminster solution is to move the required data into an SQL data base within Westminster IT estate and the use a query tool to produce reports and online reporting. InsightSoftware provide the only pre-templated tool to report off JDE data. It effect they are a single supplier of this data specific reporting tool. This allows non technical officers to use and maintain. It also means that there is no need write extensive requirement documentation then to pay for expensive consultancy time. This would also be the quickest to implement requiring no upfront development. The tool has been used previously by Westminster to allow the finance department to design and write their own reports. It was very popular with finance. It is a proven solution not just within Westminster but is also been used by Kensington for their Historical solution. This solution is also the cheapest option available the cost is about £13 k per year for the small number of user licences required. The Cost of a comparable bespoke built solution has been quoted at nearly £485,000 for 5 years (Inoapps an Oracle partner). The alternative of running JDE on the cloud instead would be at least £5 k per month if a supplier with the UK/EU could be procured with additional licences to Oracle of Over £80 k per year.	Waiver Directly award a contract without competition.	Approved by CPO 04 Aug 16



Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Consultancy Services to deliver a 2 Phased Data Discovery project for strategic data initiatives.	Harlex Consulting Ltd	01/10/16	31/01/16		£ 50,000.00	NO		CityWest Homes	Growth, Planning & Housing	Jonathan Cowie (Chief Executive, CWH)	Seeking a waiver from the requirement to seek 3 quotes spend between £10 - £100k via RFQ or mini-tender as set out in Section 6 - Procurement and Governance for Operational spend - of the Procurement Code.	<p>CityWest Homes has a number of strategic objectives and projects that have a reliance on well managed and high quality data to enable and unlock their full benefits. This includes an up and coming implementation of a new CRM system and new website including full data capture from web users</p> <p>However, at present, there is little to no understanding of the overall 'current state' of data in the organisation. This includes some of the key components of enterprise data management.</p> <p>There is a vision being led by the Transformation Programme to initiate Enterprise Data Management in the organisation and begin to treat and manage the organisations data as Information Assets.</p> <p>Enterprise data management (EDM) is an organisational function that is inclusive of people, process, organisation and technology. It is a sub function of Enterprise information management (EIM), which is an integrative discipline for structuring, describing and governing information assets across organisational and technological boundaries to improve efficiency, promote transparency and enable business insight.</p> <p>This approach to data management should reduce costs incurred from non-effective poor quality data, improve the ability to manage and report business information dynamically, accurately and to meet the increased expectations of regulation to improve transparency of how CWH handle their data.</p> <p>The phased Data Discovery project aims to prepare CityWest Homes for the change programmes ahead as well as for further strategic data initiatives.</p>	Waiver Directly award a contract without competition.	Approved
Telephony Service Provision	Ericsson	30/06/09	29/06/16	09/04/18	£ 9,968,598.00	YES	Alan Wells	Corporate Services	Corporate Services	John Quinn	To extend the existing contract from 30th June 2016 until the 9th April 2018, with a breakpoint on 29th June 2017 with Ericsson for continued service provision at optimal cost to the Council.	<p>Extension to contract under the Public Contracts Regulation 2015 Reg 72 (1)(c) for a period running from 30th June 2016 until 9th April 2018 for telephony services, with option to extend for upto a further 12 months up to 10th April 2019. The initial extension period to have a breakpoint on 29th June 2017 to allow potential earlier take-up of a BT service offering under the recently procured framework agreement with BT (the "BT Framework Agreement") that was procured to provide, among other services, a replacement for the telephony service.</p> <p>For the period from 30th June 2016 until 9th April 2018 an expected total cost is £1,838,852.</p>	Waiver Non compliant contract extension	Approved at Gate 19 Apr 16
London Apprenticeship Company Provision of Apprentices for WCC	London Apprenticeship Company ( LAC)	01/04/16	31/03/17		£ 26,000.00	NO	Rita Lawrence	Human Resources	Corporate Services	John Quinn	Contract with London Apprenticeship Company expires on 31st March 2016, therefore an extension of the contract is requested for one year.	<p>Extension to continue to use LAC to provide the administration and recruitment for the council's apprentices.</p>	Waiver Non compliant contract extension	Approved by CPO 04 Apr 16
Administration of the childcare voucher scheme	Widerplan trading as Kiddivouchers	01/04/12	01/04/16		£ 15,000.00	NO	Veronique Vermeer / Alexis Brooks	Human Resources	Corporate Services	John Quinn	Extend contract for a further 12 months where no provision to extend exists Original current contract accessed under ESPO framework (ESPO Contract 319: Staff Benefits) from 1 April 2012 to 1 April 2016. This included an option to extend which has been exercised	<p>People Services (HR) are currently reviewing the benefits proposition for staff with a view to potentially widening the scope of benefits on offer. This review will inform the procurement strategy going forward and will also align with the launch of the council's employer brand</p> <p>A Waiver is therefore requested to extend the current contract for a further period of 12 months . The extension period will allow for the People Services review to be completed and will also allow for any developments in the market in relation to the launch of the new Tax Free Childcare Scheme to become clear</p>	Waiver Non compliant contract extension	Approved by CPO 15 Apr 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Provision of Staff Benefits Platform	Widerplan	01/04/12	01/04/16		£ 3,000.00	NO	Veronique Vermeer / Alexis Brooks	Human Resources	Corporate Services	John Quinn	The ability to extend the contract for a limited period of 12 months where this facility does not exist	WCC Staff Benefits Platform is provided by Widerplan. The current contract is accessed under ESPO framework (ESPO Contract 319: Staff Benefits). The platform has been in place since April 2012 and currently has over 2,000 registered users. The platform continues to be actively used in terms of new registrations, logins and offer views. Current contract expires on 1 April 2016. No provision exists to extend the contract beyond 1st April 2016. The Benefits Platform lists voluntary benefits comprising national high street offers paid for by staff plus links to council employee benefits. People Services (HR) are currently reviewing the benefits proposition for staff with a view to potentially widening the scope of benefits on offer. This review will inform the procurement strategy going forward and will also align with the launch of the council's employer brand. The extension period of 12 months will allow for the People Services review to be completed.	Waiver Non compliant contract extension	Approved by CPO 15 Apr 16
Extension of Consultancy Contract	Brendon Harper Consultancy	01/04/16	30/06/16		£ 14,968.00	NO	Carol Quamina, CRP Operations Manager	Cross River Partnership	Policy Performance and Communications	Julia Corkey	Cross River Partnership is seeking to extend the consultancy contract in terms of cost and delivery period with Brendon Harper Consultancy from/	<p>Cross River Partnership (CRP) are seeking to extend the consultancy contract with Brendon Harper Consultancy for another three months (until the end of June 2016) to ensure delivery of the Air Quality Strategy for the New West End Company (NVEC), the Air Quality Summit and Delivery Servicing Plans along Oxford Street West.</p> <p>These projects are of strategic importance to Westminster City Council to help engage businesses in reducing air pollution, reducing congestion and improving the public realm on Oxford Street, Regent Street, Bond Street and the surrounding environs.</p> <p>The work is externally funded by the NVEC to the value of £19,750. The initial contract with Brendon Harper Consultancy was for the value of £6,668 to provide services in relation to Delivery Servicing Plans in the Oxford Street West environs. NVEC have been working with Brendon Harper for delivery of this project up to this point. The work on WCC Delivery Servicing Plans on Oxford Street West has had to be extended due to delays in the delivery of the Air Quality Summit.</p> <p>CRP will be unable to recruit new staff with the appropriate skills and experience in time to ensure on-going delivery of these projects. Brendon Harper has a working knowledge of these projects, which we will be unable to deliver within the project timescales.</p> <p>The contract extension is a short-term solution to bridge a gap in staffing. CRP will start recruitment to cover our on-going staff resource needs in the new financial year. CRP anticipate, based on previous work, that the cost of the contract extension will be below £8,300 and will not be extended again.</p>	Waiver Directly award a contract without competition.	Approved by CPO 01 Apr 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Provision of Consultancy Services for the Inner London BIDs Service	Anthony Halmos Consultancy	01/04/16	31/05/16		£ 5,000.00	NO	Carol Quamina, CRP Operations Manager	Cross River Partnership	Policy Performance and Communications	Julia Corkey	Request for waiver under defined circumstances to engage Anthony Halmos Consultancy as instructed by the Inner London BIDs Group.	The Inner London BIDs Group consists of 16 inner London Business Improvement Districts, who have jointly agreed to deliver a range of deliverables of mutual benefit to the collective. They have engaged Cross River Partnership (CRP) to provide co-ordination and project management support to ensure achievement of the deliverables in their work plan.  The ILBG agreed at its meeting on 23rd March that CRP be instructed to engage Anthony Halmos Consultancy to provide specialised public affairs/policy consultancy support on specific elements of their workplan, details of which are contained in the minutes of the meeting (attached, please refer to item 4).  This request is seeking a waiver of the Procurement Code under defined circumstances to engage Anthony Halmos as agreed by the ILBG who are providing the funding to cover the cost of the service provision.	Waiver Directly award a contract without competition.	Approved by CPO 04 Apr 16
Lagan CRM Solution	Verint Systems UK Limited	01/05/16	30/04/18		£ 288,000.00	YES	Suzanne McArdle - Head of Digital Transformation	Policy, Planning and Performance	Policy Performance and Communications	Julia Corkey	The award of a new contract for a continued Lagan CRM Solution for a period of 1 year with the option to extend for an additional 12 months.	The initial 2014 implementation of Lagan to support the Agilisys contact centres was complex and expensive. Integration of Lagan with these systems took a long time to stabilise and WCC specific handling scripts took time to develop and refine. It would not be cost-effective and business viable to replace Lagan with an alternative CRM platform within the existing operation scope.	Waiver Directly award a contract without competition.	Approved by Gate 19 Apr 16 and CPO 25 Apr 16
Architectural Design and interior services	Sheppard Robison (£33K excludes expenses. Long and Partners (£15K excludes expenses)	01/06/16	01/12/17		£ 57,000.00	NO	Anne McCann, Head of Corporate Property and Projects, Investment, Estates and Property	Coporate Property	Growth, Planning & Housing	Ed Watson	To provide architectural and design services at the Old Marylebone Town Hall (aka Council House) for the provision of WCC accommodation. The accommodation will be used to host Council meetings and the Registrars accommodation. The services will cover all of RIBA stages. In addition, this includes an interior lighting consultant.	(1) To ensure continuity in design making on a Grade 1 historical iconic building. (2) That WCC benefit from the Architect's / Interior designer past and current experience on this iconic building	Waiver Directly award a contract without competition.	Approved by CPO 23 May 16
Scanning, indexing and uploading documents project	IDOX	01/04/16	01/04/16		£ 14,000.00	NO	Tracy Cox, Project Manager	Development Planning	Growth, Planning & Housing	Ed Watson	Development Planning had lots of paper files that needed to be scanned, indexed and uploaded on to the Document Management System. We engaged a supplier IDOX to carry out some work for us and got a quote for this and raised a PO. We thought we were sending around 1350 files for scanning, indexing and uploading. We actually sent them 3165 files for scanning, indexing and uploading. They outsourced this to their supplier and the supplier didn't know that we had sent them too many file so they have done the scanning part of the work. They have now asked us to raise a purchase order for the extra work. I asked someone to raise this for me and she said she couldn't as it was over the limited for raising POs for a supplier. Can you please authorise this extra spend. The initial quote was £12k and the extra work	Work has already been done and we need to pay the supplier.	Non compliant retrospective waiver	Rejected by CPO 12 Apr 16
Energy efficiency works in existing council owned housing	London Borough of Barnet	30/05/16	31/03/17		£ 81,250.00	NO	Jake Mathias, HRA Strategy Manager	Housing	Growth, Planning & Housing	Ed Watson	Waiver in respect of the preclusion from entering into a Memorandum of Understanding	The GLA has established four sub-regions amongst the 33 London Boroughs. The Council is a member of the North London sub-region and bids for funding from the GLA and other sources on a collaborative basis. The sub-region has successfully bid for funding for energy efficiency improvements to our housing stock from National Energy Action. The sub-region itself is not a legal entity and therefore a local authority has to act as the lead for contractual purposes. In this instance it is the LB Barnet who in turn require us to enter into an MOU in respect of the delivery of the works that will attract this funding. Similar arrangements have been entered into in past years with LB Barnet and LB Islington. Further details are available fromjmathias@westminster.gov.uk	Waiver Use of a Memorandum of Understanding	Approved by CPO 26 Apr 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Lead Consultants to prepare a concept scheme to gain planning permission for the Beachcroft Specialist Housing for Older People programme Site RIBA Stage 2-3	PRP Architects	03/05/16	30/06/16		£ 125,000.00	YES	Toni Peters	Housing	Growth, Planning & Housing	Ed Watson	Following a competitive tender in October 2014 a contract was awarded to PRP Architects for RIBA Stage A only; although the tenders were invited to RIBA Stage C (now 3). This waiver requests authority to waive Clause 6 of the Procurement code and the requirement to competitively tender these works. The total cost of the waiver is To RIBA Stage 2 - £110k To RIBA Stage 3 - £15k Total cost - £125k	The reason for retention of the supplier is: - Continuation of services from concept design to planning application - Retained knowledge of resources - Competitive tender run in 2014 - Quality of performance to date	Waiver Directly award a contract without competition.	Approved by Gate 26 Apr 16 and CPO 26 Apr 16
CARERS PRIMARY CARE NAVIGATOR SERVICE - DIRECT AWARD OF A 12 MONTH CONTRACT	Carers UK	01/05/16	30/04/17		£ 94,500.00	NO	Janet Dawson, Procurement and Contracts Officer, Adult Social Care	Adult Social Care	Adult Social Care	Liz Bruce	Requirement to invite at least three bidders to quote based on price or to perform a mini tender including qualitative evaluation.  This request also seeks agreement to use a memorandum of understanding.	To meet an identified need to re-establish this service in the short-term, giving support to GP practices in the identification of carers pending the procurement of a longer term service. A direct award will give time for a future service model to be designed and tendered either as a single service, or together with other carers services which are currently being reviewed, with a view to new contracts from May 2017. The low-value, integrated service design, with two staff working across three boroughs, does not lend itself to a framework agreement and call-off contract model. This will be reviewed for any future service model.	Waiver Directly award a contract without competition.	Approved by CPO 07 Apr 16
Supported Housing (4 units) Accommodation services for people with Learning Disabilities	Outlook Care	01/04/17	30/06/17		£ 55,075.00	NO	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services.	Waiver Directly award a contract without competition.	Approved by CPO 04 May 16
Supported Housing (3 Units). Accommodation services for people with Learning Disabilities	Yarrow Housing	01/04/17	30/06/17		£ 37,213.00	NO	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services.	Waiver Directly award a contract without competition.	Approved by CPO 10 May 16
Supported Housing (2 Units). Accommodation services for people with Learning Disabilities	Yarrow Housing	01/04/17	30/06/17		£ 30,914.00	NO	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services.	Waiver Directly award a contract without competition.	Approved by CPO 16 May 16
Supported Housing (50% of 4 Units). Accommodation services for people with Learning Disabilities.	Cyrenians	01/04/17	30/06/17		£ 90,741.00	NO	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services.	Waiver Directly award a contract without competition.	Approved by CPO 26 May 16
Residential Care (5 Homes, 19 Units) Accommodation services for people with Learning Disabilities	Westminster Society	01/04/17	30/06/17		£ 153,749.00	YES	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services.	Waiver Directly award a contract without competition.	Approved by CPO 27 May 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Supported Housing (88 Units dispersed). Accommodation services for people with Learning Disabilities.	Westminster Society	01/04/17	30/06/17		£ 229,005.00	YES	David Goulding, Supplier Relationship Manager	Adult Social Care	Adult Social Care	Liz Bruce	Waive the requirement to conduct a competitive tender exercise in order to allow the direct award of a contract.	Adult Social Care is in the process of developing a Procurement Strategy for services for People with Learning Disabilities across the three boroughs. The aim of the strategy is to improve outcomes for customers by increasing choice and control through personalised services. The direct award of this contract is for existing provision and aligns the end date of this contract to fit with the start of the remodelled services	Waiver Directly award a contract without competition.	Approved by CPO 27 May 16
Community Champions project Church St	Paddington Development Trust	01/04/16	31/03/19		£ 135,000.00	YES	Christine Mead, Behaviour Change Commissioner	Public Health	Adult Social Care	Liz Bruce	That the Chief Procurement Officer approve a waiver in accordance with section 2.9 of the Westminster Procurement Code to allow WCC to extend the existing Church St Community Champions contract with PDT. 2.2 To approve the modification of the existing contract with PDT to provide for an extension of the term of the contract for a period of three years effective from 1st April 2016 to 31 March 2019 for a contract value of £135,000, aggregate over three years.	1.2. The rationale for this direct award is that existing projects are being successfully delivered and will be further developed through partnership links with West London CCG, Central London CCG and City West Homes, including an extension of outcomes and a saving to public health budgets while maintaining project viability. Partnership agreements are in development in each location to create a local health and housing partnership group who will collectively support and develop the community champions projects. 1.3. There are very limited numbers of community organisations in each of the neighbourhoods who would be able to deliver a community champions project, so there would be no competitive advantage gained by going out to tender while there would be a risk of destabilising the trust and capacity of the existing organisation delivering the project.	Waiver Non compliant contract extension	Approved by CPO 16 May 16
Queens Park/Mozart Community Champions Project	Paddington Development Trust	01/04/16	31/03/19		£ 135,000.00	YES	Christine Mead, Behaviour Change Commissioner	Public Health	Adult Social Care	Liz Bruce	That the Chief Procurement Officer approve a waiver in accordance with section 2.9 of the Westminster Procurement Code to allow WCC to extend the existing Queens Park/Mozart Community Champions contract with PDT 2.4 To approve the modification of the existing contract with PDT to provide for an extension of the term of the contract for a period of three years effective from 1st April 2016 to 31 March 2019 for a contract value of £135,000, aggregate over three years.	1.2. The rationale for this direct award is that existing projects are being successfully delivered and will be further developed through partnership links with West London CCG, Central London CCG and City West Homes, including an extension of outcomes and a saving to public health budgets while maintaining project viability. Partnership agreements are in development in each location to create a local health and housing partnership group who will collectively support and develop the community champions projects. 1.3. There are very limited numbers of community organisations in each of the neighbourhoods who would be able to deliver a community champions project, so there would be no competitive advantage gained by going out to tender while there would be a risk of destabilising the trust and capacity of the existing organisation delivering the project.	Waiver Non compliant contract extension	CAB 10 May 16. Approved by CPO 16 May 16
Westminster Domestic Violence Prevention in Schools: 'Standing Tall'	Action for Children	01/04/16	31/03/18		£ 70,000.00	NO	Mary Russell, Public Health Commissioner	Public Health	Adult Social Care	Liz Bruce	The requirement to seek at least three competitive quotes. To request 1 quote from the current provider instead of a minimum of 3 quotes.	The 'Standing Tall' domestic violence prevention in schools programme delivered by Action for Children is a niche service that has been developed locally to meet local need. It was developed in response to recommendations of local survivors of domestic violence: the Westminster Phoenix Group who advocated that prevention of domestic violence is crucial to addressing the issue in the short, medium and long term and that schools are the ideal setting for this. 'Standing tall' focusses on preventing domestic violence by offering a programme of domestic violence training to teachers and staff within schools and academies in Westminster. It encourages a 'whole school' approach in integrating healthy relationship development and domestic violence awareness and prevention into the schools existing 'personal, social and health education (PSHE) programme and anti-bullying work. The current contract ends on 31.3.16 and a new 1 year (plus one year) contract will allow for completion of the review of all Public Health commissioned services which is beginning to be undertaken. If there is no service from 1 April 2016 the result would be a gap in service provision.	Waiver Directly award a contract without competition.	Approved by CPO 04 Apr 16

Title	Suppliers	Start Date	End Date	Extension Expiry Date	Contract Value	Over £100k	Contract Manager	Unit	Directorate	Executive Management Team member	Description of waiver request (if a waiver was sought)	Justification for seeking a waiver	Recommendation	Approval
Suicide Prevention Service: Campaign Against Living Miserably (CALM). This service targets men at risk of suicide : it provides a helpline and social marketing techniques to raise awareness of depression in men & encourage men to seek support when needed	Campaign against Living Miserably (CALM)	01/04/16	31/03/17		£ 24,000.00	NO	Mary Russell, Public Health Commissioner	Public Health	Adult Social Care	Liz Bruce	The requirement to seek at least 3 competitive quotes. To request 1 quote from the current provider instead of a minimum of 3 quotes.	This is an existing high performing service. A review of all Public health services is underway. a new 12 month (1 year plus 1 year) contract will allow for completion of the review in light of recent information about the future of Public Health funding and alignment with the work of our new Budget Task and Finish group. This will also ensure that there is no disruption of a service to a highly vulnerable group : men at risk of suicide. There is no provider in or around Westminster that could provide the same level of quality specialist service locally. The activity matches conditions for the use of the Public Health Grant and allocation of funding has been agreed by Cllr Robathan and Public Health SMT.	Waiver Directly award a contract without competition.	Approved by CPO 01 Apr 16
Mental Health Promotion: Opportunity for All. Service providing mental health promotion amongst BME communities and other at risk groups in Westminster. The service combines targeted outreach with mental health promotion and physical activity.	Opportunity For All	01/04/16	31/03/17		£ 39,916.00	NO	Mary Russell Public Health Commissioner	Public Health	Adult Social Care	Liz Bruce	The Requirement to seek at least 3 competitive quotes. To request 1 quote from the current provider instead of a minimum of 3 quotes.	This is an existing high performing niche service which uses an integrated partnership approach to delivery of this service, thereby delivering added value in this contract. The service grew out of local need and has been developed locally. A review of public health services is underway. A new 12 month (1 year plus 1 year) contract with the existing provider will allow for the review to be completed in the light of recent information about the future of Public Health funding and alignment with the work of the Public Health Task and Finish group. This will also ensure that there is no disruption to a niche service which has shown marked benefits to residents and local service providers in reducing the burden of mental health problems. There is no provider in or around Westminster that could provide the same level of quality integrated services which is targeted to the specific needs of the local population. The activity matches conditions for the use of the Public Health grant and allocation of funding has been approved by the Public Health SMT and Cllr Robathan.	Waiver Directly award a contract without competition.	Approved by CPO 01 Apr 16
Westminster Children's Centre Outreach Service	Family Lives	03/10/16	28/09/18		£ 518,457.00	YES	Kemi Ore, Procurement Consultant	Children's Services	Children's Services	Clare Chamberlain	Waiver to the tendering requirements of the Council's Procurement Code in order to award a contract for Outreach Service to Family Lives from 1st Oct 2016 to 30 Sept 2018	The Direct Award approach is considered to be the optimum solution following the recent reshaping of the Early Help service which identified outreach as a gap in the new service, there is no in house service that can deliver this element of the outreach offer. The current Children's Centre contracts expire on 30 September 2016, with no provision for further extension. Therefore a direct award is considered to be the best approach as the contract in its current form is likely to be less attractive to the market, because the scope and budget for this service has been significantly scaled down for the next two years. This is further exacerbated by the uncertainty of future funding availability which is would be required to run an efficient procurement and deliver good quality value for money outcomes from it.	Waiver Directly award a contract without competition.	CAB 21 Jun 16. Approved by CPO 23 Jun 16



Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_WCC_2822	OCS Environmental Services Limited	ASBESTOS REMOVAL AND ENCAPSULATION	City wide asbestos removal and encapsulation	Active	22/07/14	01/05/13	30/04/18	Below Expectations	19/01/17	625,000.00	Yes	Sarah Stevenson-Jones	Growth, Planning & Housing
ecm_WCC_2133	Central and Cecil Housing Trust	Ada Court; Dora House; Edna House OP	Sheltered Housing - Supported Accommodation for Older People	Active	07/07/14	01/04/04	31/12/17	Meets Expectations	26/05/15	2,489,135.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_3653	Amey	Tri-Borough Total Facilities Management Contract and London boroughs framework agreement	Total Facilities Management contract for London Borough of Hammersmith and Fulham, The Royal Borough of Kensington and Chelsea and City of Westminster.	Active	07/08/14	01/10/13	30/04/26	Not Evaluated	07/08/14	154,812,103.00	Yes	Debbie Morris	Growth, Planning & Housing
con_WCC_7490	Energy Assets (bglobal metering limited)	Advanced Metering Solutions and Services Agreement		Active	17/05/16	05/01/15	05/01/18	Meets Expectations	19/01/17	300,016.00	Yes	Paul Harris	Growth, Planning & Housing
ecm_WCC_2718	The Advocacy Project	Advocacy Service for OP	Information, Advice & Advocacy	Active	17/07/14	01/03/09	31/12/17	Meets Expectations	05/06/15	1,496,167.00	Yes	Tabby Eichler	Adult Social Care
con_RBKC_7605	The Westminster Society	After School and Evening Short Breaks for Children with Disabilities	Youth Club 13+ and After school 5-13. £96,525 5940 hours. Agreed proposal to avoid temporary reduction in capacity. After school provision will be available over 5 school nights but the core offer will be 3 nights subject to assessment. Thus the commissioned after school hours will be shared across M-F	Active	13/06/16	01/04/16	31/03/18	Meets Expectations	19/08/16	193,050.00	Yes	Katie Clements	Children's Services
ecm_WCC_1086	Outlook Care	Alderney Street & Doyle Gardens LD Supported Living Service	Supported living service for adults with a learning disability - No longer includes Doyle Gardens	Active	27/02/14	15/07/02	30/06/17	Meets Expectations	08/05/17	7,725,900.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2129	Anchor Trust	Anchor Court OP	Sheltered Housing - Supported Accommodation for Older People	Active	07/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	144,732.00	Yes	Greg Roberts	Growth, Planning & Housing
con_WCC_9001	SDK Environmental Ltd	Animal Wardens Service		Active	14/10/16	01/06/16	31/05/19	Meets Expectations	15/12/16	240,000.00	Yes	Daniel Corp	City Management & Communities
ecm_WCC_835	Gristwood & Toms Ltd	Arboricultural Services & Tree Maintenance Services	Arboricultural Services & Tree Maintenance Services	Active	27/02/14	01/01/10	31/12/18	Meets Expectations	14/05/15	1,600,000.00	Yes	Chris Colwell	City Management & Communities
ecm_RBKC_1738	One Westminster	Befriending Plus		Active	18/06/14	01/10/13	30/09/17	Below Expectations	10/05/17	200,600.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_2943	The Riverside Group	Bruce House Supported Housing	King Georges hostel - substance misuse unit	Active	24/07/14	01/04/04	30/09/17	Meets Expectations	06/05/15	1,328,668.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_3000	Residential Management Group Ltd	C198 - Housing Options Service	C198 - Housing Options Service	Active	25/07/14	02/10/07	01/10/17	Meets Expectations	22/08/16	38,500,000.00	Yes	Abul Hussain	Growth, Planning & Housing
ecm_WCC_2624	Octavia	C357 - Leonora House, Lanark Road Extra Care Housing Scheme For Older People And People With Learning Disabilities	C357 - Leonora House, Lanark Road Extra Care Housing Scheme For Older People And People With Learning Disabilities	Active	17/07/14	08/02/10	31/05/18	Meets Expectations	21/05/15	643,148.00	Yes	Dominic Griffin	Adult Social Care
ecm_LBHF_1057	Keyring Living Support Networks	C389 - Supported Housing (Learning Disabilities): Key Ring (Stadium)	C389 - Supported Housing (Learning Disabilities): Key Ring (Stadium)	Active	27/02/14	01/04/04	30/06/17	Meets Expectations	11/01/16	465,075.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_1815	Church Army	C467a - Marylebone Project Bradbury House	C467a - Marylebone Project Bradbury House	Active	02/07/14	01/04/04	31/03/18	Meets Expectations	02/05/17	969,138.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_2157	Centrepoint Soho	C475 - Supported Housing (Young People) Bruce House	C475 - Supported Housing (Young People) Bruce House	Active	09/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	348,088.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_1821	Centrepoint Soho	C477 - Supported Housing (Young People) Soho Accommodation Services (Berwick Street)		Active	02/07/14	01/04/04	31/03/18	Meets Expectations	02/05/17	906,642.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_1819	Centrepoint Soho	C479 - Supported Housing (Young People): (Ashmore Road, Bravington Road & Shirland Road)	C479 - Supported Housing (Young People): (Ashmore Road, Bravington Road & Shirland Road)	Active	02/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	138,729.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_1832	Depaul UK	C480 - Supported Housing (Young People): St Stephen's Crescent (Westbourne House)	C480 - Supported Housing (Young People): St Stephen's Crescent (Westbourne House)	Active	02/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	348,210.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_2159	One Housing Group	C482 - Supported Housing (Young People): Gosfield Street	C482 - Supported Housing (Young People): Gosfield Street	Active	09/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	392,649.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_3293	Veolia Environmental Services Plc	C642 - Waste transfer	C642 - Waste transfer	Active	29/07/14	15/09/95	16/09/17	Meets Expectations	16/04/15	10,443,300.00	Yes	Jarno Stet	City Management & Communities
ecm_WCC_1797	Veolia Environmental Services Plc	C643 - Waste transport and disposal	C643 - Waste transport and disposal	Active	01/07/14	15/09/95	16/09/17	Meets Expectations	16/04/15	133,704,000.00	Yes	Jarno Stet	City Management & Communities
ecm_WCC_2983	Look Ahead Care and Support	C753 - Hopkinson House	C753 - Hopkinson House	Active	25/07/14	01/04/10	30/09/17	Meets Expectations	06/05/15	3,539,685.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_WCC_6742	DSI Billing Services Ltd	C829 - Printing and Mailing (Printing and Mailing service for Council Tax/NNDR)	C829 - Printing and Mailing (Printing and Mailing service for Council Tax/NNDR)	Active	20/11/15	01/04/06	31/10/17	Meets Expectations	05/05/17	1,045,000.00	Yes	Phil Black	City Treasures Department
ecm_WCC_1945	Capita Business Services Limited	C847 - Revenue Services (Council Tax and NNDR Collection/Recovery) (incl Ctax FM)	C847 - Revenue Services (Council Tax and NNDR Collection/Recovery) (incl Ctax FM)	Active	04/07/14	01/04/94	31/10/17	Meets Expectations	05/05/17	74,000,000.00	Yes	Phil Black	City Treasures Department
ecm_WCC_1947	Capita Business Services Limited	C849 - Housing and Council Tax Benefits Service	C849 - Housing and Council Tax Benefits Service	Active	04/07/14	01/10/98	31/10/17	Meets Expectations	05/05/17	110,500,000.00	Yes	Phil Black	City Treasures Department
ecm_WCC_2460	Care UK Homecare Limited	Nursing and Res Care Forrester Court	Nursing and Res Care Forrester Court	Active	14/07/14	18/08/99	17/08/23	Not Evaluated	14/07/14	56,722,425.00	Yes	Kevin Gormley	Adult Social Care
con_WCC_8889	Sports and Leisure Management Ltd	Management of Leisure Portfolio Contract	Responsibility for the management and operation of the Council's Leisure Centre portfolio.	Active	29/09/16	01/07/16	30/06/25	Not Evaluated		35,441,542.00	Yes	Sagar Barua	City Management & Communities
con_WCC_8926	Western Riverside Waste Authority	Civic Amenity Site Service	Provision of a Civic Amenity Site for Westminster Residents	Active	30/09/16	16/09/16	15/09/26	Meets Expectations	15/12/16	1,550,000.00	Yes	Jon Griffiths	City Management & Communities
con_WCC_6847	Pitney Bowes Software Ltd	Confirm Connect mobile software support and maintenance	Support and maintenance of Confirm Connect mobile software application that integrates with the COnfirm system	Active	22/12/15	01/07/14	30/07/17	Meets Expectations	15/03/16	117,012.00	Yes	Kevin Rainsbury	Corporate Services
ecm_WCC_3752	Norman Rourke Pryme	Contract F - Compliance and Audit Services	Compliance and Audit Services	Active	26/08/14	01/04/14	31/03/18	Meets Expectations	15/05/17	1,400,000.00	Yes	Kevin Goad	City Management & Communities
ecm_WCC_3958	FM Conway Limited	Contract A Highways Maintenance Management & Public Realm Projects	Highways Maintenance Management & Public Realm Projects	Active	02/12/14	01/04/14	31/03/22	Meets Expectations	15/05/17	330,000,000.00	Yes	Kevin Goad	City Management & Communities
ecm_WCC_3959	FM Conway Limited	Contract B - Public Lighting Maintenance Mngmt, Elect & Mech Service	Public Lighting Maintenance Management, Electrical & Mechanical Services	Active	02/12/14	01/04/14	31/03/22	Meets Expectations	15/05/17	20,000,000.00	Yes	Kevin Goad	Growth, Planning & Housing
ecm_WCC_3960	FM Conway Limited	Contract C - Bridges and Structures Maintenance Management and Improvements	Bridges and Structures Maintenance Management and Improvements	Active	02/12/14	01/04/14	31/03/22	Meets Expectations	15/05/17	20,000,000.00	Yes	Kevin Goad	Growth, Planning & Housing
ecm_WCC_4000	EnterpriseMouchel Limited	Contract D - Gully Service	Gully Service	Active	30/12/14	01/04/14	31/03/18	Below Expectations	15/05/17	800,000.00	Yes	Kevin Goad	City Management & Communities
ecm_WCC_4001	WSP UK Limited	Contract E - Traffic Management Order Service	Traffic Management Order Service	Active	30/12/14	01/04/14	31/03/18	Meets Expectations	15/05/17	1,600,000.00	Yes	Kevin Goad	City Management & Communities
con_WCC_10256	Geoffrey Osborne Ltd	Lisson Arches Contract	Constructor Partner for Lisson Arches Project	Active	24/05/17	20/01/16	31/12/18	Not Evaluated		20,000,000.00	Yes	Will Noton	Growth, Planning & Housing
ecm_WCC_2188	LLOYDS TSB COMMERCIAL FINANCE LTD	Contract for the Provision of Banking Services	Contract for the Provision of Banking Services	Active	10/07/14	01/10/10	31/03/20	Meets Expectations	10/05/17	640,000.00	Yes	Michelle Robinson	City Treasures Department

Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_WCC_4733	Turning Point	Contract for the Provision of Health Trainer Services - WCC		Active	10/03/15	03/11/14	31/12/17	Meets Expectations	12/08/15	1,884,750.00	Yes	Christine Mead	Public Health
ecm_WCC_5273	Central London Community Healthcare NHS Trust	Contract for the Provision of PH 0-5 and FNP -WCC	2.1The Health Visiting Service workforce consists of specialist community public health nurses (SCPHN) and teams who provide expert information, assessments and interventions for babies, children and families including first time mothers and fathers and families with complex needs. Health visitors (HVs) help to empower parents to make decisions that affect their family's health and wellbeing and their role is central to improving the health outcomes of populations and reducing inequalities	Active	28/07/15	01/10/15	30/09/17	Below Expectations	19/08/16	8,501,572.00	Yes	Linda Dhillon	Public Health
ecm_WCC_3863	Windowflowers Ltd	Contract for the Supply, Installation and Maintenance of Hanging Baskets	The settings page is visible to Candidate once published.  Note to Authorities: Insert here a short description of the goods, services or works to be procured and an overview of the procurement (for example the contract length or whether it is being let in lots). This could in most cases replicate or summarise the key aspects of the OJEU or Contract notice. If this is a framework or the Authority is acting as a central purchasing body it should say so here to remind Candidates that that is the case.  The settings page is visible to Candidate once published.	Active	03/11/14	01/10/14	30/09/17	Meets Expectations	16/04/15	300,000.00	Yes	John Tweddle	City Management & Communities
ecm_WCC_3697	Health Education Partnership Limited	Contract for the provision of Healthy Schools Programme and Healthy Early Years Pilot	Aim of this programme is to support H&F, RBKC, and WCC schools and early years settings to drive improvement in the health and well being of their communities	Active	11/08/14	01/04/14	31/03/18	Meets Expectations	09/03/15	125,692.00	Yes	Linda Dhillon	Public Health
ecm_WCC_3547	Health Education Partnership Limited	Contract for the provision of Healthy Schools Programme and Healthy Early Years Pilot	Aim of this programme is to support H&F, RBKC, and WCC schools and early years settings to drive improvement in the health and well being of their communities	Active	06/08/14	01/04/14	31/03/18	Meets Expectations	09/03/15	145,312.00	Yes	Linda Dhillon	Public Health
ecm_WCC_1293	Zipcar UK Ltd	Contract for the provision of Westminster Car Club	Contract for the provision of Westminster Car Club	Active	28/02/14	01/10/13	30/09/17	Meets Expectations	09/05/17	1,110,000.00	Yes	Damon Budds	City Management & Communities
ecm_WCC_3707	Paddington Development Trust	Contract for the provision of a community Champions Project.Mozart Est	To recruit and train Community Champions, who are volunteers who help the communities to deliver sustainable solutions to health and social care problems and issues.	Active	11/08/14	01/04/14	31/03/19	Above Expectations	12/08/15	120,000.00	Yes	Christine Mead	Public Health
ecm_WCC_3745	Thrive Tribe	Contract for the provision of stop smoking (quits and prevention) service	To provide a high quality and evidence led service that motivates, engages and helps tri borough residents to quit smoking and remain smoke free for longer.	Active	20/08/14	01/01/14	31/12/18	Meets Expectations	12/08/15	1,491,000.00	Yes	Christine Mead	Public Health
ecm_WCC_936	Ericsson	Corporate Voice Telephony (contract extension)	Corporate Voice Telephony services	Active	27/02/14	30/06/09	09/04/18	Meets Expectations	26/04/17	9,968,598.00	Yes	Alan Wells	Corporate Services
ecm_WCC_3287	Agilisys Limited	Customer Contact Centre and Back Office Services		Active	29/07/14	23/06/14	03/11/17	Meets Expectations	13/08/15	3,681,475.00	Yes	Paula Norris	Policy Performance and Communications
ecm_WCC_2824	EffectAble Construction Services Limited	DISABLED AIDS & ADAPTATIONS INSTALL & R&M	City wide disabled aids and adaptations	Active	22/07/14	01/05/15	30/04/18	Meets Expectations	19/01/17	3,200,000.00	Yes	Rowena Ng	Growth, Planning & Housing
ecm_WCC_1447	Moore Security Services Limited	DOOR ENTRY SYSTEMS R&M	Day to day maintenance and repairs to door entry systems, CCTV systems, Communal TV aerials, Warden Call system, Intruder alarms, and ASSA lock installer/distributor.	Active	09/04/14	01/09/13	01/09/18	Meets Expectations	19/01/17	500,000.00	Yes	David Welch	Growth, Planning & Housing
ecm_WCC_3500	Housing 21	Day Care- Pullen Day Centre	daycare older people	Active	01/08/14	01/10/08	31/03/18	Meets Expectations	06/07/15	2,666,000.00	Yes	Becky Powell	Adult Social Care
con_WCC_9008	Veolia ES (UK) Limited	Dry Recyclables Reprocessing and Marketing Contract (Contract 2)		Active	18/10/16	16/09/16	31/03/20	Meets Expectations	15/12/16	4,427,377.00	Yes	Philip Robson	City Management & Communities
ecm_WCC_1125	Yarrow Housng Ltd	Elmfield Way Residential Care Service	Residential care at Elmfield Way for autistic adults	Active	27/02/14	07/08/00	28/06/18	Meets Expectations	08/05/17	12,050,000.00	Yes	Derry Pitcaithly	Adult Social Care
con_WCC_8944	Veolia ES (UK) Limited	Food Waste Treatment and Disposal Contract		Active	05/10/16	16/09/16	31/03/20	Meets Expectations	15/12/16	350,000.00	Yes	Philip Robson	City Management & Communities
ecm_LBHF_1077	One Housing Group	Generic support Service	Floating Support Generic	Active	27/02/14	01/07/11	31/03/18	Meets Expectations	27/02/17	781,844.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_2137	Genesis (formally PCHA)	Genesis (formally PCHA) Bartlett Court; Ernest Harris Hse.; Grittleton Rd; Pamela Hse. OP	Sheltered Housing - Supported Accommodation for Older People	Active	07/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	1,329,174.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2923	St Mungo's	Harrow Road Hostel	City Wide Building Based Intervention Services For Rough Sleepers	Active	23/07/14	01/04/04	31/03/18	Meets Expectations	09/02/15	7,887,404.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_RBKC_7296	The Westminster Society	Holiday Non Term Time Short Breaks for Children with Disabilities	Holiday 13+ 4320 hours @ £47,520 @ Stowe and then across two sites by Sept 1st 2016 Holiday 5-10 yrs 3996 hours £43,956 @Rainbow [specialist ] Holiday 10-13th birthday 2376 hours £26,136 @ Tresham in first instance and the requirement to consider additional community sites as hub and spoke from Sept 1st. A proposal should be developed for Q1 monitoring [specialist] Holiday 5-13 inclusive £61,776 5616 hours. Provision will be from Tresham as main site but opportunities for use of alternative community sites should be developed to promote opportunity.	Active	13/04/16	01/04/16	31/03/18	Meets Expectations	19/08/16	358,776.00	Yes	Katie Clements	Children's Services
ecm_RBKC_1341	The Westminster Society	Home Support and Short Breaks Service for Adults and Children with Disabilities	Home support and short breaks (carers) for adults and children with disabilities	Active	28/02/14	01/10/13	30/06/17	Meets Expectations	02/06/15	1,236,483.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2967	The Connection at St Martin-in-the-Fields	Homeless day centre	Homeless day centre Sleepers	Active	25/07/14	01/04/04	31/03/18	Meets Expectations	06/05/15	1,482,338.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2670	British Red Cross Society	Hospital to Home	Out of hospital support	Active	17/07/14	01/09/13	31/08/17	Meets Expectations	10/05/17	659,008.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_3451	SHP	Housing related floating support services to people with mental health problems	Housing related floating support services to people with severe and enduring mental health problems, including move-on support to customers in temporary accommodation	Active	01/08/14	01/07/11	31/12/17	Meets Expectations	09/03/17	5,560,427.25	Yes	Dave Thomas	Adult Social Care
ecm_WCC_4970	BT Global Services	ICT Data Centre Services		Active	05/06/15	03/11/14	02/11/19	Meets Expectations		5,853,635.00	Yes	Hywel Edwards	Corporate Services
ecm_WCC_4968	Agilisys Limited	ICT Service Desk		Active	05/06/15	03/11/14	02/11/19	Meets Expectations		2,700,000.00	Yes	Hywel Edwards	Corporate Services
ecm_WCC_1594	BT Global Services	ICT Services ITT: Lot 1 – Distributed Computing Westminster Call-Off		Active	10/06/14	11/04/14	10/04/19	Meets Expectations	04/03/15	10,777,000.00	Yes	Hywel Edwards	Corporate Services
ecm_WCC_898	IDOX Plc	IDOX software and hosting services	IDOX Uniform and DMS software, licences, support and maintenance and hosting services	Active	27/02/14	07/11/12	31/10/18	Meets Expectations	22/12/15	1,921,028.00	Yes	Kevin Rainsbury	Corporate Services
ecm_WCC_2820	POHWER (The Advocacy Agency)	Independent Mental Capacity Advocate (IMCA) Service (Joint Procured with 8 London Boroughs)	Statutory Mental Health Advocacy for Adults	Active	22/07/14	01/04/11	31/03/18	Meets Expectations	05/06/15	3,516,975.00	Yes	Tabby Eichler	Adult Social Care
ecm_WCC_2760	Deloitte	Investment Advisor		Active	18/07/14	01/01/14	31/12/18	Meets Expectations	29/09/14	500,000.00	Yes	Nicola Webb	Corporate Services
con_ASC_10296	Vincentian Care Plus	Provision of Home Care Services for Westminster - Vincentians		Active	01/06/17	01/11/15	30/10/20	Not Evaluated		14,700,000.00	Yes	Abbas Ahmad	Adult Social Care
ecm_3976	NSL Ltd	Kerbside Management ITT: People and Resources	WCC Marshalling contract	Active	16/12/14	01/07/14	30/06/18	Meets Expectations	14/05/15	24,997,431.95	Yes	Colin Antony Ridley	City Management & Communities



Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_WCC_3980	NSL Ltd	Kerbside Management: Business Processing and Technology Services		Active	18/12/14	01/11/14	01/11/18	Meets Expectations	30/03/17	28,135,891.00	Yes	Cathryn Scott	City Management & Communities
ecm_WCC_2925	The Riverside Group	King Georges hostel	King Georges hostel	Active	23/07/14	01/04/04	31/12/17	Meets Expectations	06/05/17	5,868,808.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_ASC_10297	Sage Care Ltd	Provision of Home Care Services - Sage Care Ltd		Active	01/06/17	01/11/15	30/10/20	Not Evaluated	01/06/17	13,000,000.00	Yes	Abbas Ahmad	Adult Social Care
con_ASC_10080	Support for Living (part of Certitude Group)	Lapworth Court LD Support Living Service	Dual diagnosis (LD/MH) supported living service for woman comprising 3x bedsits.	Active	25/04/17	04/04/03	30/06/17	Meets Expectations	08/05/17	444,600.00	Yes	Derry Pitcaithly	Adult Social Care
con_ASC_10298	London Care LTD	Provision of Home Care Services - London Care Ltd		Active	01/06/17	01/11/15	30/10/20	Not Evaluated	01/06/17	11,900,000.00	Yes	Abbas Ahmad	Adult Social Care
ecm_WCC_4951	Mytime Active	Lot 1 Planning, Policy and Workforce Development - WCC		Active	02/06/15	01/08/15	31/07/18	Meets Expectations	19/08/16	599,517.33	Yes	Linda Dhillon	Public Health
con_WCC_7222	Turning Point	Lot 1 WCC Substance Misuse Treatment Service	Substance Misuse Treatment Service Public Health	Active	04/04/16	01/04/16	31/03/19	Not Evaluated		7,602,404.00	Yes	Neil Colquhoun	Public Health
ecm_WCC_2389	The Connection at St Martin-in-the-Fields	Lot 1- New and Flow Rough Sleepers Outreach Team	also called Contact and Assessment Team	Active	14/07/14	01/07/14	31/03/18	Meets Expectations	09/02/15	3,000,000.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_RBKC_7301	Caterlink	WCC School Meals Mini-competition	School Meals Provision	Active	15/04/16	11/04/16	10/04/19	Not Evaluated		7,500,000.00	Yes	Allison Yeomans	Children's Services
ecm_WCC_2390	St Mungo's	Lot 2 Hotspot rough sleeping outreach contract		Active	14/07/14	01/07/14	31/03/18	Meets Expectations	09/02/15	763,031.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_WCC_7453	Faithful+Gould	Project Management and Design Team Services for City Hall Refurbishment		Active	13/05/16	01/05/16	31/05/19	Not Evaluated	13/05/16	7,000,000.00	Yes	Chris Bond	Growth, Planning & Housing
ecm_WCC_2391	St Mungo's	Lot 3 - Entrenched rough sleeping outreach team	also known as the Compass Team	Active	14/07/14	01/07/14	31/03/18	Above Expectations	04/04/16	1,087,274.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2826	Wates Living Space	MAJOR VOIDS - (SOME FIELDS NEED COMPLETING)	"CITYWIDE MAJOR WORKS VOIDS CONTRACTS X 2 [1 CONTRACT = North & West areas; 1 CONTRACT = South & Central areas]" "	Active	22/07/14	24/09/12	24/09/17	Meets Expectations	19/01/17	7,625,000.00	Yes	Chris Philippou	Growth, Planning & Housing
ecm_WCC_2828	Wates Living Space	MAJOR VOIDS - (SOME FIELDS NEED COMPLETING)	"CITYWIDE MAJOR WORKS VOIDS CONTRACTS X 2 [1 CONTRACT = North & West areas; 1 CONTRACT = South & Central areas]" "	Active	22/07/14	24/09/12	24/09/17	Meets Expectations	19/01/17	7,625,000.00	Yes	Chris Philippou	Growth, Planning & Housing
ecm_WCC_3476	St Mungo's	MH Registered Accommodation (93-95 Shirland Road)	93-95 Shirland Road	Active	01/08/14	01/06/07	31/12/17	Meets Expectations	09/03/17	5,763,043.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1058	London Cyrenians Housing	MH Supported Accommodation & Resettlement (Alderney Street, Cambridge Street & Queen's Gardens)	Accommodation based support for people with severe and enduring mental health issues (High/24-hour support for 16 customers at Cambridge St; Medium support for 12 customers at Queen's Gardens; Low support for 9 customers at Alderney Street).	Active	27/02/14	01/07/06	31/12/17	Meets Expectations	09/03/17	7,829,505.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1343	Westminster Mind	MH Supported Accommodation (Balcombe St, Edbrooke Rd, Harrow Rd, Hatheley St, Hope Hse, Langham St, St George's Dr, Warwick Ave & Westbourne Prk Rd & Villas)	Accommodation based visting support to 74 customers living in 10 premises, who have a low level of mental health issues	Active	28/02/14	01/04/04	31/12/17	Meets Expectations	09/03/17	7,185,313.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3461	Riverside Housing Association	MH Supported Accommodation (Chapter Street, King George's Intermediate & Queen Mary's Hostel)	Accommodation based support for people with severe and enduring mental health issues (high/24 hour & medium support for 65 customers at 3 properties)	Active	01/08/14	01/04/04	31/12/17	Meets Expectations	09/03/17	9,254,565.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3411	Look Ahead Care and Support	MH Supported Accommodation (Hopkinson House Flats, Beethoven Street & Harrow Road)	Accommodation based support for people with severe and enduring mental health issues (high/24-hour support for 30 customers at Hopkinson House Flats and 12 customers at Harrow Road and low support for 6 customers at Beethoven Street)	Active	01/08/14	01/04/04	31/12/17	Meets Expectations	09/03/17	7,657,457.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3415	Look Ahead Care and Support	MH Supported Accommodation (Kean Street)	Accommodation based support for people with severe and enduring mental health issues (high support/24-hour for 31 customers)	Active	01/08/14	01/06/07	31/12/17	Meets Expectations	09/03/17	6,778,619.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1075	One Housing Group	MH Supported Accommodation (Mozart Street)	Accommodation based support for people with severe and enduring mental health issues (high/24-hour support for 8 customers).	Active	27/02/14	01/04/04	31/12/17	Meets Expectations	09/03/17	3,731,132.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3455	SHP	MH Supported Accommodation (Rachel House, Medway Street)	Accommodation based supported accommodation for people with severe and enduring mental health issues (high/24-hour support for 15 customers)	Active	01/08/14	01/04/04	31/12/17	Meets Expectations	09/03/17	5,449,205.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3419	One Housing Group	MH Supported Accommodation (Randolph Avenue & Shirland Road)	Accommodation based support for people with severe and enduring mental health issues (high/24-hour and medium support for 26 customers at two premises).	Active	01/08/14	08/08/12	31/12/17	Meets Expectations	09/03/17	3,269,065.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1079	One Housing Group	MH Supported Accommodation (Riding House Street)	Accommodation based support for people with severe and enduring mental health issues (medium support for 11 customers).	Active	27/02/14	01/04/04	31/12/17	Meets Expectations	09/03/17	1,624,886.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1099	St Mungo's	MH Supported Accommodation (Royal Oak, Harrow Road)	Accommodation based support for people with severe and enduring mental health issues (medium support for 10 customers within a 40 unit single homeless/rough sleeper hostel).	Active	27/02/14	01/04/04	31/03/18	Meets Expectations	09/03/17	2,039,585.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3417	Look Ahead Care and Support	MH Supported Accommodation (Saltram Crescent)	Accommodation based support for people with severe and enduring mental health problems (high support/24 hour for 12 customers).	Active	01/08/14	01/06/07	31/12/17	Meets Expectations	09/03/17	3,466,594.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1340	Thames Reach Housing Association Ltd	MH Supported Accommodation (Stafford House)	Accommodation based support for people with severe and enduring mental health issues (medium support for 10 customers)	Active	28/02/14	01/04/04	31/12/17	Meets Expectations	09/03/17	2,696,785.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1048	Church Army	MH Supported Accommodation (Valentia Suite, Bradbury House)	Accommodation based support for people with severe and enduring mental health issues (High/24-hour support for 14 customers).	Active	27/02/14	01/04/04	31/03/18	Meets Expectations	09/03/17	2,881,574.00	Yes	Dave Thomas	Adult Social Care
ecm_LBHF_1076	One Housing Group	MH Supported Accommodation (Warwick Avenue)	Accommodation based support for people with severe and enduring mental health issues and those with other vulnerabilities referred by the Joint Homelessness Team (high/24-hour support for 8 customers)	Active	27/02/14	01/04/04	31/12/17	Meets Expectations	09/03/17	2,318,762.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_3459	St Mungo's	MH Supported Accommodation - MH Move-on (Bliss Mews, Elgin Avenue, Great Western Road & Shirland Road)	Accommodation based support in semi-independent flats for people with severe and enduring mental health issues (medium support for 30 customers at four properties)	Active	01/08/14	01/04/04	31/12/17	Meets Expectations	09/03/17	3,934,408.00	Yes	Dave Thomas	Adult Social Care
ecm_WCC_1906	BT Global Services	Managed Services for HR, payroll and finance (Lot 1) - WCC Call Off contract		Active	03/07/14	01/06/13	31/05/18	Below Expectations	03/07/14	9,478,000.00	Yes	Helen Rogers	Corporate Services
con_WCC_7709	Premier People Solutions Ltd t/a Premier Partnership	Managed Training Services - ESPO 2014		Active	06/07/16	01/09/14	30/06/17	Meets Expectations	27/04/17	1,300,000.00	Yes	Harbinder Manku	Corporate Services
con_WCC_7520	Faithful+Gould	Project Management and Design Team Services for City Hall Refurbishment		Active	24/05/16	01/03/16	31/12/18	Not Evaluated		3,912,955.02	Yes	Chris Bond	Growth, Planning & Housing
ecm_WCC_3991	Minds Ltd	Minds Ltd		Active	24/12/14	01/10/02	30/09/17	Meets Expectations	02/05/17	500,000.00	Yes	Jennifer Samuels	Growth, Planning & Housing

Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_WCC_2947	Passage 2000	Montfort House Supported Housing	Montfort House Supported Housing	Active	24/07/14	01/04/04	31/03/18	Meets Expectations	05/10/16	1,518,594.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2232	Willow Housing & Care Limited	Network Stadium (Formerly Willow Housing) Waterside Court; Mary Seacole House OP	C442 - Supported Housing (Older People): Waterside Court; Mary Seacole House	Active	11/07/14	01/12/08	31/12/17	Meets Expectations	04/05/17	827,552.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_908	Virgin Media Business	Next Generation Network - WAN and INTERNET	Next Generation Network - WAN and INTERNET	Active	27/02/14	15/04/11	09/04/18	Meets Expectations	26/04/17	2,562,000.00	Yes	Alan Wells	Corporate Services
con_WCC_7225	change, grow, live (CGL)	Lot 2 - WCC Alcohol Specific Treatment Interventions Services	Alcohol Specific Treatment Interventions Services for Public Health	Active	04/04/16	01/04/16	31/03/19	Not Evaluated		3,362,471.49	Yes	Neil Colquhoun	Public Health
ecm_WCC_2230	Viridian Housing	OP Barbara Brosnan Court - (Servite)	Sheltered Housing	Active	11/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	260,997.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2174	Peabody Trust	OP Daveys Court; Walston Founders House	Sheltered Housing	Active	09/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	720,203.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2176	Sanctuary Housing Association	OP Dean Abbott House	Sheltered Housing	Active	09/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	317,526.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2172	Octavia	OP Francis House; Eileen Anderson Court; Elderly Tenant Support (FS); Leonora House		Active	09/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	1,377,717.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2178	St Marylebone Almshouses	OP St Marylebone Almshouses	Sheltered Housing	Active	09/07/14	01/04/04	31/12/17	Meets Expectations	04/05/17	270,677.00	Yes	Greg Roberts	Growth, Planning & Housing
con_WCC_8576	Look Ahead Care and Support	OVER 50'S COMPLEX NEEDS SUPPORTED HOUSING SERVICE Contract	The Service will provide a flexible, personalised and responsive housing related support service to 79 residents at Edward Alsop Court (EAC), Great Peter St, SW1.  EAC is a hostel consisting of 29 bedrooms in self-catering clusters and 50 bedrooms in the main building (to be serviced by the canteen).  While the main focus of the service specification is for the 50 bed spaces for older men with complex needs, running alongside this, the provider will support a secondary low support service (29 bed spaces in self catering clusters) providing short stay accommodation and preparation for independent living.  There will be conditions relating to environmental, social and economic requirements of the contracting authority included in this contract.  Contract conditions will be detailed in the invitation to tender	Active	18/08/16	01/04/16	31/03/19	Meets Expectations	02/03/17	1,275,331.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2678	Able 2 Occupational Therapy Services	Occupational Therapy Major Adaptations And Assessment Service-'Your Home: Assessment and Adaptations' and Taxicard Assessments	Occupational Therapy Major Adaptations And Assessment Service-'Your Home: Assessment and Adaptations' and Taxicard Assessments	Active	17/07/14	01/04/11	31/03/18	Above Expectations	04/06/15	2,716,000.00	Yes	Tabby Eichler	Adult Social Care
ecm_WCC_4954	Mytime Active	Lot 2 Prevention and Weight Management Programme - WCC		Active	02/06/15	01/08/15	31/07/18	Not Evaluated		1,486,505.00	Yes	Linda Dhillon	Public Health
ecm_WCC_2691	Octavia Housing	Outreach and befriending service	Older People's Hubs Lot 5, Outreach service for OP	Active	17/07/14	01/08/11	31/07/17	Meets Expectations	08/05/17	775,074.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_3909	Pitney Bowes Software Ltd	PBS Confirm OnDemand hosted software, support and maintenance	Supply of software and hosting services for the Confirm Highways Management system	Active	20/11/14	01/12/14	30/11/17	Meets Expectations	15/03/16	244,800.00	Yes	Kevin Rainsbury	Corporate Services
ecm_WCC_2931	Thames Reach Housing Association Ltd	PCHA Training flats	PCHA Training flats	Active	23/07/14	01/04/04	30/09/17	Meets Expectations	21/02/17	454,476.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_WCC_7541	AMEC Environment and Infrastructure UK	PROVISION OF CONSULTANCY SERVICES FOR THE ROLE OF CONTRACT ADMINISTRATOR, COST MANAGER, CLERK OF WORKS & PRINCIPAL DESIGNER (PD)		Active	26/05/16	03/09/15	31/05/20	Meets Expectations	19/01/17	775,110.00	Yes	Andrew Almond	Growth, Planning & Housing
ecm_LBHF_1096	Soho Housing Association	Pargiter Court OP	Sheltered Housing	Active	27/02/14	01/04/04	31/12/17	Meets Expectations	04/05/17	156,112.00	Yes	Greg Roberts	Growth, Planning & Housing
ecm_WCC_2951	Passage 2000	Passage Day Centre	Passage Day Centre	Active	24/07/14	01/04/04	31/03/18	Meets Expectations	06/05/15	3,654,695.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2949	Passage 2000	Passage House Hostel	Passage House Hostel	Active	24/07/14	01/04/04	31/03/18	Meets Expectations	04/04/16	6,566,120.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2689	Notting Hill Housing Trust	Penfold Street Hub	Older People's Hubs Lot 2	Active	17/07/14	01/08/11	31/07/17	Meets Expectations	08/05/17	535,200.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_3478	St Mungo's	Portishead House - Mental Health Supported Living	Accommodation based support service for people with severe and enduring mental health issues	Active	01/08/14	01/06/07	31/12/17	Meets Expectations	09/03/17	4,028,805.00	Yes	Dave Thomas	Adult Social Care
con_WCC_5798	Thrive Tribe	Cardiac Disease Prevention Service WCC	Westminster City Council, is acting as the lead authority for itself, the Royal Borough of Kensington & Chelsea ("RBKC") and the London Borough of Hammersmith and Fulham ("LBHF") and is conducting this Tender process on its and their behalf. The aims of the Service is to design and deliver an evidenced based community cardiovascular prevention programme to 1350 WCC, RBKC and LBHF residents who are at high risk of developing cardiovascular disease and their families. The Key objective of the Services is to contribute to the reduction of CVD risk factors in the local population especially amongst people living in more deprived areas, thus reducing overall mortality attributable to CVD through a range of interventions including healthier eating, increased physical activity, lipid management and sustained behaviour change.	Active	23/09/15	01/10/15	30/09/18	Not Evaluated		1,365,325.00	Yes	Judith Ralphs	Public Health
con_WCC_6744	Ricoh UK Ltd	Print and Document Management Services Call-off	Please note the ANNUAL value shown below of £2.2M is an estimated value for Westminster City Council only. Value of the contract over the full 5 year call off term will be approximately £11M.	Active	20/11/15	01/09/15	31/08/20	Meets Expectations	22/11/16	4,675,743.87	Yes	Matthew Bullard	Corporate Services
con_WCC_7820	Peter Brett Associates LLP	Church Street Masterplan		Active	26/07/16	01/05/16	01/05/19	Not Evaluated		670,000.00	Yes	Tony Hutchinson	Growth, Planning & Housing
con_WCC_10126	Wildstone Property Ltd	Outdoor Media Consultancy Services		Active	11/05/17	01/04/14	31/03/18	Not Evaluated		615,000.00	Yes	Richie Gibson	Policy Performance and Communications

Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
con_WCC_6450	Bay Media Limited	Services Related to Lamp Column Mounted Banners	The settings page is visible to Candidate once published.  Note to Authorities: Insert here a short description of the goods, services or works to be procured and an overview of the procurement (for example the contract length or whether it is being let in lots). This could in most cases replicate or summarise the key aspects of the OJEU or Contract notice. If this is a framework or the Authority is acting as a central purchasing body it should say so here to remind Candidates that that is the case.  The settings page is visible to Candidate once published.	Active	23/10/15	01/07/15	30/06/19	Not Evaluated		320,000.00	Yes	Richie Gibson	Policy Performance and Communications
con_ASC_10098	Prepaid Financial Services Ltd	Prepaid Account Contract	Pre-Payment Card Services	Active	04/05/17	01/09/16	31/08/20	Not Evaluated		302,000.00	Yes	Karen Joseph	Adult Social Care
con_ASC_10313	Octavia Housing	Additional Outreach and Befriending	Older People's Hubs Lot 5, Outreach service for OP	Active		01/08/11	31/07/17	Not Evaluated	02/06/17	300,000.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_RBKC_5012	The Westminster Society	Provision of Nursery Services for Disabled Children at Rainbow Nursery		Active	17/06/15	01/04/15	31/01/19	Meets Expectations	15/03/16	677,644.00	Yes	Katie Clements	Children's Services
ecm_WCC_2454	smart parking	Provision of an Electronic Vehicle Detection Solution	Supply and Maintain Parking Bay Sensor equipment and back office reporting for the ParkRight application.	Active	14/07/14	06/12/13	30/11/17	Meets Expectations	09/05/17	2,009,954.00	Yes	Damon Budds	City Management & Communities
ecm_WCC_3401	Box-it UK Ltd	Provision of records storage	Provision of records storage	Active	31/07/14	01/01/12	31/03/18	Meets Expectations	12/05/15	854,725.00	Yes	Fatima Zohra	Corporate Services
ecm_WCC_1128	Yarrow Housng Ltd	Queen's Park: Fifth Avenue Supported Housing Service	Supported living service for adults with a learning disability	Active	27/02/14	01/04/04	30/06/17	Meets Expectations	08/05/17	275,600.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_1127	Yarrow Housng Ltd	Queen's Park: First Avenue Supported Housing Service	Supported living service for adults with a learning disability	Active	27/02/14	01/04/04	30/06/17	Meets Expectations	08/05/17	413,400.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2695	Open Age	Queens Park and Harrow Rd hub, Churchill hub and Westbourne hub	Older Peoples Hubs Lot 1, Lot 3., Lot 4	Active	17/07/14	01/08/11	31/07/17	Meets Expectations	08/05/17	1,153,310.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_1385	The Westminster Society	Residential Block Contract for People with Learning Disabilities	Residential Care for People with Learning Disabilities at Barnard Lodge and Florey Lodge.	Active	10/03/14	01/08/05	30/06/17	Meets Expectations	08/05/17	7,328,690.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2458	Anchor Trust	Residential Care- Norton House	residential care	Active	14/07/14	08/06/94	07/06/17	Meets Expectations	11/01/16	28,072,305.00	Yes	Kevin Gormley	Adult Social Care
con_WCC_5639	Sanctuary Housing Association	SHSOP - Contract		Active	08/09/15	24/08/15	23/08/23	Below Expectations	08/05/17	13,609,935.60	Yes	Abiola Kingsley-Osaiga	Adult Social Care
ecm_WCC_3956	Lambert Smith Hampton	Contract for Rating properties in westminster		Active	02/12/14	03/12/14	31/03/18	Not Evaluated		300,000.00	Yes	Jake Bacchus	Growth, Planning & Housing
con_H&F_5787	The Westminster Society	Short Breaks Service for People with LD (WCC/RBKC)	Kingsbridge Rd planned and unplanned, Alison Hse, Outreach Service	Active	22/09/15	27/07/15	26/01/18	Meets Expectations	08/05/17	3,783,155.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2929	Thames Reach Housing Association Ltd	Shroton St	Shroton St Hostel	Active	23/07/14	01/04/04	31/03/18	Meets Expectations	06/05/15	3,150,444.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2638	Sodexo Limited	Sodexo-Meals on Wheels (WCC)	Home meals and frozen food delivery service	Active	17/07/14	08/04/13	07/04/18	Meets Expectations	19/05/15	3,646,628.70	Yes	Tim Lothian	Adult Social Care
ecm_WCC_1890	Orchard Information Systems Limited	Support and Maintenance / Managed & Hosted Service	Support and Maintenance / Hosted & Managed Services	Active	03/07/14	11/10/10	12/10/17	Meets Expectations	19/01/17	1,701,000.00	Yes	Louise Davis	Growth, Planning & Housing
ecm_LBHF_1082	Origins Housing	Supported Housing	Supported Housing LD	Active	27/02/14	01/04/04	30/06/17	Meets Expectations	11/01/16	1,185,080.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_LBHF_1062	Look Ahead Care and Support	Supported Housing (LD): Lisson Street	Supported Housing (Learning Disabilities): Lisson Street	Active	27/02/14	01/04/04	30/06/17	Meets Expectations	11/01/16	383,100.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_LBHF_1036	A2Dominion Housing Group Ltd	Supported Housing (Physical Disabilities): Brook Court, Kilburn Lane	C445 - Supported Housing (Physical Disabilities): Kilburn Lane	Active	27/02/14	01/04/04	31/03/18	Meets Expectations	08/05/17	340,480.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_1830	Cardinal Hume Centre	Supported Housing (Young People) Cardinal Hume	Supported Housing (Young People) Cardinal Hume	Active	02/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	620,205.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_1813	Nacro	Supported Housing - ( Ex offenders )	Supported Housing - Ex offenders	Active	02/07/14	01/04/04	31/03/18	Meets Expectations	27/02/17	168,242.00	Yes	Jennifer Samuels	Growth, Planning & Housing
ecm_WCC_1361	The Westminster Society	Supported Housing - Learning Disabilities		Active	28/02/14	01/04/04	30/06/17	Meets Expectations	11/01/16	4,971,665.00	Yes	Derry Pitcaithly	Adult Social Care
ecm_WCC_2939	St Mungo's	Supported housing	Chippenham Road	Active	24/07/14	01/04/04	31/03/18	Meets Expectations	06/05/15	314,655.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2937	St Mungo's	Supported housing	Shirland Road	Active	24/07/14	01/04/04	31/03/18	Meets Expectations	06/05/15	943,987.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_2977	Wytham Hall	Supported housing	Wytham Hall building	Active	25/07/14	01/04/09	31/03/18	Meets Expectations	06/05/15	150,000.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
ecm_WCC_4972	Groundwork London	THE PROVISION OF THE FLAGSHIP VOLUNTEERING SERVICE IN WESTMINSTER CONTRACT	The settings page is visible to Candidate once published.  Note to Authorities: Insert here a short description of the goods, services or works to be procured and an overview of the procurement (for example the contract length or whether it is being let in lots). This could in most cases replicate or summarise the key aspects of the OJEU or Contract notice. If this is a framework or the Authority is acting as a central purchasing body it should say so here to remind Candidates that that is the case.  The settings page is visible to Candidate once published.	Active	08/06/15	08/06/15	30/07/18	Meets Expectations	07/09/16	329,790.21	Yes	Yacoba Godwyll	Policy Performance and Communications

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_WCC_4642	Spice Innovations Limited	TIME CREDITS PROGRAMME	<p>The Council Volunteering Strategy for 2014-2019 will provide a host of new services which will contribute to the delivery of the core Better City, Better Lives commitment to increase the number of people who volunteer in the city.</p> <p>As part of this Strategy, the Council is committed to making it easy and rewarding to volunteer within the Councils.</p> <p>In order to reward and incentivise people to get more involved the Council will commission a Time Credit scheme that will aim to help connect residents with their neighbours, local community groups and services.</p> <p>The Council wants everyone to feel more involved in their local community and Time Credits will help connect residents with their neighbours, local community groups and services.</p> <p>This will help to reverse a decline in community spirit that has taken place over recent years and deliver a Better City, Better Lives objective. It is intended that this scheme will commence during autumn 2014 and will initially cover the south of Westminster, before rolling out to cover the whole of the city and London wide.</p> <p>The Provider shall provide:</p> <p>A dedicated local coordinator that will work with local community organisations and groups to gain a good understanding of where residents would like to earn and spend. Time Credits and identify where volunteering can add the most value.</p> <p>Access to a local and national spend network where organisations agree to accept Time Credits for their services.</p> <p>This provides time credit users with a wide menu of options of places and activities where they can spend their credit.</p> <p>Time Credit infrastructure including time notes that participants use to 'cash in' their hours.</p> <p>The notes will have a unique Westminster front designed to reflect the local nature of the scheme.</p> <p>The framework will run for 4 years from the start date of the contract.</p>	Active	02/03/15	01/04/15	31/03/18	Above Expectations	07/09/16	198,597.00	Yes	Yacoba Godwyll	Policy Performance and Communications
ecm_WCC_2941	St Mungo's	The Lodge	Contribution to the Lodge out of borough scheme	Active	24/07/14	01/04/04	31/03/18	Above Expectations	06/05/15	440,000.00	Yes	Victoria Aseervatham	Growth, Planning & Housing
con_WCC_5682	Sirsi Dynix Ltd	The Provision of a Tri-Borough Library Management System	The supply, installation, configuration and support of the library management system for The City of Westminster, The Royal Borough of Kensington and Chelsea and The Borough of Hammersmith and Fulham	Active	16/09/15	01/12/13	30/11/18	Meets Expectations	17/08/16	280,609.00	Yes	Catherine Cooke	Corporate Services
ecm_WCC_2712	Pursuing Independent Paths	Travel Training Project	Day & community services (transferring to spot purchase from April 2015)	Active	17/07/14	01/07/08	31/03/18	Meets Expectations	04/06/15	489,575.00	Yes	Derry Pitcaithly	Adult Social Care
con_WCC_7497	BDP	Landscape Architect - Green Spine		Active	18/05/16	01/07/16	30/07/17	Not Evaluated		299,450.00	Yes	Rebecca Cloke	Growth, Planning & Housing
con_WCC_5642	Radiocom Systems Ltd	Two Way Radio System Contract	WCC requires a two way radio system to support its kerbside management operation. The system should include hand held units, base stations, repeater stations,digital network and all appropriate licences. The system should be supported by an appropriate support and maintenance agreement.	Active	08/09/15	01/07/15	30/06/18	Meets Expectations	02/05/17	125,412.19	Yes	Colin Antony Ridley	City Management & Communities
con_WCC_8906	The Mansfield Group	Vehicle Relocation Services	Parking Services vehicle relocation contract	Active	29/09/16	04/07/16	01/07/18	Meets Expectations	02/05/17	400,000.00	Yes	Colin Antony Ridley	City Management & Communities
con_WCC_6978	Bibliotheca	WCC Bibliotheca		Active	09/02/16	01/04/16	31/03/18	Meets Expectations		164,000.00	Yes	Tony Rice	City Management & Communities
con_RBKC_7547	Prospects Services	WCC EHC - Education Health & Care / T & C - Tracking & Survey Contract	<p>As specified in the service specification</p> <p>Overview of Project The Contractor shall deliver services as described in the detailed specification to support young people aged 13 –19 (and up to 24 years in respect of young people with Learning Difficulties and / or disabilities) in all secondary schools, academies, special schools, pupil referral units, colleges of further education and sixth form colleges in the London Borough of Hammersmith &amp; Fulham.</p> <p>Description of the how the Specific service Outcomes will be achieved for both:-</p> <p>A) Surveys and tracking services to support the delivery of Local Authority Statutory Responsibility with respect to Young People's Participation in Education, Employment or Training.</p> <p>B) To supply staff in a Special Educational Needs key worker role with specialist post 16 knowledge in education, training and employment, who will work with children, young people and their families who are undergoing an education, health and care (EHC) assessment or have an education, health and care plan (or statement/LDA) in the context of Part 3 of The Children and Families Act 2014 As defined in the Tracking Services Specification and EHC Specification in schedule 1</p>	Active	27/05/16	01/01/16	30/09/17	Meets Expectations	12/10/16	284,736.00	Yes	Owen McGirr	Children's Services
ecm_WCC_2168	Hestia Housing and Support	WCC Refuge Services, Provision for Childcare and Outreach Service - Women at Risk of Domestic Violence	Refuge Services for Women and their Children at Risk of or Fleeing Domestic Violence including the Provision for Childcare and an Outreach Service	Active	09/07/14	31/07/12	31/03/18	Meets Expectations	26/04/17	1,030,682.00	Yes	Tracy Gain	Growth, Planning & Housing
con_ASC_10209	Bishop Creighton House	Keep Active		Active	17/05/17	01/08/15	31/07/18	Not Evaluated	17/05/17	152,000.00	Yes	Marta Garcia-Farinos	Adult Social Care
ecm_WCC_1537	BravoSolution	WCC eSourcing call-off contract - capitalE-sourcing	Lot 2 of the Pan London Back-Office Services Programme for the provision of E-Sourcing	Active	30/05/14	11/06/13	10/06/18	Meets Expectations	21/02/17	744,275.00	Yes	Senior Responsible Officer	Corporate Services
ecm_WCC_1914	Veolia Environmental Services UK Ltd	Waste collection, street cleansing and ancillary services	Waste collection, street cleansing and ancillary services	Active	03/07/14	16/09/10	15/09/17	Meets Expectations	16/04/15	256,900,000.00	Yes	Mark Banks	City Management & Communities
ecm_WCC_5219	Westminster Citizens Advice Bureau	Westminster Advice Services Partnership		Active	16/07/15	16/09/13	30/09/17	Above Expectations	09/05/17	2,490,000.00	Yes	Oliver Jones	Policy Performance and Communications
ecm_WCC_4840	Virgin Media Business	Wider Area Network (WAN) services (modernisation of LAN)		Active	02/04/15	30/03/15	29/03/18	Meets Expectations	19/01/17	860,556.60	Yes	Louise Davis	Growth, Planning & Housing
con_WCC_8951	Turning Point - Hungerford Drug Project	Hungerford YP Drugs and Alcohol Service		Expired	05/10/16	01/04/16	31/03/17	Not Evaluated		150,000.00	Yes	Linda Dhillon	Public Health

Appendix D Contract Performance

Contract Code	Supplier Name	Contract Title	Contract Description	Contract Status	DATE OF CREATION	Contract Start date	Contract End Date	Contract Performance Rating	Date Contract Performance	Contract Value	Above 100k? (Y/N)	Contract Manager	Directorate
ecm_LBHF_1085	Origins Housing	William Gibb Court (flat 3)	Supported Housing LD	Active	27/02/14	01/04/04	30/06/17	Not Evaluated		103,350.00	Yes	Derry Pitcaithly	Adult Social Care

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City of Westminster

## Audit & Performance Committee Report

<b>Committee</b>	Audit and Performance Committee
<b>Date:</b>	17 <sup>th</sup> July 2017
<b>Classification:</b>	General Release
<b>Title:</b>	Update briefing note in respect of arrangements for management of the capital programme for both the General Fund and Housing Revenue Account
<b>Wards Affected:</b>	All
<b>Key Decision:</b>	Not applicable
<b>Financial Summary:</b>	The Council's current capital programme was approved by full Council in March 2017 covering the period 2017/18 to 2021/22. The general fund expenditure budget totals £2.130bn which is funded by £398.379m of external funding, £494.817m of capital receipts with a £1.237bn net funding requirement from 2016/17 to 2030/31. The Housing Revenue Account capital programme has a value of £701m over the next five years and was presented to Cabinet for approval on 12th December 2016.
<b>Report of:</b>	<b>Steven Mair</b> , City Treasurer

### 1. Summary

1.1. This report provides a briefing on arrangements that are in place and which are further developing to manage the Council's capital programme for the General Fund and Housing Revenue Account (HRA).

1.2. The paper covers the following:

- Current capital programme
- Capital budget analysis
- Improvements implemented and planned:
  - Budget setting process
  - Business cases
  - Programme Delivery Office
  - Governance

## 2. Current Capital Programme

- 2.1. The Council's current capital programme was approved by full Council in March 2017 and supports the Council's overall capital strategy. The capital programme includes approved expenditure and income budgets from 2017/18 to 2021/22 and future years' forecasts summarised up to 2030/31. The general fund expenditure budget totals £2.130bn which is funded by £398.379m of external funding, £494.817m of capital receipts with a £1.237bn net funding requirement from 2016/17 to 2030/31.
- 2.2. The Housing Revenue Account capital programme has a value of £701m over the next five years (2017/18 to 2021/22) and was presented to Cabinet for approval on 12th December 2016.
- 2.3. This is an ambitious capital programme. Many of these schemes will help to modernise areas of the City, helping to maintain and develop Westminster's reputation as a global centre of tourism, retail, entertainment and business. The examples below show some of the ways this capital investment will contribute to the key strategic aims of City for All:
  - the development projects within the portfolio will result in significant investment which will provide residents of Westminster with new improved leisure, adult social care and education facilities, as well as enterprise space and improved public realm. This will improve the wellbeing and prosperity of residents as well as delivering broader economic benefits. To offset some of these costs there is provision of broader commercial aspects within the developments which will provide on-going revenue income streams or capital receipts.
  - a number of large development schemes within the capital programme which are partially funded by the Affordable Housing Fund (AHF) are planning to deliver 969 new and replacement affordable homes by 2021/22, of which 345 will be located with the Council's regeneration and infill sites. This will ease the pressure on temporary accommodation. The building of new residential properties is at the heart of giving residents the opportunity to aspire.
  - the West End partnership is a partnership between the public and private sectors, this came together to create a shared vision for the West End, delivering a set of transformational projects. The West End is the most dynamic and diverse city centre in the world. Without investment in its public spaces, transport and other infrastructure, investors will become attracted to better business environments elsewhere - particularly in the context of Brexit challenges. The Council is in discussions with Government to explore ways of funding these aspirations given the significant wider economic benefits.
  - continued investment in the public realm within Westminster creates and preserves spaces where people enjoy living, working and visiting. The investment reflects the



pride we take in our role as custodian of the City, protecting our heritage by managing places and spaces that can be enjoyed both now and in the future. Additionally, investment in improving the public realm and pedestrian environment helps to accommodate the safe and efficient movement of growing numbers of people entering and moving around Westminster, managing vehicular traffic and making walking safer and more enjoyable. This creates opportunities for everyone in the city to be physically active.

- the Council's investment in core infrastructure of carriageways, footways, lighting and bridges recognises the commitment the Council has to managing the performance, risk and expenditure on its infrastructure assets in an optimal and sustainable manner throughout their lifecycle, covering planning, design, development, operation, maintenance and disposal. This programme ensures the infrastructure is in a safe and reliable condition, is efficiently managed and means residents and visitors can enjoy clean, high quality streets.

### 3. Capital Spend - Performance Against Net Budget 2011/12 to 2016/17

3.1. The capital programme has seen a significant amount of expenditure between 2011/12 to 2016/17. Net budget figures along with capital spend re-profiled into subsequent years is set out in the table below:

SERVICE AREAS - EMT Structure	2011-12			2012-13			2013-14			2014-15			2015-16			2016-17		
	Net Budget	Re-Profiled Budget		Net Budget	Re-Profiled Budget		Net Budget	Re-Profiled Budget		Net Budget	Re-Profiled Budget		Net Budget	Re-Profiled Budget		Net Budget	Re-Profiled Budget	
	£,000's	£,000's	%	£,000's	£,000's	%	£,000's	£,000's	%	£,000's	£,000's	%	£,000's	£,000's	%	£,000's	£,000's	%
Adult Services	86	0	0%	10	10	<100%	933	749	80%	1,065	955	90%	0	0				
Children's Services	8,131	3,113	38%	8,891	849	10%	3,473	1,088	31%	3,042	70	2%	2,050	1,753	85%	357	219	61%
Growth, Planning and Housing	15,046	1,805	12%	20,251	2,371	12%	15,482	2,335	15%	45,606	5,485	12%	74,145	57,888	78%	45,728	6,676	15%
City Management and Communities	11,476	1,292	11%	11,764	2,601	22%	15,597	3,599	23%	7,152	2,346	33%	11,556	-3,492	-30%	13,271	5,381	41%
Corporate Services	4,627	262	6%	2,391	907	38%	2,957	575	19%	3,750	200	5%	1,475	50	3%	1,281	836	65%
Policy, Performance and Comms																		
City Treasurer										5,000	5,000	100%	10,175	10,175	100%	7,364	8,159	111%
General Fund Total	39,366	6,471	16%	43,296	6,737	16%	37,519	7,779	21%	65,483	13,850	21%	100,466	67,327	67%	72,761	20,673	28%
HRA TOTAL	30,000	2,317	8%	47,397	15,158	32%	67,550	37,532	56%	98,390	33,736	34%	89,830	35,145	39%	36,255	7,348	20%
Overall Total	69,366	8,788	13%	90,693	21,895	24%	105,069	45,311	43%	163,873	47,586	29%	190,296	102,472	54%	109,016	28,021	26%

3.2. Key trends as indicated above include:

- There has been an increase in the capital programme in recent years in line with the ambitions of the Council
- Both the size and number of schemes have increased.
- As the size of the capital programme has increased, the level of budget re-profiled into the next financial year has also increased.
- The Council continues to experience challenges in respect of management of the capital programme and scrutiny of the capital programme continues to grow due to its scale and due to slippage

- 3.3 The reasons why full budget allocations are not spent in any given year vary from project to project, but large scale development projects are rarely delivered in total in a single financial year and multi-year projects have a greater potential re-profiling. Some examples are provided below based on the different types of projects that the Council undertakes:

#### **Development**

These are large scale development schemes which help the Council achieve strategic aims and generate capital receipts and new revenue – these make up approximately 45% of the Capital programme.

- Planning consent and related issues taking longer than expected to be finalised
- Capital budgets intended for acquisitions of land and buildings are inherently dependant on third parties agreeing to sell and opportunities becoming available
- Decisions are made to delay project commencement for a wide variety of reasons
- Procurement issues including limited interest in the market and difficulty in securing a suitable contractor particularly in a buoyant market
- Legal issues such as rights of light and compulsory purchase orders
- Decision making and more complex governance arrangements
- There is evidence to suggest that project managers have a natural initial optimism bias in the early stages of scheme development around both the cost and project timelines.

#### **Operational**

These schemes are related to day to day activities that will ensure the Council meets its statutory requirements – these make up approximately 53% of the Capital programme:

- Capacity and resourcing can affect the ability to deliver these projects
- Delays in securing funding from third parties
- inaccuracy in setting out and forecasting a project's timescale and costs
- Some of these budgets relate to reactive maintenance, therefore spending this allocation is dependent on developments during the year e.g. having to replace a roof

#### **Investment Schemes / Asset Acquisition**

The primary focus of this current strategy is to increase investment revenue through asset acquisitions which also increase the quality and diversification of the Council's property portfolio. They are self-funded by creating additional income and efficiency savings – these make up approximately 2% of the Capital programme

- Officers actively review the market to identify opportunities; however spending the investment budget allocation is fully dependent on what is in the market at any given point that provides appropriate investment stock in line with the Council's strategy at the time and within established risk management parameters.

- 3.4 Within the general fund schemes classified as "Operational" there are some projects which are identifiable as "routine" minor works which are linked in asset management

plans to maintenance to keep assets in a good state of repair and working order. These are usually cyclical programmes are programmed annually. Slippage in relation to these types of works can be found below for 2015/16 and 2016/17 as a proportion of other spend which has been re-profiled into future years.

	2015-16			2016-17		
	Net Budget	Variance	%age Var	Net Budget	Variance	%age Var
	£'000	£'000	%age	£'000	£'000	%age
<b>General Fund</b>						
Routine Project Slippage	24,494	10,663	44%	15,445	3,001	19%
Other Projects	75,972	56,664	75%	57,316	15,817	28%
<b>Total Slippage</b>	<b>100,466</b>	<b>67,327</b>	<b>67%</b>	<b>72,761</b>	<b>18,818</b>	<b>26%</b>
Under/Over Spends		5,179			1,855	
<b>Total Variance</b>		<b>72,506</b>	<b>72%</b>		<b>20,673</b>	<b>28%</b>
<b>HRA</b>						
Regeneration	46,500	17,232	37%	12,592	830	7%
Other Projects	8,260	1,299	16%	8,680	2,848	33%
Works to Housing Stock	35,070	16,614	47%	14,983	3,670	24%
<b>Total</b>	<b>89,830</b>	<b>35,145</b>	<b>39%</b>	<b>36,255</b>	<b>7,348</b>	<b>20%</b>

### General Fund Major Projects

- 3.5 The capital programme includes a Major Projects gross capital budget of approximately £818m, with projected income of approximately £420m. As well as producing capital receipts, many of these projects will also generate an on-going revenue stream that will contribute towards the costs of financing the capital programme.
- 3.6 The Major Projects team have made progress on a number of projects and the capacity of the team has expanded in order to help ensure that these projects are delivered and offer the best value for money to the Council. A number of projects are under construction with the Moberly and Jubilee phase 1, Sir Simon Milton UTC and Dudley House all on site. Some of the milestones achieved to date include approval of Final Business Case for the City Hall refurbishment; approval of the Outline Business Case for Beachcroft and approval of Strategic Outline Cases for Huguenot House, Seymour Leisure Centre and Lisson Grove Development. Refinement of design work, massing studies and financials has meant a number of projects are now ready to progress to the next stage.

3.7 Below is a summary of Major Projects.

- Dudley House  
(remaining expenditure £78.4m, capital receipt £36.2m)  
The Dudley House project is now on site and progressing well with Willmott Dixon Partnership Homes delivering the project. The target completion for the Marylebone Boys School is the 7th September 2018 with the intermediate rent accommodation completing on the 23rd April 2019 - the project is currently running to programme. There were some initial delays with the project due to securing vacant possession, obtaining planning permission and costs increasing as a result of market conditions plus changes in the design as a result of feedback from GLA and planning.
- Huguenot House  
(remaining expenditure £101.6m, capital receipt £59m)  
Following a public consultation, the OBC is being progressed and will be presented to Cabinet over the coming months. The project has a number of potential options and the project will progress when Cabinet agree on a preferred way forward. Expenditure was incurred during 2016/17, primarily in relation to the acquisition of residential properties in the block as and when they became available. There is also budget available during the current financial year for acquisitions, this is difficult to forecast as it is dependent on properties becoming available on the market. The project is expected to progress through the next levels of design but will be dependent on approval of the business case and the will to progress a sensitive scheme.
- Sir Simon Milton UTC  
(remaining expenditure £3.0m, income £16.3m)  
The works are progressing well and the project remains on track to complete the UTC by September 2017. There were initial delays on the project due to increases in prices as a result of market conditions. As a result there was an extended negotiation period with the Council considering a self-develop option instead of the developer led approach if the negotiations had not been successful. The project is almost entirely funded by grant monies.
- City Hall Refurbishment  
(remaining expenditure £80m)  
During 2017/18 construction work is set to begin on the refurbishment of City Hall on Victoria Street. The programme from 2017/18 has a capital budget of £80m (excluding contingency) with the completed scheme delivering increased revenue for the council from rental income as well as reduced running costs. The decant process has completed with staff now temporarily relocated

at 5 Strand and Portland House. Given the scale of the project there was a thorough options appraisal undertaken to ensure that the option that presented best value for money was chosen. This looked at various options including purchasing or renting an alternative property, full refurbishment of City Hall and a light touch refurbishment without a decant of staff – as well as options on the delivery of the project either through a developer or self-develop route.

- Circus Road  
(remaining expenditure £21.5m, capital receipt £24.9m)  
The SOC for this project is currently being developed and a preferred way forward has been identified for a mixed use residential and commercial development. This is a complex project but once the SOC has been approved further design and feasibility work will be undertaken.
- Seymour Leisure Centre  
(remaining expenditure £4.1m)  
A refurbishment proposal has been approved which includes adapting the current building to co-locate Marylebone Library within the building. An Outline Business Case has been completed with a full scale development being assessed as a potential option. Development of a new residential block to generate additional capital receipts in support of the scheme was not supported in planning. As a result a refurbishment option has been approved, which although smaller scale, achieves the Council objective of providing a library facility in the area.
- Investment Property Review (expenditure £299.3m, income £158.4m).  
This project will result in significant investment which will provide residents of Westminster with modern leisure facilities, helping to tackle obesity and encourage healthier lifestyles. This is a key component in offering choice to residents about the type of lifestyle they lead. The review will additionally maximise the value of leisure sites by delivering significant commercial income opportunities. This is a complex scheme with work being undertaken to assess how to take this scheme forward
- Cavendish Square  
Feasibility work was undertaken on the project which identified that a scheme delivered by the Council was not financially viable. As a result the capital budget allocation has now been taken out of the Capital Programme. However, officers continue to explore opportunities for reduced risk, cost effective, developer led options.

- Luxborough Street  
(remaining expenditure £21.4m, capital receipt £18.5m)  
A Cabinet Member Report for a mixed use development is being prepared and will be presented to members in July. The original scheme proposed for the site was withdrawn following a failure of the Council's appointed contractor to meet its obligations under its procurement.
- Moberly and Jubilee  
(remaining expenditure £13.3m, capital receipt £16.9m)  
The projects at both Moberly and Jubilee are on site and progressing well, with anticipated phase 1 practical completion in 2018 with Jubilee Phase 2 to follow. The loan is being drawn down in line with the loan agreement. Initial delays were caused by protracted negotiations with the developer as market conditions had resulted in increases to costs and a call in of the decision to approve the scheme
- Beachcroft  
(remaining expenditure £29.5m, capital receipt £27.9m)  
The OBC for Beachcroft has been approved. Enabling works are progressing on the project and approval for further expenditure is being sought to enter into the Pre-Contract Service Agreement as well as securing the appropriation of land from the HRA to the General Fund. This is expected to start at the beginning of 2018/19. This project was part of the Specialist Housing Strategy for Older People or SHSOP programme - a tri-borough initiative supported by the NHS and Central London Care Group (CLCG) to better align specialist housing provision with the needs of older people. There were initial delays working with partners to try to deliver the project, however a decision was made for the Council to independently progress the project to ensure delivery.
- Westmead/Carlton Dene  
(remaining expenditure £55m, capital receipt £62.5m)  
Both these projects are linked to the development at Beachcroft as residents in both these homes have to be decanted to Beachcroft in order for the sites to be redeveloped. Architectural massing studies are planning to be undertaken this year, which will further develop the options for the schemes.
- Lisson Grove Programme  
(expenditure £80m)  
The programme aims to build new office space for the Councils HQ in the north of the borough and to redevelop the site left by its current building. Options are being assessed to identify an appropriate scheme for the site. An indicative figure has been

included in the capital programme. The Strategic Outline Case has been approved and further work is progressing on the design.

In addition there are two major projects relating to the HRA as follows:

➤ Church Street

The Council is preparing to consult stakeholders on a new masterplan for the Church Street area. This masterplan is designed to ensure delivery of key housing and public realm improvements in the area.

➤ Ebury Bridge

Options are required to progress the renewal scheme. The Council is committed to the regeneration of the Ebury Bridge estate and will work with residents on a preferred way forward. The Estate is one of five priority housing estates identified in the City Council's Housing Renewal Strategy 2010, noted as requiring improvement and significant investment. The aim of regenerating the Ebury Bridge Estate is to bring about long term physical, economic and social sustainability of the area, and to create a high quality, mixed use urban neighbourhood that is attractive to residents and visitors alike, integrates successfully with the surrounding area and delivers a significant number of new homes in line with the Leader's City for All 2017/18 priorities.

#### **4. Improvements Implemented and Planned**

4.1. Slippage is and will remain an intrinsic factor in the delivery of all major Capital Programmes of work i.e. it will always occur at some scale and will never be completely eradicated. However, over the past financial year there have been a number of improvements made to the capital programme, with further improvements planned to ensure that slippage is kept to a minimum. These included the following which are covered in more detail below:

- Budget setting process
- Business cases
- Programme Delivery Office
- Governance and reporting

## **4.2. Budget Setting Process**

- 4.2.1 A new process for capital budget setting process was implemented in 2015/16 and this has continued to evolve. Since this time all schemes have been supported by a Capital Programme Submission Request (CPSR), which sets out a rationale for capital investment, ensures an audit trail for each project and secures a provisional budget in the capital programme.
- 4.2.2 This form has been refined and improved for the 2017/18 capital budget setting process. This is based around five key themes: strategic fit; financial; legislation and compliance; indirect need and dependencies and risk. For each area a description is required and the project lead is expected to complete a self-assessment scoring for each area against pre-defined criteria.
- 4.2.3 Executive Directors and Heads of Service will review projects both individually and in aggregate from a financial and capacity perspective. This will then lead to a prioritisation of projects to ensure that a capital programme is set that is achievable within current resources which will then be agreed with Cabinet members. This will ensure that the Capital Programme is profiled in line with realistic timescales and a robust VfM case is demonstrated both strategically and operationally.

## **4.3. Business Cases**

- 4.3.1 Value for money is a key component of all capital projects. All projects must evidence a level of economy, efficiency and effectiveness in order to be approved. Therefore, projects have to show that all potential options have been considered, and the option that is chosen is cost efficient and effective in achieving the City for All ethos. As a result all key development projects are expected to be supported by a robust business case.
- 4.3.2 The Council has adopted the Five Case Business Model as outlined in the “Green Book” and is the best practice standard widely used across Central Government, departments and other Government bodies and by those with responsibility for deciding how public money should best be spent.
- 4.3.3 The business case in support of a new project must evidence:
- That the intervention is supported by a compelling case for change that provides holistic fit with other parts of the organization and public sector- the “strategic case”



- That the intervention represents best public value- the “economic case”.
- That the proposed deal is attractive to the market place, can be procured and is commercially viable - the “commercial case”.
- That the proposed spend is affordable - the “financial case”.
- That what is required from all parties is achievable- the “management case”.

4.3.4 There are 3 key stages in the evolution of a project business case, which correspond to key stages in the spending approval process. These are the Strategic Outline Case (SOC), the Outline Business Case (OBC) and the Full Business Case (FBC). By the Full Business Case phase all five cases should be fully developed.

4.3.5 The business case development process is key to public value in spending decisions, in terms of scoping, options selection, delivery, monitoring and evaluation. The business case therefore is not simply used as the vehicle for simply gaining approval for a proposal, because to deliver public value all five components need to be planned for effectively. It is an iterative process and at each key stage further detail is added to each of the five dimensions.

4.3.6 As the cost and complexity increases, the importance of the business case increases. The application of this methodology is expected to have the following advantages:

- To raise the quality of spending proposals both in terms of their delivery and public value. All business cases include an options appraisal covering scope, delivery, and funding. This ensures that any decision is made based on an option that has been systematically reviewed against other options and is shown to best achieve the Council’s objectives.
- The business case, both as a product and a process provides decision makers, stakeholders and the public with a management tool for evidence based and transparent decision making and a framework for the delivery, management and performance monitoring of the resultant scheme.
- Business cases can also facilitate quick and efficient decisions by giving the decision makers confidence that the project is well planned, deliverable and the benefits outweigh the costs and potential risks.

- Business cases prevent the abandonment of projects as a thorough assessment of risks is assessed at each stage of the business case process as well as dependencies to other projects or programmes.
- Ensures projects follow a systematic and consistent approach, with all key areas including strategic fit, financial, procurement and project management and delivery fully considered before committing financial resources.
- To support the prioritization of spending proposals and the management of spending portfolios through provision of standard information.

4.3.7 Building on the improvement to the Budget Setting process and the Business Case process the following are planned by the City Treasurer's department to improve things further:

- The Monthly Monitoring process will be enhanced to provide more information around the status of each project to provide a stronger set of indicators around whether or not the project is on track in respect of timetable and budget.
- A series of papers will be prepared for the Capital Review Group for discussion outlining some of the broader issues which are relevant particularly at business case stage. These include a broader investment strategy, taxation issues, alternative delivery models, alternative funding options etc
- The Capital Strategy approved that contingency would be held corporately, with projects required to bid for these funds in the event they are required to fund capital project costs. CRG will make recommendation in respect of the use of these.
- Reviews of capital income budgets and related risks with a particular focus on capital receipts. Addition reviews also of commercial revenue income budgets generated as a consequence of development and investment schemes.
- To review any further proposed use of capital receipts under the freedoms of the Flexible Capital Receipts regulations. The Capital Strategy approved the use of capital receipts to fund revenue spend on City Hall, Digital Programme and Pension Deficit Recovery, and leading to future on-going savings.

#### 4.4. Programme Delivery Office

4.3.8 The Council has embarked on a programme to introduce a consistent Project Process and the establishment of a Programme Delivery Office to support the on-going delivery and performance of its capital programme. Effective Project Processes and Governance arrangements will increase the likelihood that projects will deliver to time, cost and scope targets. Project plans will be well-researched and well-defined with robust estimates of timetables and associated costs from the outset and throughout all project stages. The Project Process will facilitate the early identification and impacts of slippage. Having an overall Capital Programme that is prioritised and well controlled will allow easier identification of mitigation plans for projects at risk of going off track.

4.3.9 There are two main areas currently in progress for the improvements in Capital Programme Delivery:

1. Development of a Consistent Project Process for the Capital Programme
2. Establishment of a Programme Delivery Office (central administration of the process / programme)

4.3.10 The Capital Programme process improvements will provide overall consistency between departments and will deliver benefits to the delivery of the Capital Programme. A summary of the areas of improvement are:

1. **Appraisal and Prioritisation of Projects:** This will utilise the existing Green Book Appraisal system but will also integrate both qualitative and quantitative assessment criteria that is aligned with the council's strategic ambitions and core objectives. This will provide the necessary framework to provide Members with clear strategic understanding of the entire programme and that will inherently facilitate meaningful decisions about which projects proceed.
2. **Gateway Process and Stage Sign Off by Members:** Aligned with the Appraisal and Prioritisation process, this will create a clear gateway process that covers the whole lifecycle each project. This will assist in developing an enhanced and more consistent and embedded approach to projects through the governance groups. It will provide the required confidence, both internally and externally that projects are proceeding in the right direction.
3. **Project Governance:** This will address both programme and project governance and will establish constituted Boards with clear Terms of Reference but will also

build on and support existing structures. Programme Boards will be established to support the strategic direction of all.

4. **Programme Delivery Office:** To help create an overarching, coordinated and consistent approach to delivery of projects, a Programme Delivery Office (PDO) will be created. The PDO will sit 'alongside' the programme and project boards and at all levels of the delivery team. By acting as the centre of excellence for the project process and methodologies, it will provide a consistent and transparent approach for senior officers by challenging, analysing and monitoring the performance of projects and programmes.
5. **Project Process and Methodologies:** The development of project management process and methodology for the whole project lifecycle is a fundamental element in providing consistency and transparency. The process will inherently support most of the solutions including the key considerations in managing slippage; be centrally administered by the PDO and will be suitable for all types and scale of project.
6. **Skills, Works & Services:** Consultant and contractor panels should be created that will lead on management of the skills, services and works that are required to deliver the agreed programme. The panels help build a position that WCC is a 'good client'; foster relationships with suppliers; consider procurement processes, framework strategies, VFM that attracts and secures good people and organisations.
7. **Commercial Management:** To complement the PDO, effective links to the commercial management teams including the City Treasurers team which focuses on major projects and capital will be further developed that will capture how the fundamental financial elements of projects are managed.
8. **Health Checks (Stress Tests):** Administered by the PDO, a structured process to carry out Health Checks on existing projects that will provide an in depth and realistic analysis of how projects are performing. The Health Checks will highlight slippage and other risks and issues in all key areas and will facilitate how remedial actions are to be taken if required, in addition to supporting a continual Programme wide improvement process.

#### **4.5. Existing Governance and Reporting**

- 4.4.1 The Council's Capital Review Group (CRG) meets on a monthly basis to manage and oversees the whole of the capital programme irrespective of funding source.

This is the main corporate vehicle through which the capital programme is financed, reviewed and managed. CRG leads the strategic direction of the capital programme. A key aim of CRG is that decisions are made based on a full understanding of the capital programme – instead of decisions made on projects in isolation. CRG is the forum where schemes will be recommended for approval by the relevant Cabinet Member. It is responsible for the rolling five year capital programme and manages funding requirements and the subsequent revenue impact it will have. CRG reviews risks related to capital schemes, ensuring value for money is being achieved, whilst providing robust challenge in monitoring projects and programmes.

4.4.2 Each month there is a ‘service review’ at CRG. A directorate is expected to present a report outlining their capital programme including key deliverables, risks and challenges. This enables CRG to understand in detail the programme for each directorate which enables more effective decision making. Also, these reviews consider significant categories of spend within the capital programme which may not otherwise be covered in detail because they are not classified as “major projects”. The information each service is asked to report on includes:

- alignment of intended investment outcomes to City for All objectives
- an assessment of value for money for each project or portfolio of smaller projects. This will include outline procurement strategies.
- an outline of projects which are needed and prioritised due to statutory or legal reasons (e.g. health and safety)
- links to MTP revenue savings
- whether or not each project will help the Council avoid future costs or avoid reputational damage, or is needed to maintain or develop key partnerships of strategic importance
- a cost and income source breakdown for each project
- risks and mitigations, key issues (e.g. site and planning)
- timelines / project plans
- taxation issues
- others issues as appropriate

4.4.3 CRG also considers broader issues and topical areas affecting the Capital Programme with papers presented as required. This includes but is not limited to risk management, broader investment strategy, taxation issues, delivery models and alternative funding options.

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

David Hodgkinson ([dhodgkinson@westminster.gov.uk](mailto:dhodgkinson@westminster.gov.uk)), Assistant City Treasurer  
(Deputy S151 Officer), 020 7641 8162

## **BACKGROUND PAPERS**

Capital Strategy 2017/18 to 2021/22, forecast position for 2016/17 and future years forecasts summarised up to 2030/31



## Cabinet Member Report

<b>Meeting or Decision Maker:</b>	<b>Audit and Performance Committee</b>
<b>Date:</b>	<b>17 July 2017</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Discretionary Housing Payment (DHP) – an overview of DHP applications decided at officer level including information on procedures and verification processes</b>
<b>Wards Affected:</b>	<b>All</b>
<b>City for All:</b>	
<b>Key Decision:</b>	
<b>Financial Summary:</b>	
<b>Report of:</b>	<b>Gwyn Thomas Extension 8707 gthomas2@westminster.gov.uk</b>

### **1. Executive Summary**

- 1.1 This report provides an overview of DHP applications received and decided in the period 1 April 2016 to 31 March 2017. The reason for the DHP application is shown so that the amount spent in different areas can be identified. The average weekly award and duration is shown for the different categories of DHP. The report also summarises the process for deciding claims and the verification measures undertaken.

### **2. Key matters for the Committee's Consideration**

- 2.1 The report is for information and provided at the Committee's request.
- 2.2 Officers are, however, in the process of reviewing the DHP policy including the application form and any recommendations the Committee has in relation to improving procedures and verification measures will be taken into account.

### **3 Background and summary of procedure**

- 3.1 DHP is potentially available to anyone receiving either housing benefit or the housing element of Universal Credit with an entitlement that is less than the amount of rent they are liable to pay. When a claim is made the Council must consider whether extra financial assistance with rent is required and decide if an award should be made based on the individual circumstances of the case. The Council has a policy setting out the framework for administering and deciding claims for DHP and the factors that will be taken into account. However, to avoid fettering discretion, ultimately each claim must be considered carefully on its individual merits. Most claims are either made direct to the Council's Benefits Service or via the Welfare Reform Team that are part of the Housing Options Service. It is also commonplace for welfare rights groups and social landlords, including CityWest Homes, to assist people in claiming DHP.
- 3.2 A specialist team of experienced housing benefit officers in the City Treasurer's Department make decisions on DHP claims in accordance with the Council's policy. Unsuccessful applicants have the right to request a review of the decision on their claim. When officers confirm the refusal, the DHP Review Advisory Panel considers the application for review and makes its recommendation to the Cabinet Member for a formal decision.
- 3.3 The current DHP policy was agreed in October 2015 and is attached as appendix A. Officers are currently in the process of reviewing the policy and will shortly make recommendations on amendments for the Cabinet Member to decide. The policy is reviewed on a regular basis. The current review is prompted by a reduction to the amount Central Government contributes to the Council's permitted budget for DHP. The government contribution was £2.6 million in 2016/17 and has reduced to £1.4 million for 2017/18.

### **4. Expenditure on DHP in 2016/17**

- 4.1 In 2016/17 the Council's total spend on DHP was £2,557,092 which did not exceed the government contribution of £2,669,172. The under spend of £112,080 (4% of the total) is returned to government. Legislation sets an annual limit called the permitted total that individual local authorities are allowed to spend on DHP. The government then contributes 40% of the permitted total.
- 4.2 The total spend of £2,557,092 included £341,692 paid to landlords via the Housing Options Service in order to secure private sector tenancies at affordable rents for households either living in temporary accommodation the Council provides or who are under immediate threat of being made homeless. The DHP regulations give the flexibility to use DHP in this way and in total 124 households were assisted into affordable homes.
- 4.3 The information that follows is a detailed summary and breakdown of claims made and decided in 2016/17. The data source used is the records of awards officers made at the point when the DHP claim was decided. When recorded, information is provided on the tenure type of applicants and spend is analysed



under five different categories determined by the overall reason for the shortfall between benefit entitlement and rent. These are:

- households affected by the reform of local housing allowance (LHA) that is used to restrict private sector rents
- households affected by the social sector bedroom restriction
- households affected by the overall weekly Benefit Cap
- working households who qualify for some benefit because of low income
- other reasons. (Other reasons include for instance: non-dependant deductions; rent restriction under rules that pre-date LHA; rent deposits; and rent for a second home when dual liability is unavoidable.)

4.4 In 2016/17 1,619 DHP claims were received and 1,601 claims were decided. These two figures do not tally because some of the decided claims were received in 2015/16 and some received claims will be decided in 2017/18. The total of 1,619 also excludes claims for landlord incentive payments. Of the claims decided, 1,118 (70%) were successful and 483 (30%) unsuccessful. Of the successful claims, 224 resulted in lump sum awards to reduce arrears that were placing the household at risk of homelessness; and 894 resulted in on-going awards for a fixed period of up to 52 weeks.

#### Tenure type of agreed claims

Private sector	215
Social sector	333
Temporary homeless accommodation	462
Not recorded	108

#### Reason and total spend for agreed claims

Reason	Number of claims	Total spend	Percentage
Local Housing Allowance reform	129	£307,719	12%
Social sector bedroom restriction	109	£133,810	5%
Benefit Cap	391	£1,063,835	42%
Working households	379	£561,161	22%
Other reason	110	£148,875	6%
Landlord incentives	124	£341,692	13%

**Tenure type of refused claims**

Private sector	177
Social sector	106
Temporary homeless accommodation	79
Not recorded	121

### Reason for the rent shortfall for refused claims

LHA	145
Social sector bedroom restriction	20
Benefit Cap	36
Working households	158
Other reason	124

### Average weekly award for agreed claims

Reason	Weekly mean	Weekly median	Range
LHA	£75.30	£60.00	£9 - £340
Social sector bedroom restriction	£23.05	£20.95	£10 - £43
Benefit Cap	£112.80	£82.65	£5 - £470
Working households	£42.10	£35.00	£6 - £265
Other reason	£48.15	£23.10	£3 - £290

### Average weekly duration for agreed claims

Reason	Mean average	Median	Range
LHA	34 weeks	31 weeks	3 – 58 weeks
Social sector bedroom restriction	45 weeks	48 weeks	5 – 156 weeks
Benefit Cap	29 weeks	26 weeks	1 – 106 weeks
Working households	24 weeks	26 weeks	2 – 69 weeks
Other reason	26 weeks	25 weeks	4 – 63 weeks

- 4.5 Spend is highest on cases affected by the overall Benefit Cap and for low income workers. For these types of awards more detailed information is shown for tenure.

### Detailed tenure breakdown for some agreed claims

	Temporary accommodation	Private sector	Housing association	Council tenant
Benefit Cap	269	70	38	14
Working households	193	14	78	94

## **5. Verification**

- 5.1 All DHP claims from housing benefit recipients will have gone through the Council's verification standard and provided original documents as proof of identity as well as evidence of rent, income, savings and non-dependant adults in the household. The Council is also responsible for administering and deciding DHP claims from Universal Credit recipients. When a Universal Credit recipient claims DHP, the Council relies on the Department for Work and Pensions (DWP) to undertake the verification required before an award of Universal Credit is made. Currently the number of DHP claims from Universal Credit recipients is very small but volumes will increase as more claimants transition on to Universal Credit.
- 5.2 In addition all DHP applicants are required to provide statements covering at least three recent and consecutive months for every bank, building society and Post Office account held. Officers dealing with DHP claims scrutinise the statements for any indication of undeclared income and further undeclared accounts where funds are being transferred to and from. The statements are also studied for signs of unusual spending patterns that suggest the applicant is living beyond their declared financial means. Any discrepancies are queried and referrals made to the DWP Fraud and Error Service where appropriate.
- 5.3 Since 1 April 2016 the Council's Benefits Service has referred details of 283 cases to the DWP's Fraud and Error Service to consider initiating an investigation. It is estimated only a handful of these referrals were triggered by suspicions relating to a DHP claim. Separate records of fraud referrals specifically related to DHP claims will be maintained for 2017/18. The referrals have resulted in 32 cases where an overpayment has been identified and 82 cases where the benefit award was confirmed as correct. There are 169 referrals the Fraud and Error Service are still dealing with and the Council will request a breakdown of the cases and detailed information on any prosecutions following on from a referral the Council made. On a national level the DWP is still working on the processes whereby the Fraud and Error Service reports back to local authorities on investigations involving housing benefit.
- 5.4 Further to the verification described in paragraph 5.2, DHP applicants who are working are required to provide a recent payslip that is carefully checked for any change in earnings. Further payslips are requested where a change is shown or earnings fluctuate. DHP applicants renting from a private landlord must also provide proof of the current rent being charged and the payments being made.
- 5.5 Verification requirements are set out on the DHP application form that is included as Appendix B. Officers will review the application form immediately after proposed changes to the DHP policy are agreed. For instance the application form needs to be updated to make reference to Universal Credit.

## **6. Financial Implications**

- 6.1 There is no direct financial implication as the report covers expenditure for a past period. However, the reduction to the government contribution to the Council's permitted total for 2017/18 means it is very likely money from the Council's reserves, as agreed at the Full Council meeting in March 2017, will be used for the first time to top-up the government contribution. The Council has made £1 million available from reserves to top-up the government contribution if required.

## **7. Ward Member Comments**

- 7.1 As the report relates to all wards, no Ward Member consultation was required.

## **8. Outstanding Issues**

- 8.1 There are no outstanding issues other than as outlined in this report.

**If you have any queries about this report or wish to inspect any of the background papers please contact: Gwyn Thomas on 0207 641 8707 or via email to**

**[gthomas2@westminster.gov.uk](mailto:gthomas2@westminster.gov.uk)**

**Appendix A – Westminster’s DHP policy**

**Appendix B – Westminster’s DHP application form**

## **Discretionary Housing Payment Policy**

The Discretionary Housing Payment (DHP) Scheme gives local authorities the power to award additional payments to housing benefit recipients to help with rent payments. The council receives an annual allocation from Central Government (the Department for Work and Pensions) to use for DHP and sets a maximum that can be spent. The maximum must not exceed 2.5 times the allocation from the Department for Work and Pensions.

Any person receiving benefit who needs further financial assistance to pay rent is eligible to apply for a DHP. But the limit on how much the council is able to spend on DHP means there are not enough funds to help everyone who applies.

### **Statement of objectives**

In administering the DHP scheme the council will act in accordance with the relevant legislation (the Discretionary Financial Assistance Regulations 2001) and consider guidance the Department for Work and Pensions issues. Each individual claim will be considered on its own merits.

Through the DHP scheme the council will aim to:

- Support working households receiving partial benefit to stay in work;
- Reduce the number of vulnerable households who are made homeless;
- Prioritize support for vulnerable households who are under the care of the council's Adult Social Care and Children's Services; and
- Assist vulnerable households receiving reduced housing benefit as a result of welfare reforms.

This document sets out the administrative arrangements for dealing with DHP claims in Westminster and provides guidance on the factors the council looks at when deciding a claim for a DHP.

### **Ineligible housing costs**

Although anyone who receives some housing benefit is eligible to claim DHP, a DHP cannot be awarded to meet service charges that are ineligible for housing benefit and cannot meet the difference between council tax support and the council tax charge. In addition, a DHP cannot be awarded to meet rent arrears for a period when there was no entitlement to housing benefit.

### **How a DHP claim is made**

The council uses a claim form for DHP applications. The form collects information about income and expenses and asks questions about individual circumstances which is in addition to the information already collected under the housing benefit claims process. Applicants are required to provide statements for all bank and building society accounts held that cover three recent and consecutive months showing evidence of all income and expenditure. Applicants living in the private rented sector must also provide evidence of the rent being charged and the rental payments made.

Although a DHP claim is separate to the main benefit claim, it is still subject to the requirements that the applicant provides complete and accurate information, and reports changes to their circumstances. The claim form warns that court action can result from fraud which is the result of a deliberate failure to provide correct information and report changes.

The claim form can be obtained from our Benefit Reception Offices at 180 Vauxhall Bridge Road, SW1V 1ER and 101 Orchardson Street, NW8 8EA or by telephoning 0800 072 0042 or by download from the council's website.

### **Decisions and the review process**

The Benefits Policy and Appeals Unit, a team of officers within the council's Finance Department, decide claims for DHP. The council endeavours to notify the decision on the DHP claim within ten working days of the date all the information needed in support of the claim is provided. When a DHP claim is successful the award is paid along with housing benefit.

If the claim is successful relevant changes that occur during the DHP award period must be reported to the council in a timely manner. The council will review the DHP award in light of any changes in circumstances that affect the main benefit award.

If the claim is refused, the decision letter will give detailed reasons for the refusal and explain the applicant's right to request a review of the decision. A panel made up of Councillors will review the decision and make a recommendation to the Cabinet Member for Finance, Corporate and Customer Services who makes the decision. Review requests must be made in writing and sent direct to the Scrutiny and Committee Officer who supports the review panel. Additional bank and building society statements covering six recent and consecutive months are required in support of a review request. The Cabinet Member's decision is final and binding and can be challenged only by an application for a judicial review.

### **Length of DHP awards**

DHP awards are only made for fixed periods. In general terms a DHP claim is more likely to be successful if it is in respect of a limited period and the council can't guarantee or sustain open-ended awards.

### **Overpayment of DHP**

DHP overpayments can occur if a person's circumstances change before the end of the award and there is a delay in the council being informed of the change or the council fails to act on information received promptly.

Where following the change the amount of the DHP award is reduced, the council will recover the DHP overpayment by offsetting it against future awards. When the applicant is no longer eligible to receive a DHP as a result of the change in circumstances, the council will seek to recover the overpayment by issuing an invoice.



The council will consider each DHP overpayment on its own merits to decide if pursuing recovery is appropriate. We will consider the amount of the debt, the cost of recovery action, hardship recovery may cause and any other relevant factors.

### **Fraud prevention**

The council is committed to preventing benefit fraud and suspicions of fraud are referred to the Department for Work and Pensions Single Fraud Investigation Service (SFIS). A claim for DHP can only be made by a person who is in receipt of housing benefit and the DHP claim is subject to the same requirement as the claim for benefit. The requirements are that the individual provides information that is correct and complete and reports changes in circumstances which might affect the claim to the council. Officers dealing with DHP claims will scrutinize the details provided in connection with both the DHP and housing benefit claims for indications of fraud and refer any suspected cases of fraud to SFIS.

### **Publicity of the scheme**

Every housing benefit decision notice includes information about the DHP scheme. Information about the scheme, the DHP policy and the DHP claim form are available on the council's website. Officers responsible for administering the DHP scheme will liaise with interested parties both internally and externally to raise awareness of the DHP scheme. Interested parties internally include the Housing Options Service, Children's Services, Adult Social Care and externally Citizens Advice Bureaux, Law Centres, Age Concern, other advice agencies and registered providers.

### **Review of the policy**

The policy will be reviewed annually. Annual reviews will consider how effectively the policy objectives have been achieved and the impact on the demand for DHP any legislative changes to the housing benefit scheme and the introduction of universal credit may trigger.

## **How DHP claims are decided**

The following sections of the policy set out the factors the council takes into account when deciding whether or not to award a DHP. Some of the factors will apply to all DHP claims but other factors will depend on the reason why a DHP is being sought.

However, the factors listed in the policy are only an indication of what the council considers when a DHP might be awarded. Meeting the conditions described is no guarantee that an award will be made if the amount of DHP is too high given the overall budget that is available. The policy also does not give a definitive list of factors. As payments are discretionary, there is no limit on the factors that can be taken into account and each individual claim is decided on its own merit.

### **General principles that apply to all claims**

In deciding the claim the council takes into account the income and savings the applicant has. It is reasonable to expect housing costs to be prioritized within a household budget and the council will expect most DHP applicants to make some contribution towards the shortfall between housing benefit and the rent.

As a result any DHP awarded will not, except in exceptional cases, meet the shortfall between housing benefit and rent in full. The amount each successful applicant is expected to contribute towards the shortfall will be decided based on the information provided in each individual case and is likely to involve an expectation that expenditure on non-essential items will have to be reduced.

Assessing how much the applicant can pay towards rent means considering some income and savings that are not included in the housing benefit calculation. This will be done in a way that reflects the reasons for any additional benefits being awarded.

We will also take into account the income of other household members such as non-dependants and may decide it is reasonable to expect a non-dependant to contribute more than the amount of the non-dependant deduction determined by the Housing Benefit Regulations.

When assessing income the council will not, however, take into account any disability living allowance or personal independence payment the applicant or a member of their household receives.

### **DHP to support working households**

DHP awards can support working households to sustain their employment at a time when rents are high by providing extra financial assistance with rental payments for a temporary period.

When a person earning too much to qualify for maximum benefit applies for a DHP because they are having difficulty paying the shortfall between benefit and the full rent, we will consider the following:

- Expenses like travel costs that are the result of going to work.
- Proximity of more affordable alternative accommodation elsewhere in Westminster or with reasonable commuter access into Westminster.
- Regular debt repayments.
- Reasonable childcare costs that are above the amount that is ignored from the income used to decide housing benefit.
- Any other factors affecting the capacity to make regular rent payments of the required amount.

The purpose of a DHP award will be to support work by giving extra help with rent payments for a short period. Successful applicants will be expected to take the steps needed to increase the amount they can pay towards rent in the medium term in order to avoid reliance on DHP as an on-going solution.

As well as offering assistance to working households who have run into difficulties with rent payments, the council will consider awarding a DHP to top-up housing benefit for a person who has started work after a period of unemployment. The DHP eases the transition into work by helping with the adjustment needed when a person has to start making regular rent payments. But a DHP can only be considered if there is some housing benefit entitlement based on earnings.

A DHP for a person starting work will normally be made for three months. The amount of the award depends on the expenses listed on the DHP claim form and a DHP will not cover any rent cost that housing benefit did not meet before the move into work.

### **DHP for local housing allowance (LHA) restrictions**

LHA sets the maximum rent housing benefit meets for new claims in the private rented sector made after March 2008. The LHA is set based on the local rental market and the size of property the household needs. LHA was reformed from April 2011 and the reforms included a restriction on LHA rates in areas such as Westminster where market rents are high.

As LHA restrictions have applied since April 2011, it is reasonable to expect that most claimants affected at the point of change will have made alternative arrangements and those changing address should take LHA rates into account before agreeing new tenancy agreements.

The council recognises, however, that there will continue to be a limited number of households with complicated and challenging circumstances that make moving

home difficult. Further DHP awards to assist with LHA restrictions will therefore be considered in exceptional cases. Factors taken into account include:

- a) The length and the reasons for residency both in the current home and in Westminster;
- b) The extent of any vulnerability the applicant or a member of their family has;
- c) The amount of the shortfall between the rent charged and the maximum rent used to decide housing benefit; and
- d) Any representations from the Housing Options Service, Westminster's Adult Social Care and Children's Services on why the household should be supported to remain in the current home.

Many factors can affect vulnerability and we cannot specify the circumstances when a person will be treated as vulnerable.

The following factors will, however, always be taken into account:

- The age of the applicant and the members of their household.
- Whether changing address is likely to affect children at a critical stage in their education.
- Any specialist support services provided by Children's Services and Adult Social Care or under the council's public health responsibilities.
- Health or medical needs assisted by local services that are not available elsewhere.
- Adaptations that have been made to the current home because of disabilities.
- How difficult it is to move to alternative accommodation elsewhere because of age or disability.
- Whether moving home would make it difficult to retain current employment.

In addition the council will also consider whether the landlord has reduced the rent and take into account any information the Housing Options Service provides in relation to the factors listed above. Information from the Housing Options Service is important in order to judge whether supporting the household to remain in a private sector tenancy is the best outcome for the council in terms of dealing with any homeless application that is likely to arise if DHP was refused.

The duration of any DHP award made will be decided based on the particular circumstances of the case but always bearing in mind a DHP is a temporary solution. The DHP award could be to allow the applicant more time to find suitable alternative accommodation elsewhere, or to tie in with a future event such as the end of the school year or the tenancy ending.

#### **DHP for rent restrictions because of the social sector size criteria**

From April 2013 housing benefit was reformed to restrict the rent used to calculate entitlement for a tenant in the social rented sector who is treated as having one or more spare bedrooms. When a person affected by this change applies for DHP the council will firstly look at whether the person has enough income or capital to afford the shortfall (see *General principle that apply to all claims*).

If they do not have the means to pay the shortfall, the council will then consider the individual circumstances that could make moving to a smaller home impractical in either the medium or long term.

When deciding if there are reasonable barriers preventing a move to a smaller home, we will consider the following:

- Any significant adaptations that have been made to the property to cater for the needs of a disabled member of the household.
- Any health conditions, whether temporary or permanent, that make moving home exceptionally difficult.
- The reasons for allocating the current home with the number of bedrooms it has at the outset of the tenancy.
- Any threat of domestic violence that could increase as a result of a change of address.
- Is an extra bedroom needed for a permanent resident who is temporarily absent for a longer period than the period allowed in housing benefit regulations?
- Is the requirement for a DHP for a fixed period, for example until a child is old enough to qualify for their own room under the size criteria?
- Is the requirement for a DHP expected to be short term because the tenant is making every reasonable effort to move to a smaller home?
- Any other special circumstances that result in the need for an additional bedroom.

As well as considering all the information the applicant provides on the DHP claim form, the council will take into account representations from the landlord in support of the DHP claim. In particular we will need the landlord to verify that significant adaptations have been made in cases where that is the reason for the DHP claim.

In addition, when a short term DHP is requested until a change of address, we will need the landlord to confirm that a tenant is engaging with the process necessary to move to a smaller home. Normally awards made to a tenant seeking to move to smaller accommodation will be deferred until the change of address is confirmed. If a move to suitable smaller accommodation is taking time to arrange, the council will consider making retrospective DHP awards at regular intervals to prevent rent arrears accruing.

### **DHP for tenants affected by the Benefit Cap**

The Benefit Cap limits the overall amount of welfare benefits non-working households can receive. The Benefit Cap, however, does not apply to pensioners and some disabled people. For Westminster the Benefit Cap was introduced in September 2013. When a person's housing benefit is less than the eligible rent because of the Benefit Cap, the council will firstly look at whether the person has enough income or capital to afford the shortfall (see *General principle that apply to all claims*).

In cases where a person is unable to meet the entire shortfall the Benefit Cap produces, the council will consider awarding DHP for a limited period to support

claimants in their efforts to move into work as soon as practicable. Moving into work is vital because a household working enough hours to be eligible to claim working tax credit is exempt from the Benefit Cap. Where moving into work in the foreseeable future is unrealistic, a DHP will be made to allow other options such as moving to more affordable accommodation elsewhere to be explored.

A DHP to support a household affected by the Benefit Cap will normally be made for six months. But a new claim can be made if the Benefit Cap continues to apply and the council will consider making an award for a further six months. When deciding claims for a further award the council will consider the actions being taken to avoid becoming dependant on a DHP in the long-term. This will involve taking into account the efforts being made to either find work or move to alternative accommodation.

When a household affected by the Benefit Cap is living in temporary accommodation or receiving support from Children's Services or Adult Social Care, the council will take into account the representations from Housing Options and the relevant council services when deciding the amount and duration of the DHP award.

### **DHP for deposits and rent in advance**

A DHP is potentially available to cover a deposit and rent in advance for new accommodation the applicant is moving to. The council will consider meeting a deposit and rent in advance where a person is moving from a property with a high rent to affordable accommodation elsewhere because housing benefit for the current home is restricted or it is temporary (including hostel) accommodation. As well as deposits and rent in advance, a DHP can potentially meet a security payment the Housing Options Service makes to obtain a tenancy at an affordable rent for a household moving from high cost accommodation.

Where the prospective new home is outside Westminster, the decision to award the DHP must be made whilst the applicant is still entitled to housing benefit for the old home.

To decide claims for a DHP to meet deposit or rent in advance the following factors will be taken into account

- The rent charged for the new home and whether it is affordable.
- The amount of the deposit and rent in advance needed to secure the tenancy.
- The applicant's ability to meet the deposit and rent in advance from either the return of the deposit for the current home or savings.

When a claim is successful, the DHP will normally be made direct to the landlord by bank credit transfer. The council will, however, also consider making the DHP direct to organisations it works with to provide housing assistance to clients affected by welfare reform. This would be considered when the partner organisation has paid the deposit and rent in advance on the applicant's behalf because prompt payment was needed to secure the new tenancy.

A DHP claim for a deposit and rent in advance must be supported by:

- a) the tenancy agreement for the new home setting out the amount of the deposit and the liability to pay rent in advance; and
- b) bank account details for the landlord or organisation that will receive the DHP.

Although the decision to award a DHP to cover deposit and rent in advance for a new property outside Westminster must be made whilst the applicant is still entitled to housing benefit for the old home, the council may defer payment of the DHP until the applicant has completed the move into the new property.

### **DHP awards in other circumstances**

The above sections set out the main circumstances that lead to a claim for DHP being made. There are, however, no restrictions as to the other circumstances where a DHP could potentially be awarded as long as housing benefit is less than the eligible rent.

Some of the other circumstances when a person can apply for a DHP and factors the council will consider are set out below:

<b>Reason for DHP claim</b>	<b>What the council considers</b>
Housing benefit is less than the full rent because of a non-dependant deduction.	The reasons why the non-dependant is unable to make a financial contribution towards rent and the steps being proposed to change the situation.
A claimant moving home who does not qualify for housing benefit on two homes when there is an unavoidable tenancy overlap.	The reasons why the move did not take place on the date the tenancy for the new home started.
Housing benefit is less than the rent because of income other than earnings.	Extra household expenses because of illness or disability and regular debt repayments.
Rent restrictions for claimants receiving benefit under the pre-LHA rules.	The same factors given in the section on the policy on DHP for LHA restrictions
Increases to registered and housing association rents that were not reported to the council on time.	The reasons why the increase was not reported at the correct time.

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# Discretionary Housing Payment Claim Form

<b>Title (Mr, Mrs, Miss, Ms)</b>
<b>Surname/family name</b>
<b>First names</b>
<b>Address</b>
<b>Postcode</b>
<b>Telephone number</b>

**Benefit reference number (this is a seven-digit number)**

### About discretionary housing payments (DHP)

The council can award a discretionary housing payment (DHP) to top up your housing benefit if your benefit entitlement is less than the full rent. ‘Discretionary’ means that we decide whether to award the top-up payment. It’s discretionary because we don’t have enough money to help everyone who applies. We use the information you give us on this form to decide whether to award you a DHP.

### When may we award a discretionary housing payment?

We may award a DHP if:

- your benefit is less than your rent because your income is too high to qualify for the maximum benefit
- your housing benefit is less than the rent you have to pay your landlord because of a rent restriction\*
- your benefit has been reduced because other adults are living with you
- your benefit has been reduced because you are affected by welfare reform.

\*A rent restriction is when the rent amount we use to decide your benefit is less than the rent you have to pay your landlord. A restriction can occur either because the rent charged is above local housing allowance (LHA) or because of a rent officer decision.

### When can’t we award a discretionary housing payment?

We can’t award a DHP:

- to cover service charges for fuel and water rates that are included in your rent
- to help with council tax.
- if you don’t qualify for benefit, or your benefit already pays for all your rent

### How long we may pay you

If your claim is successful, we will make an award for a fixed period. So when completing this form you must tell us how long you think you will need extra financial help and what you will do to avoid needing the money in the long term.

## Part 1: Your income and expenses

You must complete Part 1. Complete the following tables to tell us about the income you are getting and how much you spend.

### Income

Type of income	Amount	Frequency (Delete as appropriate)
Net pay (after deductions for tax and National Insurance)	£	Weekly / 4-weekly / monthly
Income support, jobseeker's allowance or employment and support allowance	£	Weekly / 4-weekly / monthly
Pensions	£	Weekly / 4-weekly / monthly
Child benefit	£	Weekly / 4-weekly / monthly
Child tax credit	£	Weekly / 4-weekly / monthly
Working tax credit	£	Weekly / 4-weekly / monthly
Child maintenance	£	Weekly / 4-weekly / monthly
Money from family or friends	£	Weekly / 4-weekly / monthly
Other state benefits	£	Weekly / 4-weekly / monthly
Other income	£	Weekly / 4-weekly / monthly
Savings	£	Not applicable

### Spending

Type of expense	Amount	Frequency (Delete as appropriate)
Rent (the amount left to pay after receiving housing benefit)	£	Weekly / monthly / quarterly*
Rent arrears (regular extra payments you must make under a court order or as agreed with the landlord)	£	Weekly / monthly / quarterly
Council tax	£	Weekly / monthly / quarterly
Council tax arrears (regular extra payments you are making to repay money owing from previous years)	£	Weekly / monthly / quarterly
Gas	£	Weekly / monthly / quarterly
Electricity	£	Weekly / monthly / quarterly
Water rates	£	Weekly / monthly / quarterly
Home telephone	£	Weekly / monthly / quarterly
Mobile phone	£	Weekly / monthly / quarterly
TV licence	£	Weekly / monthly / quarterly
Family food shopping	£	Weekly / monthly / quarterly
Meals at work	£	Weekly / monthly / quarterly
Child care or play scheme	£	Weekly / monthly / quarterly

School dinners	£	Weekly / monthly / quarterly
Children's clothes	£	Weekly / monthly / quarterly
Nappies and baby products	£	Weekly / monthly / quarterly
Travel to work	£	Weekly / monthly / quarterly
Other travel	£	Weekly / monthly / quarterly
Home contents insurance	£	Weekly / monthly / quarterly
Life insurance	£	Weekly / monthly / quarterly
Personal loan repayments	£	Weekly / monthly / quarterly
Hire-purchase agreements	£	Weekly / monthly / quarterly

\*Every three months

Any other expenses (please tell us what the expense is for):

	£	Weekly / monthly / quarterly*
	£	Weekly / monthly / quarterly
	£	Weekly / monthly / quarterly
	£	Weekly / monthly / quarterly
	£	Weekly / monthly / quarterly

\*Every three months

**Based on your budget, what is the most you can afford to pay towards your rent?**

£                      a week

**If there are non-dependant adults living with you, how much can they afford to pay towards your rent?**

£                      a week

**When we look at your spending, we normally disregard household expenses for food, fuel, clothes, telephone and toiletries. This is because the benefit calculation includes an allowance for essential day-to-day living expenses. But if some of these expenses are especially high at the moment, please tell us why here.**

## Part 2: Rent restrictions including local housing allowance caps

A rent restriction is when the rent amount we use to decide your benefit is less than the rent you have to pay your landlord. This could be because the rent is above the local housing allowance (LHA) or because of a rent officer decision. From April 2011, Central Government has limited LHA amounts in areas where market rents are high.

**Are you claiming a DHP because you rent from a private landlord and the rent is restricted?**    Yes        Answer the questions in Part 2 then go to Part 4  
No        Go to Part 3

2.1 **How long have you lived in Westminster?**

2.2 **Why do you need to live in Westminster?**

2.3 **Tell us about any support you receive from the council's Children's Services or Adult Social Care.**

- 2.4 **Do you have any children living with you aged under 19 attending school or college?** Yes  Complete the table below then go to 2.5  
 No  Go to 2.7

Use the table below to tell us about the school or college your children attend

Child's name	Name and address of school or college

- 2.5 **Tell us if any of the children above are due to take GCSE, A-level or BTec exams in the next year.**  
 Please provide the date(s) of the final exam.

- 2.6 **Tell us about any other special circumstances relating to your children's education that would make it difficult to move home at this time.**  
 Please give details and confirmation from the school

**2.7 Tell us about any medical services you currently rely on. Explain if there are any special circumstances that mean the service is not available elsewhere.**

**2.8 Tell us about any disability adaptations that have been made to your home.**

**2.9 Are you or your partner working?**

Yes

Answer 2.10

No

Go to 2.11

**2.10 Tell us if moving home will make it difficult to keep your job. Tell us why this is.**

2.11 | **Tell us about any other circumstances that would make it difficult for you to move home.**

2.12 | **How much deposit did you pay for your current home?**

2.13 | **Have you moved home since 1 April 2011?**

Yes

Answer 2.14 and 2.15 before going to Part 4

No

Go to Part 4

2.14 | **How much rent were you being charged for your previous address?**

2.15 | **Why did you move to your current home?**

### Part 3: Housing benefit reduction because of a spare room

From April 2013, Central Government reformed housing benefit so that benefit entitlement is less for social sector tenants who have spare bedrooms under criteria set out in the benefit regulations. The rent used to decide housing benefit is reduced by 14% for one spare room and 25% for two or more spare rooms.

3.1 **Are you claiming a DHP because you rent from a social landlord and benefit has reduced because you have at least one spare room?** Yes  Answer the questions in Part 3 then go to Part 4

No  Go to Part 4

3.2 **Are you prepared to move to new accommodation with fewer rooms?** Yes  Answer 3.3 then go to Part 4

No  Answer the questions from 3.4 onwards then go to Part 4

3.3 **Tell us about what you are doing to obtain smaller accommodation?**  
Please give details of the discussions you have had with your landlord about tenant transfer

3.4 **Why are you unable or unwilling to move to smaller accommodation?**





**3.5 Tell us about any support you receive from the council's Children's Services or Adult Social Care.**

**3.6 Tell us about any disability adaptations that have been made to your home.**

**3.7 Tell us why you were originally allocated a home with the number of bedrooms you have.**

**3.8 Tell us about any other circumstances that would make it difficult for you to move home.**

## Part 4: Housing benefit reduction because of the benefit cap

Central Government has introduced an overall cap on the total weekly amount of welfare benefit a person can receive. The benefit cap applies to housing benefit claimants who are below pension age who are out of work. The amount of the cap is £296.35 for single people and £442.31 for couples and people with children (lower amounts of £257.69 and £384.62 apply if the Council has placed you in temporary accommodation outside London). The benefit cap means the weekly total received in state benefits including for example jobseekers allowance, income support, employment and support allowance, child benefit, child tax credit and housing benefit cannot be more than the level of the cap. A household where the person claiming benefit or their partner is working is exempt from the benefit cap as long as they are eligible for working tax credit.

- 4.1 **Are you claiming a DHP because you are affected by the benefit cap?** Yes  Answer the questions in Part 4 then go to Part 5  
No  Go to Part 5
- 4.2 **Are you currently looking for work?** Yes  Answer 4.3 then go to Part 4  
No  Answer the questions from 4.4 onwards then go to Part 5

- 4.3 **Tell us about what you are doing to find work?**  
Please give details of the actions you have agreed with Jobcentre Plus

- 4.4 **Why are you currently unable to look for work?**  
Tell us about the barriers that are making it difficult for you to move into work

**4.5 What steps are you taking to prepare yourself for being ready to find work in the future?**

Tell us about any support you are receiving from Jobcentre Plus and the actions you have agreed to take

**4.6 Tell us about any support you receive from the council's Children's Services or Adult Social Care.**

There is no need to answer this question if you have already given the information in reply to either questions 2.3 or 3.5

**4.7 If you are renting from a private landlord and you have not already completed Part 2, tell us about any circumstances that would make it difficult for you to move to more affordable accommodation.**

## Part 5: Other information about your claim

You must complete Part 5.

**Please use the space below to tell us anything else you want us to take into account.** Here are some examples:

- Medical conditions or disabilities that you or a member of your household has.
- You are claiming a DHP because your benefit has been reduced because another adult lives with you and they can't contribute towards your rent – please say why they can't.
- You are claiming a DHP because you have to pay rent for two homes for an overlapping period. Tell us why you were unable to move home when your new tenancy started.

**For how long would you like to receive a DHP?** And please say why.

## Part 6: Declaration

You must complete Part 6.

Please check you have completed the form accurately and then read and sign the following declaration.

### I understand all the following:

- If I give information that is incorrect or incomplete, you may take action against me. This may include court action.
- You will use the information I have provided to check my claims for DHP, housing and council tax support. You may check some of the information with other council records and with other local councils.
- The council may ask me to pay back any DHP that it decides it has overpaid.

**I know** I must let the council know about any changes in my circumstances that may affect my claim.

**I declare** the information I have given on this form is correct and complete.

Signature of person claiming

Date

## Supporting evidence

You must provide the following documents in support of your DHP claim:

- Bank current account statements covering at least 3 recent consecutive months
- If you rent from a private landlord, proof of the rent the landlord is currently charging
- If you rent from a private landlord, proof of the rent payments you are making
- If you are working, the most recent payslip
- Your partner's most recent payslip (if you have a partner and they are working)

It will assist us to decide your claim if you also provide the following documents:

- Proof of any loan or credit-card or hire-purchase repayment agreements
- Any letters you have received from the landlord about rent arrears
- Proof of any expenses that are especially high.

We accept photocopies of these documents – you do not need to send us the originals.

## **What happens next?**

Send the form and any photocopies we need to:

### **Westminster Benefits Services**

**PO Box 82**

**Erith**

**DA8 1WJ.**

Or hand the form to us at one of our reception offices at **180 Vauxhall Bridge Road, SW1V 1ER** or **101 Orchardson Street, NW8 8EA.**

If we need more information, we will contact you. When we have all the information we need, we will consider your claim and write to you with our decision and reasons.

If you disagree with our decision, you can apply for a review. If you do, a Review Advisory Panel of up to three Westminster councillors will review your case and make a recommendation to the Cabinet Member for Finance and Customer Services.

Our decision letter will contain more information about how to apply for a review.

## Part 7: Consent to share information

You only need to complete Part 7 if you are claiming a DHP because of a rent restriction. Anyone who has completed Part 2 of the DHP claim must also complete Part 7.

Data sharing powers in the Welfare Reform Act 2012 allow the council's Benefits Service to share information you have given in support of your claims for housing benefit and DHP with the council's Housing Options Service. The purpose of sharing information is to identify and support people at risk of becoming homeless. The Housing Options Service offers a range of support to households affected by benefit changes depending on the circumstances of each case. This support includes:

- help negotiating with landlords over rent levels
- access to housing-related support for vulnerable households
- debt counselling and budgetary advice
- help with finding a new home where appropriate and help with moving and settling into a new area.

The Housing Options Service will only contact your landlord to discuss a possible rent reduction with your permission.

**I give consent for the council to contact my landlord to negotiate a rent reduction on my behalf.**      Yes        
No     

Signature of person claiming

Date

You can withdraw your consent at any time by writing to Westminster Benefits Services, PO Box 82, Erith DA8 1WJ

The outcome of your claim for DHP does not depend on whether you choose to give consent or not. However, if we restrict your housing benefit because of the caps on LHA, it's important for us to know whether or not the landlord is willing to reduce the rent.





City of Westminster

## Audit & Performance Committee Report

<b>Meeting:</b>	<b>Audit &amp; Performance Committee</b>
<b>Date:</b>	<b>17 July 2017</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Work Programme</b>
<b>Wards Affected:</b>	<b>N/A</b>
<b>Financial Summary:</b>	<b>There are no direct financial implications arising from this report</b>
<b>Report of:</b>	<b>Head of Committee &amp; Governance Services</b>
<b>Report Author:</b>	<b>Reuben Segal, Senior Committee and Governance Officer. Tel: 020 7641 3160 or email: <a href="mailto:rsegal@westminster.gov.uk">rsegal@westminster.gov.uk</a></b>

### 1. Executive Summary

- 1.1 The Committee is invited to review the work programme for 2017/18, attached at appendix 1.
- 1.2 The Committee is asked to note the actions which arose from the last meeting and the work undertaken in response, as detailed in appendix 3.
- 1.3 Proposals for the on-going monitoring of the Managed Services Contract (Finance, Payroll and HR) are set out in section 4.

### 2. Recommendations

1. That the Committee notes its agenda for the next meeting on the 18 September as set out in **appendix 1** to the report.

2. That the work undertaken in response to the actions which arose from the last meeting, as detailed in at **appendix 3** to the report, be noted.
3. That the proposals for on-going monitoring of the Managed Services Contract (Finance, Payroll and HR) as set out in section 4 be agreed.

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

- 3.1 A Work Programme for 2017/18 is attached at appendix 1 to the report.
- 3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee (attached as appendix 2) which may assist the Committee in identifying issues to be included in the Work Programme.
- 3.3 The work programme will be reviewed at each meeting of the Committee and items can be removed or added as necessary.

### **4. Monitoring of the Managed Services Contract**

- 4.1 The Managed Services Programme (MSP) was set up to introduce an external managed service delivering finance, payroll and HR processes. The Committee has maintained a regular oversight of the Managed Services contract since problems were identified with the rollout of the new system in April 2015. The current contract runs until May 2019.
- 4.2 Officers are progressing work on three fronts; completing implementation of agreed services, resolving outstanding commercial issues and looking at options to re-procure the service.
- 4.3 It has been suggested by the Chairman that the committee continue to receive updates if and when key critical issues associated with the contract's performance (operational system and Shared Services Centre) arise and on any major risks that develop.
- 4.4 For the most part scrutiny of the re procurement of an alternative service falls to the relevant Policy and Scrutiny Committee. However, there is some overlap with the Audit and Performance committee, particularly in view of the issues identified in the current contract.
- 4.5 At its meeting on 10 April the Housing, Finance & Corporate Services Policy and Scrutiny Committee supported a proposal to establish a task group to scrutinise

the re-procurement of an alternative service reporting to both the Policy and Scrutiny Committee and the Audit and Performance Committee with members drawn from both. This was supported by the Audit and Performance Committee at its last meeting. The first meeting of the task group was held on the ....

## **5. Monitoring Actions**

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

## **6. Resources**

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

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

**Reuben Segal, Senior Committee and Governance Officer**

**Tel: 020 7641 3160 or email: [rsegal@westminster.gov.uk](mailto:rsegal@westminster.gov.uk)**

## **APPENDICES:**

Appendix 1 – Work Programme 2017/18

Appendix 2 – Terms of Reference

Appendix 3 – Committee Action Tracker

## **BACKGROUND PAPERS:**

None

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# Work Programme 2017/18

## Audit and Performance Committee

17 July 2017

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

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

**18 September 2017**

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

**23 November 2017**

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Grant Thornton Annual Audit Letter 2016/17</b>	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Elizabeth Jackson Paul Dossett (Grant Thornton)
<b>Corporate Complaints 2016/17</b>	To report on the volume and details of complaints received by the Council and CityWest Homes in 2016/17.	Sue Howell (Complaints)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	<p>To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.</p> <p>To monitor Quarter 2 performance results against the 2017/18 business plans</p>	<p>Steven Mair (Finance)</p> <p>Damian Highwood/Mo Rahman (Performance)</p>
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Moirra Mackie (Internal Audit)
<b>Mid-Year Counter Fraud Monitoring Report</b>	To oversee and monitor the success of the Counter Fraud Service	Andy Hyatt (Anti-Fraud)



## 1 February 2017

Agenda Item	Reasons & objective for item	Lead Officer
<b>Work Programme 2017/18</b>	The Committee is invited to review its work programme for the 2017/18 municipal year.	Reuben Segal
<b>Grant Thornton Certification of Claims and Returns Annual Report (Audit 2016/17)</b>	To report the findings from the certification of 2016/17 claims and the messages arising from the assessment of the Council's arrangements for preparing claims and returns and information on claims that were amended or qualified.	Elizabeth Jackson Paul Dossett (Grant Thornton)
<b>Grant Thornton Annual Audit Plan 2017/18</b>	To set out the audit work that Grant Thornton proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2017/18.	Elizabeth Jackson Paul Dossett (Grant Thornton)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 3 performance results against the 2017/18 business plans	Steven Mair (Finance)  Mo Rahman/Damian Highwood (Performance)
<b>Maintaining High Ethical Standards at the City Council</b>	To maintain an overview of the arrangements in place for maintaining high ethical standards throughout the Authority	Tasnim Shawkat (Monitoring Officer)
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Moira Mackie (Internal Audit)

<b>Internal Audit Plan 2018/19</b>	To review and comment on the draft audit plan for 2018/19	Moir Mackie (Internal Audit)
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**23 April 2017**

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
TBC		

**AUDIT AND PERFORMANCE COMMITTEE TERMS OF REFERENCE**

**CONSTITUTION**

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

**TERMS OF REFERENCE**

Audit Activity

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

Regulatory Framework

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

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

#### Accounts

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

#### Performance Monitoring

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

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

#### Staffing

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

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**COMMITTEE ACTION TRACKER**  
**ACTIONS: 9 May 2017**

ACTION	OUTCOME	LEAD OFFICER
<b>ANNUAL STATEMENT OF ACCOUNTS 2016-2017</b>		
The committee would like details of the cumulative impact of the capital programme underspend over the last 5 years	This information is included in the capital programme report that is included in the current agenda	<b>Steve Mair, City Treasurer</b>
<b>ANNUAL COUNTER FRAUD MONITORING REPORT</b>		
1. Members would like details of how the annual targets for producing positive outcomes offset to understand whether the target is appropriate and how activities are determined by the level of resources.	This information was circulated on 31 May.	<b>Andy Hyatt, Tri-Borough Head of Fraud</b>
2. The committee would like to know the ratio of fraudulent Right to Buy applications that were successfully prevented against the total number of applications that were submitted in the period and were approved.	This information was circulated on 31 May.	<b>Andy Hyatt, Tri-Borough Head of Fraud</b>
<b>CHANGES TO TRI-BOROUGH SHARED SERVICES ARRANGEMENTS</b>		
Can the deadline for disaggregating services be extended by agreement if additional time is required to finalise arrangements?	Yes it can subject to mutual agreement.	<b>Siobhan Coldwell, Chief of Staff</b>

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