



City of Westminster

# Committee Agenda

Title: **Audit and Performance Committee**

Meeting Date: **Tuesday, 2<sup>nd</sup> March 2021**

Time: **6.30 pm**

Venue: **Please note that this will be a virtual meeting**

Members: **Councillors:**

Ian Rowley (Chairman)  
David Boothroyd  
Danny Chalkley  
Richard Elcho

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

**The meeting will be live-streamed and recorded. To access the recording after the meeting, please revisit the link. If you have a disability and require any special assistance, please contact the Committee Officer (details listed below) in advance of the meeting.**



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

## **AGENDA**

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

**1. MEMBERSHIP**

To note any changes to the membership.

**2. DECLARATIONS OF INTEREST**

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

**3. GRANT THORNTON ANNUAL AUDIT LETTER**

To receive and consider a summary of the key findings arising from the work of Grant Thornton, auditors for Westminster City Council and its subsidiaries, joint ventures and associates for the year ended 31 March 2020 in line with the auditors' Audit Findings Reports of 10 September 2020 and 2 December 2020. To consider the auditors' assessment of the Council's financial statements and arrangements to secure value for money (VFM) in its use of resources.

**(Pages 5 - 20)**

**4. GRANT THORNTON PROGRESS REPORT**

To receive an Audit Progress Report and Sector Update from Grant Thornton, auditors for Westminster City Council.

**(Pages 21 - 30)**

**5. UK LOCAL AUTHORITY CREDIT RISK**

To receive a report on counterparty risk, necessary due diligence and credit checks on local authority names in the current Treasury counterparty list and accompanying consultant report about the statutory backdrop and an assessment of the current Treasury practices.

**6. FINANCE AND PERFORMANCE BUSINESS PLAN MONITORING**

To monitor Westminster City Council's financial position at Quarter 9 including revenue forecast outturn, revenue

**(Pages 31 - 140)**

expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.

To monitor Quarter 2 performance results against the business plans.

**7. INTERNAL AUDIT MONITORING REPORT**

**(Pages 141 - 150)**

To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.

**8. INTERNAL AUDIT PLAN**

**(Pages 151 - 164)**

To review and comment on the draft Audit Plan for 2021/2022.

**9. CORPORATE COMPLAINTS**

**(Pages 165 - 198)**

To receive a report on the volume and details of complaints received by Westminster City Council in 2019/2020.

**10. WESTMINSTER HOUSING SERVICE**

**(Pages 199 - 212)**

To receive an update on the management of Westminster City Council's housing stock for the current financial year.

**11. MAINTAINING HIGH ETHICAL STANDARDS AT WESTMINSTER CITY COUNCIL**

**(Pages 213 - 222)**

To maintain an overview of the arrangements in place for maintaining high ethical standards throughout Westminster City Council.

**12. WORK PROGRAMME REPORT**

**(Pages 223 - 238)**

To review the Committee's Work Programme and note any actions arising from the meeting on 2 December 2020.

**13. ANY OTHER BUSINESS**

**Stuart Love**  
**Chief Executive**  
**16 February 2021**

# The Annual Audit Letter for Westminster City Council

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Prepared  
Year ended 31 March 2020  
December 2020



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Your key Grant Thornton  
team members are:

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# Executive Summary

## Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Westminster City Council (the Council) and its subsidiaries, joint ventures and associates (the group) for the year ended 31 March 2020.

This Letter is intended to provide a commentary on the results of our work to the group and external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Council's Audit and Performance Committee as those charged with governance in our Audit Findings Reports on 10 September 2020 and 2 December 2020.

## Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council and group's financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council and group's financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

## Our work

<b>Materiality</b>	We determined materiality for the audit of the Council's financial statements to be £15 million (£15.4 million for the group), which is 1.5% of the Council's (group's) gross cost of services.
<b>Financial Statements opinion</b>	We gave an unqualified opinion on the group's financial statements on 24 November 2020. We included an emphasis of matter paragraph in our report in respect of the uncertainty over valuations of the Council's land and buildings and investment properties and the assets of its pension fund given the Coronavirus pandemic. This does not affect our opinion that the statements give a true and fair view of the Council's financial position and its income and expenditure for the year.
<b>Whole of Government Accounts (WGA)</b>	We are in the process of completing work on the Council's consolidation return following guidance issued by the NAO.
<b>Use of statutory powers</b>	We did not identify any matters which required us to exercise our additional statutory powers.
<b>Value for Money arrangements</b>	We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Council on 24 November 2020.
<b>Certificate</b>	We are unable to certify that we have completed the audit of the financial statements of Westminster City Council until we complete the work on the Council's WGA consolidation return.

## Working with the Council

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP  
December 2020

# Audit of the Financial Statements

## Our audit approach

### Materiality

In our audit of the group's financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the group financial statements to be £15,400,000, which is 1.5% of the group's gross cost of services. We determined materiality for the audit of the Council's financial statements to be £1,000,000, which is 1.5% of the Council's gross cost of services. We used this benchmark as, in our view, users of the group and Council's financial statements are most interested in where the group and Council has spent its revenue in the year.

We also set a lower level of specific materiality of £100,000 for disclosures relating to remuneration of senior officers, due to their sensitive nature.

We set a lower threshold of £750,000, above which we reported errors to the Audit and Performance Committee in our Audit Findings Report.

### The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the remainder of the Statement of Accounts to check it is consistent with our understanding of the Council and with the financial statements included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the group's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

# Audit of the Financial Statements

## Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p><b>Covid-19</b></p> <p>The global outbreak of the Covid-19 virus pandemic has led to unprecedented uncertainty for all organisations, requiring urgent business continuity arrangements to be implemented. We expected current circumstances would have an impact on the production and audit of the financial statements for the year ended 31 March 2020</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>worked with management to understand the implications the response to the Covid-19 pandemic has had on the organisation's ability to prepare the financial statements and update financial forecasts, and assessed the implications for our materiality calculations;</li> <li>liaised with other audit suppliers, regulators and government departments to co-ordinate practical cross sector responses to issues as and when they arose;</li> <li>evaluated the adequacy of the disclosures in the financial statements that arose in light of the Covid-19 pandemic;</li> <li>evaluated whether sufficient audit evidence could be obtained in the absence of physical verification of assets through remote technology;</li> <li>evaluated whether sufficient audit evidence could be obtained to corroborate significant management estimates such as asset valuations and recovery of receivable balances; and</li> <li>evaluated management's assumptions that underpin the revised financial forecasts and the impact on management's going concern assessment</li> </ul>	<p>The Council's valuer reported their valuations as at 31 March 2020 on the basis of 'material valuation uncertainty'. Similarly, the Pension Fund property and infrastructure allocations as at 31 March 2020 were difficult to value.</p> <p>We referred to these material valuation uncertainties in our audit report.</p> <p>We did not identify any other issues or concerns to report.</p>
<p><b>Valuation of land and buildings (including investment properties)</b></p> <p>The Council revalues land and buildings on an annual basis to ensure that the carrying value is not materially different from the current value or fair value at the financial statements date.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work;</li> <li>evaluated the competence, capabilities and objectivity of the valuation expert;</li> <li>written to the valuer to confirm the basis on which the valuations were carried out;</li> <li>challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding;</li> </ul>	<p>Our audit work identified a number of issues in relation to the Council's record keeping and transactional processing. These included errors in the treatment of revaluations, issues with the splitting of assets between land and building elements, and incorrect source information used in property valuations. There were also errors in respect of the letting status of individual properties and in respect of ownership shares.</p>

# Audit of the Financial Statements

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of land and buildings</b> Continued...</p>	<ul style="list-style-type: none"> <li>tested, on a sample basis, revaluations of the Council's operational properties, investment properties, and HRA properties during the year to ensure they have been input correctly into the Council's asset register and financial statements;</li> <li>evaluated the assumptions made by management for any assets not revalued at 31 March 2020, including those in the HRA, and how management has satisfied themselves that the carrying value of these assets in the balance sheet is not materially different to their current value.</li> </ul>	<p>There were a number of adjustments relating to the year-end valuation. Several of the issues that we have identified have resulted in significant amendments to the financial statements.</p> <p>In addition, in our view the Council's Investment Properties are over-valued. We estimate that the maximum impact of these issues is £10,979k. The Council have not amended for these errors as they are not material.</p>
<p><b>Valuation of net pension liability</b> The Council's pension fund net liability, as reflected in the balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£625 million in the balance sheet) and the sensitivity of the estimate to changes in key assumptions.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>updated our understanding of the processes and controls put in place by management to ensure that the Council's pension fund net liability is not materially misstated and evaluate the design of the associated controls;</li> <li>evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work;</li> <li>assessed the competence, capabilities and objectivity of the actuary who carried out the Council's pension fund valuation;</li> <li>assessed the accuracy and completeness of the information provided to the actuary to estimate the liability;</li> <li>tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; and</li> <li>completed procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within that report.</li> </ul>	<p>Our audit work has not identified any issues in respect of the valuation of the Council's pension fund net liability</p>

# Audit of the Financial Statements

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p><b>Management override of internal controls</b></p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>evaluated the design effectiveness of management controls over journals;</li> <li>analysed the journals listing and determined the criteria for selecting high risk unusual journals;</li> <li>tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration;</li> <li>tested 'top-side' journals between the general ledger and the financial statements for appropriateness and corroboration;</li> <li>gained an understanding of the accounting estimates and critical judgements applied and made by management and considered their reasonableness with regard to corroborative evidence; and</li> <li>evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>	<p>Our audit work did not identify any issues in respect of management override of controls.</p>
<p><b>Appeals Provision for National Non-Domestic Rates</b></p> <p>The Council's provision for business rates appeals remains the largest in the country and is a highly material balance in the financial statements..</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>monitored how the appeals process is affecting the Council and considered any changes in the methodology used to calculate the provision;</li> <li>identified the controls put in place by management to ensure that the appeals provision is not materially misstated, and assessed whether these controls were implemented as expected;</li> <li>reviewed the assumptions made by management and the processes used in calculating the estimate;</li> <li>tested the Council's calculation and agreed it to relevant supporting documentation; and</li> <li>reviewed the disclosures made by the Council in the financial statements</li> </ul>	<p>Our work did not identify any significant issues with the calculation of the appeals provision balance.</p>

# Audit of the Financial Statements

## Pension Fund Significant Audit Risks

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work on the pension fund.

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p><b>Covid-19</b></p> <p>The global outbreak of the Covid-19 virus pandemic has led to unprecedented uncertainty for all organisations, requiring urgent business continuity arrangements to be implemented. We expected current circumstances would have an impact on the production and audit of the financial statements for the year ended 31 March 2020</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>worked with management to understand the implications the response to the Covid-19 pandemic has had on the organisation's ability to prepare the financial statements and update financial forecasts, and assessed the implications for our materiality calculations;</li> <li>liaised with other audit suppliers, regulators and government departments to co-ordinate practical cross sector responses to issues as and when they arose;</li> <li>evaluated the adequacy of the disclosures in the financial statements that arose in light of the Covid-19 pandemic;</li> <li>evaluated whether sufficient audit evidence could be obtained in the absence of physical verification of assets through remote technology;</li> <li>evaluated whether sufficient audit evidence could be obtained to corroborate significant management estimates such as asset valuations and recovery of receivable balances; and</li> <li>evaluated management's assumptions that underpin the revised financial forecasts and the impact on management's going concern assessment</li> </ul>	<p>The Pension Fund Investment Managers included material uncertainties caused by Covid-19 in their valuation of Property and Infrastructure investments</p> <p>We referred to these material valuation uncertainties in our audit report.</p> <p>We did not identify any other issues or concerns to report.</p>
<p><b>Management override of internal controls</b></p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>reviewed entity controls;</li> <li>reviewed accounting estimates, judgements and decisions made by management; and</li> <li>reviewed unusual significant transactions.</li> </ul>	<p>Our audit work did not identify any issues in respect of management override of controls.</p>

# Audit of the Financial Statements

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of level 3 investments</b></p> <p>By their nature, Level 3 investment valuations lack observable inputs. These valuations therefore represent a significant estimate by management in the financial statements due to the size of the numbers involved (£77 million) and the sensitivity of this estimate to changes in key assumptions.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>gained an understanding of the Fund's process for valuing level 3 investments and evaluated the design of the associated controls;</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 investment;</li> <li>independently verified the Hermes Property Unit Trust valuation to independent market data;</li> <li>Obtained audited financial statements for the Hermes Property Unit Trust (March 2020) and Pantheon Infrastructure Fund (December 2019) and compared the audited fund valuation with the Fund Manager capital statements at the same period. For Pantheon we checked any cash movements between December 2019 and March 2020;</li> <li>Obtained the valuations for the level 3 investments at the end of June 2020. Pantheon investments had increased by £2.4m and Hermes Property had decreased by £0.5m;</li> <li>reviewed the custodian independent valuation of Hermes Property Unit Trust;</li> <li>considered the competence, expertise and objectivity of any management experts used; and</li> <li>verified the investment balances to the fund manager and custodian reports.</li> </ul>	<p>Our work did not identify any other significant issues with the valuation of level 3 investments.</p>

# Audit of the Financial Statements

## Audit opinion

We gave an unqualified opinion on the group's financial statements on 24 November 2020.

## Preparation of the financial statements

Management provided us with three versions of the draft financial statements for audit between 18 and 20 May 2020. Preliminary review of the third draft provided identified that the LA had amended a number of the 2018/19 figures from those that were audited in the previous year. When we challenged management on this:

- some differences were confirmed to be immaterial changes, and as such these should have been processed during the 2019/20 year, and have been amended;
- Some differences were due to the finance team picking up incorrect versions of working papers when entering the prior year figures into the financial statements document, and these have been rectified.

All information and explanations requested from management were provided. Overall the quality of the working papers that we received was adequate, but further improvements are needed for a smooth audit process, especially in relation to balance sheet working papers.

## Issues arising from the audit of the financial statements

We reported the key issues from our audit to the Council's Audit and Performance Committee on 10 September 2020 and 2 December 2020.

## Annual Governance Statement and Narrative Report

We are also required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website in the draft Statement of Accounts in May 2020.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with the financial statements prepared by the Council and with our knowledge of the Council.

## Pension fund accounts

We gave an unqualified opinion on the accounts of City of Westminster Pension Fund on 24 November 2020. We also reported the key issues from our audit of the pension fund accounts to the Council's Audit and Performance Committee on 10 September 2020.

## Whole of Government Accounts (WGA)

We are in the process of carrying out work in line with instructions provided by the NAO. We will issue an assurance statement once this work is complete which.

## Other statutory powers

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

## Certificate of closure of the audit

We are unable to certify that we have completed the audit of the financial statements of Westminster City Council until we complete the work on the Council's WGA consolidation return.

# Value for Money conclusion

## Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in April 2020 which specified the 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.*

## Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the risks where we concentrated our work.

The risks we identified and the work we performed are set out overleaf.

As part of our Audit Findings report agreed with the Council in September 2020, we agreed recommendations to address our findings.

## Overall Value for Money conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020.

# Value for Money conclusion

## Value for Money Risks

Risks identified in audit plan	How we responded to the risk	Findings and conclusions
<p>Covid-19 will have a significant impact on the Council's commercial income particularly car parking, rental income, fees and charges and collections of Business Rates and Council tax.</p> <p>The Council will need to model the impact of Covid-19 on their 2020/2021 financial position and to decide on appropriate actions to mitigate any significant financial gaps that arise.</p>	<p>As part of our work we have:</p> <ul style="list-style-type: none"> <li>• Considered the Council's scenario planning and financial monitoring as a result of the Covid-19 pandemic</li> <li>• Reviewed the MTFP, and changes made to this to take into consideration the current impact of Covid-19</li> <li>• Understood the Council's current financial position and reserves balances</li> </ul>	<p>The Council is undertaking the scenario planning required to monitor and react to the financial impact caused by the pandemic.</p> <p>The Council has a level of General Fund reserves that are able to withstand the Covid-19 impact in the short term. It is essential that the Council continue to consider long-term financial sustainability and to implement savings initiatives to ensure that general fund reserves are not depleted to levels that would not be able to withstand any further economic shocks.</p>
<p>The Council's capital programme includes a number of key projects and investments, which are significant both in scale and financial terms. The Council recognised that several of these schemes continue to be subject to significant slippage</p>	<p>As part of our work we have:</p> <ul style="list-style-type: none"> <li>• Considered the 2019-20 capital programme, and performance against the planned spend</li> <li>• Gained an understanding of the governance arrangements in place around capital projects, and their planning and approval</li> <li>• Considered the reasons for any slippage, and the clarity of reporting around these issues</li> </ul>	<p>The Council has adequate high level arrangements in place to approve monitor and deliver capital projects. The monitoring reports would be enhanced by greater detail on the underlying cause of the slippage together with the action taken to bring the project back on track or to avoid further slippage.</p> <p>The reports should include the explicit actions that the Council are taking to bring the project back on track or to prevent further slippage.</p>

## A. Reports issued and fees

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

### Reports issued

Report	Date issued
Audit Plan	January 2020
Audit Findings Report - Pension Fund - Council	July 2020 September 2020
Annual Audit Letter	December 2020

### Fees

	Planned £	Actual fees £
Statutory audit - Council	175,004	207,504
Statutory audit - Pension Fund	25,000	28,750
<b>Total fees</b>	<b>200,004</b>	<b>236,254</b>

### Audit fee variation

As outlined in our audit plan, the 2019-20 scale fee published by PSAA of £143,004 for the Council, and £16,170 for the Pension Fund, assumes that the scope of the audit does not significantly change. There are a number of areas where the scope of the audit has changed, which has led to additional work. These are set out in the table on the next page.

**Fee variations are subject to PSAA approval.**

### Fees for non-audit services

Service	Fees £
<b>Audit related services</b>	
• Certification of Pooling of Housing Capital Receipts return 2018/19	5,000
• Certification of Teachers' Pensions return 2018/19	10,000
• Certification of Housing Benefits claim 2018/19	38,000
• Certification of Housing Benefits claim 2019/20	36,500
<b>Non-Audit related services</b>	
- None	nil

### Non-audit services

- For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the group. The table above summarises all non-audit services which were identified.
- We have considered whether non-audit services might be perceived as a threat to our independence as the group's auditor and have ensured that appropriate safeguards are put in place.

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

## A. Reports issued and fees

Area	Reason	Fee proposed
Scale fee	Assuming that the scope of the audit does not significantly change	<b>143,004</b>
Increased challenge and depth of work and reduced materiality threshold	The Financial Reporting Council (FRC) has highlighted that the quality of work by all audit firms needs to improve across local audit. This will require additional supervision and leadership, as well as additional challenge and scepticism in areas such as journals, estimates, financial resilience and information provided by the entity. As outlined earlier in the Plan, we have also reduced the materiality level, reflecting the higher profile of local audit. This will entail increased scoping and sampling.	11,500
Pensions – IAS 19	The Financial Reporting Council has highlighted that the quality of work by audit firms in respect of IAS 19 needs to improve across local government audits. Accordingly, we have increased the level of scope and coverage in respect of IAS 19 this year to reflect this.	4,000
PPE Valuation – work of experts	As above, the Financial Reporting Council has highlighted that auditors need to improve the quality of work on PPE valuations across the sector. We have increased the volume and scope of our audit work to reflect this.	4,500
PPE Valuation - use of auditor's expert	We have engaged our own audit expert – Wilks Head & Eve LLP to help ensure an adequate level of audit scrutiny and challenge over the assumptions that underpin PPE valuations.	5,000
Group accounts	PSAA's original scale fee for this contract was set in March 2018, so any new developments since that time are not reflected in the scale fee. This includes the increase in the work to audit your group financial statements as more companies have been consolidated.	4,000
Developments	You are required to respond effectively to new accounting standards and we must ensure our audit work in these new areas is robust. This year we had planned to respond to the introduction of IFRS16, and work in this area had started, despite the subsequent deferral of its implementation.	3,000
Impact of Covid-19 on the audit	Restrictions for non-essential travel have meant both Council and audit staff have had to work remotely throughout the audit visit, which has led to the audit taking significantly longer to complete than previous years. The additional fees for extra costs to us related from Covid 19 are reflected in our other local government audit clients.	25,500
Increased work as a result of issues and errors in property valuations	Our audit work identified a number of issues in relation to the Council's record keeping and transactional processing, which led to significant increases in the amount of time that was required to complete the work required to gain assurance over the Council's property values.	7,000
<b>Total</b>	Subject to PSAA approval	<b>207,504</b>



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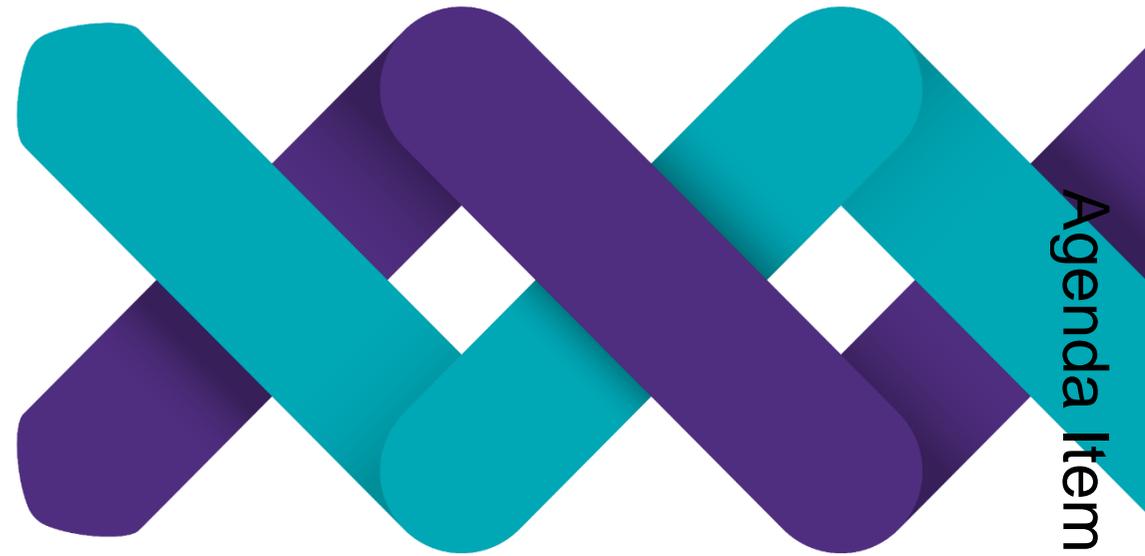
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# Audit Progress Report and Sector Update

Westminster City Council  
Year ending 31 March 2021  
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# Introduction



**Paul Dossett, Partner**  
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This paper provides the Audit and Performance Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a summary of emerging national issues and developments that may be relevant to you as a local authority.

Members of the Audit and Performance Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications [www.granthornton.co.uk](http://www.granthornton.co.uk).

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or your Engagement Manager.



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# Financial Statements Audit 2019/20

## Financial Statements Audit

We issued unqualified audit opinions on the financial statements of the Council and the Pension Fund on 24 November 2020.

We included an emphasis of matter within our audit opinion which referred to the disclosures that management had made regarding the material uncertainties in the valuations of land and buildings (including investment properties) and the pension fund's property investments as at 31 March 2020. Our audit opinion was not modified as a result of this emphasis.

## Value for Money opinion

We issued an unqualified value for money opinion for the year ended 31 March 2020 on 24 November 2020.

## Certification of the Audit

We have not yet certified the completion of the audit for 2019/20, as we have not been able to issue our assurance statement over the consistency of the Council's WGA submission with the financial statements. This work is substantially complete but due to issues with the central system, the Council have not been able to demonstrate that they have made required changes to their submission.

## Certification of claims and returns

### Housing Benefits

The Department for Work and Pensions (DWP) moved the reporting deadline from 31 November 2020 to 31 January 2021. We are in the final stages of our assurance work on the Council's Housing Benefit subsidy claim, in accordance with procedures agreed with the DWP.

### Pooling of Housing Capital Receipts

We issued our report on the Council's Pooling of Housing Capital Receipts Return for the 2019/20 year on 13 January 2021, in accordance with procedures required by MHCLG.

### Teachers Pensions

We issued our report on the Council's Teachers Pensions Return for the 2019/20 year on 15 December 2020, in accordance with procedures required by Teachers Pensions.

### Events

We provide a range of workshops, along with network events for members and publications to support the Council. Your officers have been invited to our Financial Reporting Workshop in February, which will help to ensure that members of your Finance Team are up to date with the latest financial reporting requirements for local authority accounts.

Further details of the publications that may be of interest to the Council are set out in our Sector Update section of this report.

# Audit deliverables

2019/20 Deliverables	Planned Date	Status
<a href="#">Audit Findings Report</a>	September 2020	Draft September 2020 Final November 2020
<a href="#">Auditors Report</a>	September 2020	November 2020
<a href="#">Annual Audit Letter</a>	October 2020	December 2020
2020/21 Deliverables		
<a href="#">Audit Plan</a>	March 2021	Not yet due
<a href="#">Audit opinion</a>	September 2021	Not yet due
<a href="#">Audit Annual Report</a>	September 2021	Not yet due

# Sector update

Councils continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging operational issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below :

Public Sector

Local  
government

# New NAO Code of Audit Practice for 2020-21

The NAO issued a new Code of Audit Practice which came into force on 1 April 2020 and applies to audits of 2020-21. The key change is an extension to the framework for VfM work.

The NAO has prepared Auditor Guidance Note (AGN 03), which sets out detailed guidance on what VfM work needs to be performed.

Public consultation on this ended  
2 September 2020.

The new approach to VfM re-focuses the work of local auditors to:

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- promote more timely reporting of significant issues to local bodies;
  - provide more meaningful and more accessible annual reporting on VfM arrangements issues in key areas;
  - provide a sharper focus on reporting in the key areas of financial sustainability, governance, and improving economy, efficiency and effectiveness; and
  - provide clearer recommendations to help local bodies improve their arrangements.

Under the previous Code, auditors had only to undertake work on VfM where there was a potential significant risk and reporting was by exception. Whereas against the new Code, auditors are required to undertake work to provide a commentary against three criteria set by the NAO – governance; financial sustainability and improving economy, efficiency and effectiveness.

A new Auditor's Annual Report presented at the same time as the audit opinion is the forum for reporting the outcome of the auditor's work on Value for Money. It is required to contain:



The '**Commentary on arrangements**' will include a summary under each of the three specified reporting criteria and compared to how the results of VfM work were reported in previous years, the commentary will allow auditors to better reflect local context and also to draw attention to emerging or developing issues which may not represent significant weaknesses, but which may nevertheless require attention from the body itself. The commentary will not simply be a description of the arrangements in place, but an evaluation of those arrangements.

**Recommendations:** Where an auditor concludes there is a significant weakness in a body's arrangements, they report this to the body and support it with a recommendation for improvement.

**Progress in implementing recommendations:** Where an auditor has reported significant weaknesses in arrangements in the previous year, the auditor should follow up recommendations issued previously and include their view as to whether the recommendations have been implemented satisfactorily.

**Use of additional powers:** Where an auditor uses additional powers, such as making statutory recommendations or issuing a public interest report, this needs to be reported in the auditor's annual report.

**Opinion on the financial statements:** The auditor's annual report also needs to summarise the results of the auditor's work on the financial statements. This is not a replacement for the AFR, or a verbatim repeat of it – it is simply a summary of what the opinion audit found.

The new approach is more complex, more involved and will subsequently increase the cost of audit. We will be discussing this with the Chief Operating Officer shortly.

To review the new Code and AGN03 click [here](#)

# Revised auditing standard: Auditing Accounting Estimates and Related Disclosures

In the period December 2018 to January 2020 the Financial Reporting Council issued a number of updated International Auditing Standards (ISAs (UK)) which are effective for audits of financial statements for periods beginning on or after 15 December 2019. ISA (UK) 540 (revised): *Auditing Accounting Estimates and Related Disclosures* includes significant enhancements in respect of the audit risk assessment process for accounting estimates.

## Introduction

Under ISA (UK) 540 (Revised December 2018) auditors are required to understand and assess an entity's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the entity's risk management process identifies and addresses risks relating to accounting estimates;
- The entity's information system as it relates to accounting estimates;
- The entity's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Audit and Performance Committee members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

## Additional information that will be required for our March 2021 audits

To ensure our compliance with this revised auditing standard, we will be requesting further information from management and those charged with governance during our audit for the year ended 31 March 2021 in all areas summarised above for all material accounting estimates that are included in the financial statements.

Based on our knowledge of the Council we have identified the following material accounting estimates for which this is likely to apply:

- Valuations of land and buildings
- Depreciation
- Year end provisions and accruals
- Credit loss and impairment allowances
- Valuation of defined benefit net pension fund liabilities
- Fair value estimates

## The Council's Information systems

In respect of the Council's information systems we are required to consider how management identifies the methods, assumptions and source data used for each material accounting estimate and the need for any changes to these. This includes how management selects, or designs, the methods, assumptions and data to be used and applies the methods used in the valuations.

When the models used include increased complexity or subjectivity, as is the case for many valuation models, auditors need to understand and assess the controls in place over the models and the data included therein. Where adequate controls are not in place we may need to report this as a significant control deficiency and this could affect the amount of detailed substantive testing required during the audit.

If management has changed the method for making an accounting estimate we will need to fully understand management's rationale for this change. Any unexpected changes are likely to raise the audit risk profile of this accounting estimate and may result in the need for additional audit procedures.

We are aware that the Council uses management experts in deriving some of its more complex estimates, eg investments and asset valuations. However, it is important to note that the use of management experts does not diminish the responsibilities of management and those charged with governance to ensure that:

- All accounting estimates and related disclosures included in the financial statements have been prepared in accordance with the requirements of the financial reporting framework, and are materially accurate;
- There are adequate controls in place at the Council (and where applicable its management expert) over the models, assumptions and source data used in the preparation of accounting estimates.

### Estimation uncertainty

Under ISA (UK) 540 (Revised December 2018) we are required to consider the following:

- How management understands the degree of estimation uncertainty related to each accounting estimate; and
- How management address this estimation uncertainty when selecting their point estimate.

For example, how management identified and considered alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the point estimate used.

The revised standard includes increased emphasis on the importance of the financial statement disclosures. Under ISA (UK) 540 (Revised December 2018), auditors are required to assess whether both the accounting estimates themselves and the related disclosures are reasonable.

Where there is a material uncertainty, that is where there is a significant risk of a material change to the estimated carrying value of an asset or liability within the next year, there needs to be additional disclosures. Note that not all material estimates will have a material uncertainty and it is also possible that an estimate that is not material could have a risk of material uncertainty.

- Where there is material estimation uncertainty, we would expect the financial statement disclosures to disclose:
- What the assumptions and uncertainties are;
- How sensitive the assets and liabilities are to those assumptions, and why;

- The expected resolution of the uncertainty and the range of reasonably possible outcomes for the next financial year; and
- An explanation of any changes made to past assumptions if the uncertainty is unresolved.

### How can you help

As part of our planning risk assessment procedures we routinely make a number of enquiries of management and those charged with governance, which include general enquiries, fraud risk assessment questions, going concern considerations etc. Responses to these enquires are completed by management and confirmed by those charged with governance at an Audit and Performance Committee meeting. For our 2020/21 audit we will be making additional enquires on your accounting estimates in a similar way (which will cover the areas highlighted above).

### Further information

Further details on the requirements of ISA (UK) 540 (Revised December 2018) can be found in the auditing standard on the Financial Reporting Council's website:

[https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-\(UK\)-540\\_Revised-December-2018\\_final.pdf](https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-(UK)-540_Revised-December-2018_final.pdf)





# City of Westminster

## Monthly Financial Report

Period 9 December  
2020/21

D I W I T

## Introduction

The Council has been focusing efforts on responding to the crisis by supporting both businesses and residents, as well as taking steps to ensure that the Council itself is able to recover from the financial impact of the pandemic.

On 19 December 2020, the Government announced the tiering system had been extended to include a fourth tier to help manage the spread of Covid-19.

On 4 January 2021, the Prime Minister announced that a new national lockdown would be introduced starting 5 January 2021. From 5 January 2021 onwards there will be a Local Restrictions Support Grant (Closed) Addendum supporting rate-paying businesses during the lockdown. There will be a Closed Businesses Lockdown Payment (CBLP) scheme to support rate-payers with one-off grants. There will also be an Additional Restrictions Grant, given to councils to support businesses on a discretionary basis. The fund was unfortunately distributed based on number of residents rather than number of businesses.

The Government has offered local authorities financial support during the pandemic, in the following areas:

- more support for local test and trace
- more funding for local enforcement
- funding to support local businesses and residents
- funding to compensate for the loss in sales, fees and charges
- general grants to help with Covid-19 pressures

The Council will continue to monitor the impact of the new restrictions in London. For Westminster, this is particularly challenging as local businesses rely on commuter footfall, which will curtail the recovery further and may not reach pre-Covid levels for some time. The Council will assess the additional impact of the tier system and other restrictions on sales, fees and charges income.

As reported previously and still relevant, the financial impact of this for the Council is three-fold:

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

The Government continues to recognise the impact this has had on local authorities and has announced packages to support councils including compensating councils for the loss in income from sales, fees and charges and a fourth tranche of grant funding.

The Period 9 monitor reviews the Council's financial position as at the end of December 2020 and provides a gross and net full year forecast for the Council, taking account of the Government's emergency funding.

## Government's Financial Support

The financial support the Government has provided is summarised in the table below. The total general Covid-19 funding received by the Council to date is £29.3m, excluding any amounts due from the income compensation scheme. In addition to various other grants there is also passported funding to support residents/businesses but this is not for the use of the Council to cover general costs.

The Government continues to reimburse authorities for 75% of income losses occurring in 2020/21 as a result of Covid-19 after the first 5% of losses is absorbed by local authorities. To qualify, income losses must be related to the delivery of services, while commercial and rental income are excluded. Details around this scheme has been shared with councils. The Council received £15.4m for the first two returns. The council will continue to monitor the position and submit claims to compensate the loss in future months. The scheme has recently been extended until June 2021.

The Government's financial support so far can be categorised into three areas:

- Grant funding, both general and specific, for local authorities to cover expenditure and income losses arising from the pandemic.
- Grant funding provided to local authorities as intermediary that then needs to be passed on to businesses and individuals.
- Grants funding to help with Test & Trace and local enforcement.
- Cashflow support for local authorities, including the deferral of certain payments to Government and the bringing forward of grants.

The latest position on Government support is summarised below:

Scheme	National Funding	WCC Share	Purpose
<b>General Support for Councils</b>			
General Support	£4,600m	£29.3m	Un-ringfenced funding to help councils respond to the current crisis. Four tranches of payments have been made by Government.
New Burdens Grants	TBC	£0.246m	New burdens funding to help with the administration cost of processing the grants
New Burdens Allocation	TBC	£0.038m	New Burdens Payments for Council Tax Hardship Fund and Business Rate Reliefs.
High Street Funds	£50m	£0.233m	Reopening High Streets Safely Fund
Sales, Fees and charges scheme	TBC	£15.413m	Councils may claim 75p in the pound after absorbing the first 5% of losses against budget on reduced income from sales, fees and charges
<b>Support for Test &amp; Trace and Local Enforcement</b>			
Local Authority compliance and enforcement grants	£30m	£0.192m	This is to support the council with the enforcement of Covid-19 restrictions or to encourage individuals within the borough to comply with the measures.

<b>Scheme</b>	<b>National Funding</b>	<b>WCC Share</b>	<b>Purpose</b>
Contain Outbreak Management Fund	TBC	£2.874m	Set of payments for local authorities to help support and maintain proactive containment and intervention measures.
Track and Trace	£300m	£2.890m	Funding to support the test and trace service and to implement outbreak control plans.
Payments for Community Test Funding	TBC	£1.737m	Funding to support asymptomatic community testing in the City.
<b>Other Specific Purpose Grants for Councils</b>			
Support programme for extremely clinically vulnerable.	£32m	£0.121m	New guidance over clinically vulnerable due to second lockdown has led government to pledge over £32 million funding for local councils in support.
Covid Winter Grant Scheme	£170m	£0.776m	Covid Winter Grant Scheme is intended to support children, families and the most vulnerable over winter during the second wave of the pandemic.
Local authority Emergency Assistance Grant for Food and Essential Supplies	£63m	£0.284m	Help people struggling to afford food and other essentials
Emergency Support for Rough Sleepers	£3.2m	£0.250m	Funding to help rough sleepers self-isolate during the pandemic.
Next Steps Accommodation Programme	£105m	£1.721m	For interim accommodation and support for the 15,000 vulnerable people accommodated during the pandemic.
Protect Programme: the next step in winter rough sleeping plan	£15m	£1.000m	The £15 million funding is on top of the £91.5 million allocated to 274 councils in September to fund their individual plans for rough sleepers over the coming months.
Rough Sleeping Drug and Alcohol Treatment Grant Scheme 2020-21	TBC	£1.125m	To provide additional support to people who are experiencing or have recently experienced rough sleeping.
<b>Support for Care Providers</b>			
Infection Control (2 Tranches)	£1,146m	£1.288m	Infection Control in care homes. 75% of the funding must be passed straight to care homes within our geographical area – even if the Council does not have a contract with them. Councils can decide how to allocate the remaining 25% based on needs, but it must be used for infection control.

Scheme	National Funding	WCC Share	Purpose
Social Care Funding - Increased Care Home Testing	£149m	£0.148m	To support increased care home testing of residents and staff.
Social Care Funding - for local authorities to boost staffing levels	£120m	£0.662m	This funding has been provided for local authorities to boost staffing levels. In particular: <ul style="list-style-type: none"> <li>• Provide additional care staff where shortages arise</li> <li>• Support administrative tasks so experienced and skilled staff can focus on providing care</li> <li>• Help existing staff to take additional hours as overtime or help with covering childcare costs.</li> </ul>
<b>Support for Businesses and Council Taxpayers (Council distributes)</b>			
Council tax Hardship Fund	£500m	£2.2m	Help residents with council tax payments by £150. The council has supported 1,413 households so far and is considering other schemes to support residents and fully utilise the fund.
Test and Trace Support Grants	£50m	£0.300m	This is to be paid to residents who need financial support when self-isolating due to either being infected or potentially being infected.
Business Rates Retail Relief	£10,000m	£945m	Retail relief given to businesses and fully supported by the Government. The relief is expected to be more than the grant paid but more funding will be paid by central Government to recognise the additional relief.
Small Businesses	£12,000m	£98.555m	Grants paid to businesses of £10k or £25k each depending on their rateable value. The Council has paid out all the funding it has received and paid approximately 5,612 businesses.
Discretionary Local Authorities Grants	£617m	£4.840m	Additional to the above £12bn to help businesses who did not benefit from the first round of business grants.
Additional Restrictions Support Grant allocations	TBC	£7.547m	Additional Grants to support local restrictions for lockdown period dating November 5th to December 2 <sup>nd</sup> and a top-up to this fund for the national lockdown commencing 5 <sup>th</sup> January.
Local Restrictions Support Grants (Open)	TBC	£7.208m	Two Grants to support the nation's economy and its businesses in response to Coronavirus and specifically for businesses that were still open but have been severely impacted by Local Covid Alert Levels and restrictions during 1 August to 4 November 2020 and 2 <sup>nd</sup> December to 18 <sup>th</sup> December.
Local Restrictions Support Grants	TBC	£54.806m	Three Grants to support local businesses closed by restrictions for lockdown period

Scheme	National Funding	WCC Share	Purpose
(Closed) Addendum			dating November 5th to December 2 <sup>nd</sup> , for tier restrictions entered into on 2 <sup>nd</sup> December and under the national lockdown from 5th January onwards.
Closed Business Lockdown Grant (January)	TBC	£65.565m	The Closed Businesses Lockdown Payment will be in addition to LRSG (Closed) Addendum: 5 January onwards scheme payments. Funding to deliver a one-off payment for businesses that have been required to close from 5 January 2021 due to the introduction of national restrictions. This funding is not retrospective.
Christmas Support Payment for wet-led pubs	TBC	£0.250m	To support the nation's economy and its businesses in response to Covid-19.
<b>Cashflow support</b>			
Deferred Rates	£2,600m	£192m	The deferral of local authority Q1 payments of the Central Share of retained business rates until the second half of the financial year.
Advance payment of reliefs	£1,800m	£90m	Up-front payment of business rates reliefs

## Revenue Budget 2020/21

As at period 9 the Council has a year-to-date (YTD) variance of £50.4m. However, the indicative forecasts for the rest of the year estimate an adverse variance of £60m against budget before taking additional government funding into account. This is summarised in the table below and shows the potential upper range of £70m which is inclusive of further risks:

### General Fund

ELT Portfolio	FY Budget (£m)	FY Forecast (£m)	FY Variance (£m)	P9 YTD Variance (£m)	Risks Identified (£m)	Opps Identified (£m)	Projected Variance inc Opps and Risks (£m)
Adult Social Care	54.705	56.105	1.400	1.400	-	(0.300)	1.100
Public Health	(1.029)	(1.029)	-	-	-	-	-
Growth, Planning & Housing	24.383	32.407	8.000	3.900	0.800	-	8.800
Finance and Resources	52.699	57.160	6.800	3.400	10.300	(0.900)	16.200
Environment and City Management	(5.892)	32.393	38.300	34.500	0.200	-	38.500
Children's Services	40.768	44.378	3.600	3.000	-	-	3.600
Innovation and Change	5.961	8.936	3.000	3.200	-	-	3.000
Other Corporate Directorates	8.381	8.048	(0.300)	1.000	-	(0.100)	(0.400)
<b>NET CONTROLLABLE BUDGET</b>	<b>179.977</b>	<b>238.399</b>	<b>60.800</b>	<b>50.400</b>	<b>11.300</b>	<b>(1.300)</b>	<b>70.800</b>
Council Tax	(59.477)	(59.477)	-				-
Business Rates - Net of Tariff	(120.501)	(120.501)	-				-
<b>CORPORATE FINANCING</b>	<b>(179.977)</b>	<b>(179.977)</b>	-				-
<b>Covid-19 Grant Funding</b>			<b>(29.383)</b>				<b>(29.383)</b>
<b>SFC Compensation</b>			<b>(21.413)</b>				<b>(21.413)</b>
<b>Net (Surplus) / Deficit*</b>			<b>10.004</b>		<b>11.300</b>	<b>(1.300)</b>	<b>20.004</b>

\*The net figure of £10.004m is inclusive of the first four tranches of Covid-19 emergency funding and the Council's first two returns for the income reimbursement scheme of £15.4m and an estimated third return of £6.0m.

It should be noted these forecasts are based on information known at the time and based on best estimates. However, the full year impact is dependent on the level of activity in the City in the last quarter of the year which is still very unpredictable. Therefore, there is the possibility of the variance to budget increasing or decreasing materially.

An approximate split of the variances by income and expenditure is given in the table below.

Income/Expenditure	Full Year	YTD Variance
Expenditure	£10-15m	£13.23m
Income	£50-55m	£37.13m
<b>Total</b>	<b>£60-70m</b>	<b>£50.4m</b>

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

## Income

The biggest impact of the pandemic on the Council's finances is resulting from income reductions. The variance to date is £37.128m. As noted in the table above, the full year impact of this could range between £50-£55m depending on a number of factors and the net scenario is dependent on further Government support through the income reimbursement scheme and emergency Covid-19 funding.

Key income streams have been impacted by the Tier 4 restrictions announced in December, while the announcement of a national lockdown in January will have a longer lasting effect on actuals from P10 onwards. Income streams should now forecast lockdown/ tier 4 restrictions until the end of the financial year, as a result of this announcement and likely restrictions that will be in place for the rest of the financial year. The key income streams impacted are summarised in the table below with indicative forecasts for the full year:

ELT	Major Income Streams with Losses	Full Year			Year to Date		
		Full Year Budget £m	Full Year Forecast £m	Full Year Variance £m	YTD Budget £m	YTD Actuals £m	YTD Variance £m
Environment and City Management	Parking - Paid for Parking	40.491	30.740	9.751	30.472	23.328	7.144
Environment and City Management	Parking - PCNs	19.912	14.411	5.501	15.005	10.693	4.312
Environment and City Management	Parking - suspensions and dispensations	23.092	16.792	6.300	18.977	14.188	4.789
Environment and City Management	Parking - Resident Permits	4.471	4.621	-0.150	3.439	3.545	-0.106
Environment and City Management	Commercial Waste	18.199	7.549	10.650	12.892	5.855	7.037
Environment and City Management	Licensing (top two income streams)	3.650	1.435	2.215	2.737	1.198	1.539
Environment and City Management	Road Management	8.880	8.192	0.688	6.660	5.963	0.697
Environment and City Management	Community Services	5.995	0.065	5.930	4.481	0.104	4.377
Children's Services	Registrars	2.302	1.301	1.001	1.727	1.269	0.458
Growth, Planning & Housing	Planning	7.336	4.786	2.550	5.502	3.831	1.671
Innovation and Change	City Promotions, Events and Filming	4.810	0.940	3.870	3.691	0.558	3.133
Other Corporate Directorates	Local Land Charges	1.794	1.029	0.765	1.351	0.756	0.595
Finance and Resources	Property Income - General Fund	27.968	27.133	0.835	20.976	20.918	0.058
Finance and Resources	Court costs recovery income	1.900	0.000	1.900	1.425	0.000	1.425
	<b>Total</b>	<b>170.800</b>	<b>118.994</b>	<b>51.806</b>	<b>129.334</b>	<b>92.206</b>	<b>37.128</b>

## Parking

The key income streams within Parking are:

- Paid for Parking
- PCNs
- Suspensions and dispensations
- Resident Permits

Residents Permits remain the only income stream to perform well against profile, although activity was reduced in recent weeks, prompting a downgrade of the full year projection from a £225k surplus to £150k.

Other lockdown measures have meant that all other income streams within Parking have had to downgrade their full year forecasts also, this means that across Parking the forecast income variance has increased by £3.627m since P8.

## Commercial Waste

The service is forecasting to under-recover due to Covid-19. The forecast income has been reduced based on the assumption that London will remain in lockdown restrictions until the end of the year and income is heavily dependent on the hospitality sector being open. Year to date income is circa 55% down on the prior year with this expected to worsen further with the latest lockdown. Weekly bags sales in particular have been hit, as can be seen from the chart on page 11.

## Planning

The projected income shortfall is due to a reduction in planning application volumes during the pandemic.

## Road Management

The projected shortfall in Road Management income is due to Covid-19 pressure on projected road management income shortfalls. This is as a result of activity levels being 24% below last year's levels in December and a more prudent approach to forecasting Road Management income in light of the new national lockdown measures.

## Community Services

The full year forecast reflects national restrictions on leisure centres and residential outdoor activity centres which have heavily restricted activity since March 2020 and dramatically impacted their ability to generate revenue. The forecast recognises contract variations, support costs and ancillary costs of contract negotiations.

## Registrars

Projected income shortfall due to lockdown measures and other Covid-19 restrictions on wedding ceremonies. As a result of the January to mid-February restrictions weddings are being re-scheduled to next financial year.

## Public Protection and Licensing

Fees have been waived during the first lockdown (April to 1<sup>st</sup> June 2020 and Isolated Pitches 15<sup>th</sup> June 2020) and for the second and third lockdown. The increase in the shortfall is also due to a significant increase in the number of licences being surrendered and continuation of fees being waived for those who are vulnerable/shielding and in isolation. The introduction

of pavement licences with a fee of £100 has meant a reduction in premises applying for the standard Tables & Chairs licences. Also, concessions/discounts and enforcement are not being charged for.

#### City Promotions, Events and Filming

Under recovery of income £3.870m from Outdoor Media (£2.920m) and Events and Filming (£0.950m) due to the impact of the pandemic on commercial income. For outdoor media, the assumption is that only 16% of budgeted income is achieved following contract negotiations that now have revenue sharing agreements in place, and that due to theatre closures no banner/merchandise income is achieved. For events and filming, a partial recovery in December was lost with Christmas events cancelled and recovery from January onwards also potentially delayed.

#### Local Land Charges

The reported variance is an under recovery on Local Land Charges income due to an average 40% reduction in cash income in April to December against budget due to the impact of Covid-19. The £0.765m under recovery, which is an increase of £0.035m from last month, assumes a current 27% activity reduction year on year as a result of the lockdowns and restrictions impact on the property sales and construction market, which has changed in recent months due to loss of consumer confidence. By comparison in April 2019 to December 2019 there were 4,588 all official searches which decreased to 3,325 for April 2020 to December 2020.

#### Property

The forecast variance is based on the expected loss of income associated with Covid-19, excluding HRA. A review of service charge income is being undertaken for P10 to identify any potential opportunities for additional income. Public Convenience budgets are expected to be transferred to the Waste Team in P10. Service charges have been raised that relate to previous financial years that were not charged, there is a potential of £1.341m.

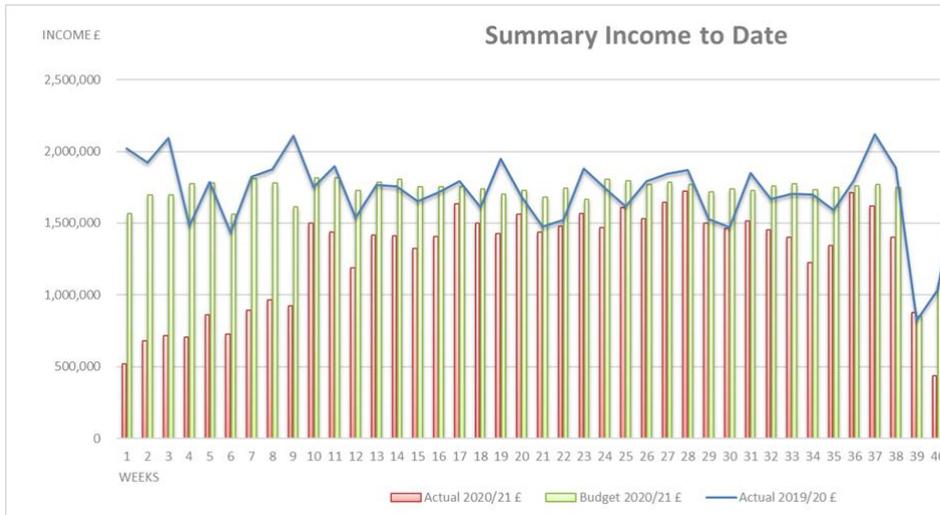
#### Court Costs Recovery

Courts are currently closed and will likely not be open until after March even in a virtual sense. It is therefore forecast that no income will be received this financial year.

### **Trend Analysis**

At the beginning of December forecasts assumed the Christmas relaxation of restrictions would still occur, however, the Tier 4 restrictions were announced and imposed on London in December. The trend analysis below shows how both parking and commercial waste income levels dropped severely in the weeks following this decision.

## Parking



Total income for week 40 is 51% down on the previous week, and 60% below the budgeted profile, a considerable reduction on the same week 2019/20. Week 40 income was the lowest reported for the whole of 2020/21 to date, although it did include two bank holidays. As at week 40 reported income is currently 25% below profile, however it is £17.1m below the cumulative income as at the same week in 2019/20. Paid for Parking had a decrease of 46% on previous week as a consequence of both Christmas/New Year and Tier 4 restrictions on street. There is now an expectation that Paid for Parking will continue to diminish now a new national lockdown has been announced.

Residents Permits remains the only income stream to perform well against profile, although the surplus to date has significantly diminished in recent weeks.

PCN receipts for week 40 had a decrease of 42% on week 39 but was at a similar level to Christmas/New Year 2019 weeks 39/40 combined. Suspensions experienced the lowest weekly level of the year to date at only £42k mainly due to Christmas and New Year.

## Commercial Waste

### Weekly Bag Sales

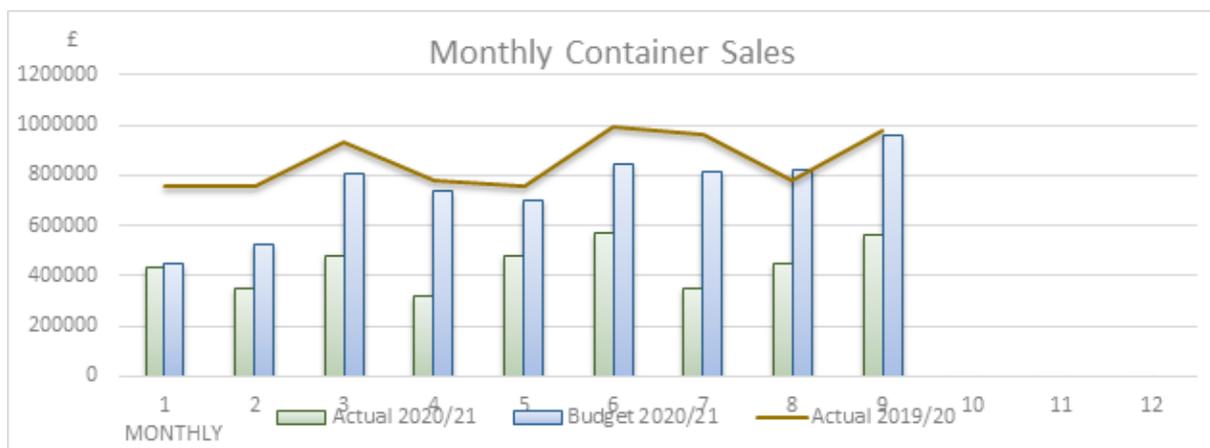


Total bag sales have dropped with each announcement relating to London's tier status in December and are 72% below last year's income to date. Sales in week 40 were below 10% of those from the equivalent week last year.

Standard pre-paid bag sales have plummeted to just £10k of sales this week during what should be a busy sales period. It is expected they will remain at a similar level to the first lockdown but with a slight increase to reflect the fact businesses are set up for takeaway and delivery services.

Sales of compactor bags vary greatly week by week, however the year to date has remained fairly consistent at between 65% and 68% below budget. However, this week there were no sales to report and very little is expected during lockdown.

### Monthly Container Sales



As December is a 5 week reporting month (Waste reports on a 4, 4, 5 week basis each quarter), Commercial Waste would expect to see a proportionate increase in sales compared to November's sales (a 4 week reporting month), and as December is usually one of the busiest times of the year Commercial waste would usually see an even greater increase from November to reflect this. However, this was not the case and weekly income was comparable with the month before.

Containers and recycling collections are expected to fall during lockdown. There will also be an increase in credits in January relating to requests to suspend services.

Equipment Hire continues to exceed the YTD budget as well as sales this time last year.

Special collections remain low due to the reduction in events taking place this year.

## Expenditure

The main expenditure variances as at the end of **December 2020** are set out below:

### **Adult Social Care**

Adult Social Care is projecting an underspend of £0.500m based on business as usual activities against an annual budget of £54.705m. This is a favourable movement of £0.200m compared to the previous month which is due to a downward trend in recent months in physical and dementia placements. However, this is partly offset by an increase in Homecare hours over the same period. In December, Homecare hours were 2.48% greater and placements were 3.51% lower than the previous month. In the current environment there is greater volatility which may change the position in the coming months however, the position reported is a prudent view and is expected to be achieved.

Overall, the main drivers for the underspend remain the same as reported previously which is lower placement and packages costs within physical support, dementia and learning disability services, however, this is partly offset by an overspend in mental health placements and packages activities.

As a result of Covid-19, additional spend of c£1.175m is still expected to be incurred in financial year 2020/21 largely due to the projected spend on PPE, c£0.704m, (this is an estimate and Adult Social Care share of PPE is 80%), support for the market c£0.249m and increased staffing c£0.222m. However, there could be an opportunity for Covid spend to be lower by circa £0.300m if the projected spend on PPE does not materialise. The position is maintained for prudent purposes, but this may change in the coming months depending on the response required for Covid-19. In addition, financial savings of £0.725m are deferred into financial year 21/22 due to Covid-19.

### **Growth, Planning and Housing**

#### **Temporary Accommodation**

Temporary Accommodation (TA) is forecasting a gross overspend of £4.3m against the base budget (excluding budgeted Flexible Housing Support Grant (FHSG)) by the end of the financial year.

This relates to BAU activity and the net overspend is £1.76m once the planned use of FHSG is utilised. The impact of Covid-19 is now not expected to lead to a rise in the number of households in TA until 2021/22 due the latest lockdown and the on-going restriction on evictions so this is no longer forecast.

#### **TA: Business as usual (BAU) operations**

The current base budget for TA would allow the Council to house 1,400 number of households in temporary accommodation but current BAU activity shows 2,799 households are being housed in TA, creating a financial pressure of £4.3m.

The majority of tenancies - 2,070 - are in properties rented from the Private Sector, 180 tenancies in Bed and Breakfast accommodation, 310 in Nightly Booked accommodation; 201 tenancies in properties acquired by WCC for use as TA and 56 in other properties.

#### **Flexible Housing Support Grant**

The Council has received FHSG over the last three years and surplus balances from this grant have been held in reserve to fund homelessness prevention activity and

future TA pressure. The Council estimates that after the budgeted £2.6m is drawn down as above there will be a balance of £10m for future years. Government has recently confirmed that the 2021/22 allocation is £6.9m but as there has been no announcements on funding in future years, TA budgets and demand will have to be continually reviewed.

### **Rough Sleeping**

To date the Council has incurred costs of £1.4m in relation to supporting rough sleepers off the streets. This is one of the Council's most significant operational areas in its response to the pandemic and the Council has higher costs and demand due to the number of rough sleepers in the City. About 266 rough sleepers were housed in hotels in response to Covid-19 during phase 1 and by the end all hotel residents had been offered a solution and left hotel accommodation with the Council fully funding all accommodation costs. Food and sundry items were paid for until the middle of May, when costs were handed over to charity partners. Charity partners on behalf of the Council have also been able to place an additional 400 rough sleepers found in Westminster into GLA commissioned hotels at no extra cost to the Council. Funding has been agreed with MHCLG to continue working with a group of 30 highly complex immigration cases.

The Council has bid for and been successful in receiving £1.7m of the Government's £105m transition funding for rough sleepers. The funding will be used to continue the Council's current strategy to actively move people off the street.

### **Children's Services**

At the end of period 9, the Executive Directorate is forecasting an adverse variance of £3.995m, of which £2.840m is attributable to Covid-19.

#### **Children's - Business as usual operations**

There are pressures in Education from increased levels of activity in Passenger Transport due to increases in pupils with EHCPs and Short Breaks placements totalling £0.664m. This is an upward trajectory in line with the national picture and budgets and assumptions around this have been included as part of the Council's Medium Term Financial Plan. Family Services are also reporting an adverse variance predominately due to staffing and placement pressures. Operations and Programmes are reporting an underspend of £0.053m due to vacancies within the service area.

#### **Children's - Covid-19 impact**

The £2.840m spend relates to SEN Transport operator relief; a delay in meeting MTFS targets; the cost of providing home care support for children who are not in school; and the Libraries, Archives and Registration Service income shortfall.

## Progress on 2020/21 Savings

As part of the budget report presented to Full Council in March 2020, Council savings of £18.9m had been identified for 2020/21. It is currently estimated that c£6m of these savings will not be achieved in 2020/21 and forms part of the £60-70m variance at year end.

The majority of this is related to income generation across a number of income streams and delays in delivering expenditure efficiencies.

## HRA

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

Housing Revenue Account:	Full Year Budget (£m)	Full Year Forecast (£m)	Full Year Variance (£m)	Risks Identified P8 (£m)	Opps Identified P9 (£m)	Projected Variance inc. Opps and Risks P9 (£m)
Contribution to/(from) HRA Reserves	(4.288)	(3.552)	-0.736	0.000	0.000	-0.736

At the end of period 9 the Housing Revenue Account is forecasting an underspend of £0.736m.

### Summary

The overall position on the HRA is an underspend of £0.736m, a £1.957m favourable movement from P8. The variance is -0.63% of the gross expenditure budget. This movement is driven by a reduction of revenue repair costs of £1.386m, £0.398m of lower staff costs and £0.184m of lower regeneration costs, offset by £0.011m of various minor movements. The positive movement from the reported P7 position is due to a reduction in the rent bad debt provision.

Pressures due to Covid-19 account for £2.786m of costs / lower income.

The BAU variance is a £3.522m underspend. The main elements contributing to this are; £2.439m extra service charge income from leaseholders, staffing underspends of £1.999m across Housing Management and Repairs Management, reduced costs linked to the commercial portfolio within the HRA, an underspend of £0.811m, and the full release of contingency budget, £1.791m.

These underspends are offset by pressures across the HRA, including £1.916m lower rent and £0.201m lower tenant service charge income than budgeted due to voids, primarily those linked to regeneration schemes, £0.426m lower income from non-dwelling rents, a one-off increase in financing costs of £0.975m. There are also a number of smaller variances across the HRA which make up the balance.

## 2020/21 Funding

There is uncertainty about what the year-end outturn position will be, however the indicative potential range of the full year variance is in the region of £60-70m before Government support is taken into account.

This is a significant financial impact against this year's approved budget and the implications of this in both the short and long term cannot be underestimated. This crisis will have a lasting impact on the Council beyond the current financial year and is likely to require change to structural elements of the Council's budget. As at the start of the new financial year the Council has an unallocated general reserve of £63.3m, which can be utilised to fund any overspend in the absence of further support from Government.

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## Capital Budget 2020/21

The table below summarises the Council's budget and forecast position on the 2020/21 capital programme, which reflects a projected £111.091m gross expenditure variance.

	2020/21 Expenditure Budget £m	2020/21 Income Budget £m	2020/21 Net Budget £m	2020/21 Expenditure Forecast £m	2020/21 Income Forecast £m	2020/21 Net Forecast £m	2020/21 Expenditure Variance £m	2020/21 Income Variance £m	2020/21 Net Variance £m
<b>ELT</b>									
Adult's Services	1.251	(1.251)	0.000	0.335	(0.335)	0.000	(0.916)	0.916	0.000
Children's Services	20.998	(15.181)	5.817	13.004	(8.423)	4.581	(7.994)	6.758	(1.236)
Growth, Planning & Housing	83.279	(22.853)	60.426	35.149	(34.980)	0.169	(48.130)	(12.127)	(60.257)
Environment & City Management	81.567	(39,885)	41.682	59.769	(21.626)	35.143	(24.798)	18.259	(6.539)
Finance and Resources	22.883	0.000	22.883	14.958	0.000	14.958	(7.925)	0.000	(7.925)
Westminster Builds	45.521	0.000	45.521	24.943	(0.361)	24.582	(20.578)	(0.361)	(20.939)
Projects Funded from FCR*	1.783	0.000	1.783	1.033	0.000	1.033	(0.750)	0.000	(0.750)
<b>Total for Council</b>	<b>257.282</b>	<b>(79.170)</b>	<b>178.112</b>	<b>146.191</b>	<b>(65.725)</b>	<b>80.466</b>	<b>(111.091)</b>	<b>13.445</b>	<b>(97.646)</b>

The majority of the expenditure variance is due to the following projects:

Project	2020/21 Variance to Budget £m	Comments
Temporary Accommodation Acquisitions	(15.029)	Housing market uncertainty stemming from Covid-19, compounded by refocusing the team to support the Covid-19 response has reduced the expectation of the number of temporary accommodation acquisitions that can be achieved this financial year.
Westminster Builds	(11.947)	Expenditure relates to the Council investing its portion of senior debt into Luton Street LLP. See Luton Street commentary below regarding the underspend.
St Marylebone Bridge Special School	(8.687)	Delays in Wilberforce School refurbishments mean that St Marylebone Bridge special school project does not yet have vacant possession of the site. A 10-month delay is forecast with completion by April 2022.
Luton Street	(8.631)	The impact of Covid-19 closed the site for 7 weeks. Officers have recognised the potential for further Covid-19 delays and have reduced the forecast to build additional potential delays into the project. It is targeting a summer 2022 practical completion.
Oxford Street District	(5.500)	There were delays last year in the appointment of the main contractor. Three work packages are expected to commence in Q4.
TfL Local Improvement Plan Scheme & Cycle Schemes	(5.451)	TfL funding has been withdrawn for Cycle Schemes (£2.339m) and TFL LIP (3.112m) as result of Covid-19 and as such schemes will not be going ahead.
Public Realm Improvement Schemes	(5.248)	A large number of schemes within this spend category (General Developer Schemes £0.948m, Hyde Park Ward £0.578m, Royal Albert Hall £0.875m and Royal Opera House £0.750m) will be reprofiled or will be declared underspent in the current year due to delays in starting on site and developers putting schemes on hold.
Place Shaping's Enterprise Programme	(4.080)	This results from delays securing the site for work on the Grand Union Canal, which is currently owned by Network Rail. This is a direct result of delays to Crossrail and outside of the Council's control.

Strategic Acquisition Huguenot House	(4.000)	Delays due to Covid-19 and the potential impact on residents mean no flats are likely to be sold this year. £4m is reprofiled to 21/22.
Church St Green Spine Project	(3.984)	This is due to a delay in undertaking a full review of the procurement routes and officer time devoted to Covid-19 emergency response. Start date moved from end of 2020 to February 2021. Completion is expected September 2022.
Piccadilly Underpass	(3.430)	Due to the complex nature of this scheme, the designers are struggling to design this scheme within the contract framework that WCC currently have. It has now been confirmed that we are going out to tender for this scheme and as a result, the design stage of this scheme will hopefully occur in Feb 2021 which results in £1.3m to be reprofiled with a further £0.125m reprofiled in P9.
Lisson Grove Programme	(2.570)	The variance in budget reflects the impact of Covid-19 on the property market this year. The Lisson Grove Programme's main budget forecast has been reduced for 2020/21 due to a delay in procuring a new MDCT team for the scheme. The programme has been updated in line with discussion at CRG for OBC 1 and now captures the Covid-19 impacts on the Clinical Commissioning's Group's OBC development.

As can be seen in the table above, twelve projects contribute to the majority of the expenditure variance. By way of comparison there are over 500 projects in the 2020/21 capital programme, and therefore, just 2.4% of the projects are causing 71% of the expenditure variance.

The expenditure forecast movement has decreased between period 6 and period 9 by £12.990m. The majority of the changes are attributable to the following projects.

Project	Change P6-P9 £m	Comments
Temporary Accommodation	(2.119)	Forecasts for two TA acquisition programmes have reduced (20 in-borough purchases by £1.000m and Targeted purchases by £1.119m) due to the impact of the latest lockdown on WCC's ability to identify and purchase properties.
Public Realm Improvement Schemes	(2.048)	A number of schemes (Riding House Street, Royal Opera House, Princes Street, Grosvenor Square North) have been reprofiled into future years due to delays relating to Covid-19 or delays in securing the appropriate permissions to proceed with the scheme.
Enterprise	(1.886)	There was a forecast decrease due to delays with Crossrail project and time taken for the Council to acquire land from Network Rail.
Landlord Responsibilities	(1.061)	There has been a £1.061m reduction in planned expenditure on landlord responsibilities due to greater than anticipated complexities in stakeholder engagement.
Libraries Decoration Programme	(1.007)	Owing to Covid-19 restrictions from January to mid-February, and the Government's designation of Libraries as essential services, works at Church Street Library are on hold and estimated to commence late March/early April. Air conditioning and accessibility works have been rephased to 2021/22 to align with works across other Library sites.
Queensway Street Scape Improvement	(1.000)	Spend that was initially budgeted to be spent in 20/21 was incurred in 19/20 and as a result budget will not be needed.
Lisson Grove Programme	(0.842)	There was a reduction of £0.842m in Lisson Grove programme forecast due to reprofiling of the acquisitions budget, professional fees and survey into future years.
Hallfield Site Improvements	(0.822)	The contractor for Hallfield Site Improvements and the LA have come to mutual agreement to part ways on the project due to the contractor being unable to maintain the tender price. The forecast has been reduced to £0.015m with the expenditure forecast variance now £0.822m. The project is now delayed and will resume when an alternative contractor has been procured. The procurement process has now begun, and it is intended to slip the remaining budget into 2021/22.
Other	(2.205)	
<b>Total</b>	<b>(12.990)</b>	

## Housing Revenue Account

The HRA capital budget and forecast position at Period 9 is summarised in the table below:

HRA Capital Programme	2020/21 Revised Budget £m	2020/21 P9 Forecast £m	2020/21 Budget Variance £m
Housing Planned Maintenance	54.057	36.027	(18.030)
Housing Regeneration	112.727	71.433	(41.294)
Other Projects	40.639	18.955	(21.684)
<b>Total</b>	<b>207.423</b>	<b>126.414</b>	<b>(81.009)</b>

The HRA is forecasting an in-year underspend on its capital expenditure of £81.009m. This is mainly due to the continued Covid-19 restrictions and lockdown which have had more impact than anticipated, particularly on projects that are in community engagement stages. The impact of Covid-19 has caused delays to project completion and prevented access to properties in line with the Government guidelines. The schemes have been re-profiled into future years. The five main variances on individual projects are set out in the tables below:

Regeneration Project	2020/21 Variance to Budget £m	Comments
Church Street Acquisitions	(12.317)	Underspend caused by impact of Covid-19 on the property market. The team has reduced the number of units that can be acquired this financial year due to restrictions and guidelines on Covid-19.
Ebury Acquisitions	(11.908)	The difference between budget and forecast is due to the impact of Covid-19 on the property market, the team had reduced the unit to acquire this financial year due to restrictions and guidelines of Covid-19.
Cosway	(9.356)	Re-profiling of the scheme into the future years as contractors revise their work schedule to incorporate social distancing and the Government guidelines.
Small Sites (Infill)	(6.464)	All the small sites have been reprofiled into future years as some of the sites had procurement issues which cause delay.
Ashbridge	(5.482)	Decrease in forecast due to reprofiling of contract works reflecting the delay to start on site following the discovery of asbestos on the site.
<b>Total</b>	<b>(45.527)</b>	

Planned Maintenance Project	2020/21 Variance to Budget £m	Comments
Vale Royal House	(2.362)	Initially delayed due to Covid-19 with Service Provider staff furloughed. Thorough consultation with the resident association has slowed down the design process. Revision to the leases to more fairly represent resident leaseholders over commercial property further delayed progress.
Memo Externals	(2.190)	Leaseholder concern about the size of the bills led to extended consultation with residents which was prevented from taking place during Covid-19 restrictions. The project is now on site and progressing as forecast.
Avenue Gardens roof & balcony surfacing & ventilation	(1.962)	A delay arising from a change in safe systems of working in line with Government Covid-Secure practices increased costs after notice of estimates had been issued. The change in access increases scaffold costs and the Council has been working to mitigate this liability.
Fire Doors South	(1.577)	Initially delayed due to Covid-19 with Service Provider staff furloughed. Subsequently unclear legislation about the testing of fire doors and the 'field of variation' led to a delay in progressing with this project. The issue is now resolved has taken several months working with Building Control and the Fire Safety team.

Brunel Estate Ventilation	(1.360)	Project suspended pending a third-party design review as agreed with the Brunel Estate steering group. A tendering process to procure a consultant practice to undertake the review resulted in no returns from the market.
<b>Total</b>	<b>(9.451)</b>	

The forecast has decreased by £12.194m since period 6. This movement is made up of Housing Planned Maintenance of £(2.922)m, Regeneration of £1.493m and Other Projects of £(10.766)m.

The main reasons for the movement in forecast are shown below:

Planned Maintenance Project	2020/21 P9 vs P6 Forecast Variance £m	Comments
Fire Precaution -Major Work	(0.805)	Forecast reduction due to reprofiling of some project due to the impact of lockdown, project includes Little Venice Cladding(Y147), Fire door (Y142) and Gloucester Terrace (S147a).
Major Works	(0.718)	Forecast reduction due to reprofiling of some project due to the impact of lockdown, project includes Queens Park, Vale Royal and Jessel House.
Asset Management & Condensation	(0.361)	The reduction in forecast is due to reprofiling, PDHU boiler works transfer into the following year as work is scheduled to be complete by end of September 2021 also reduction in condensation budget due to lock up impact with works in-flat
Electrical Services	(0.332)	The reduction in forecast is due to reprofiling of scheme into next year due to Covid-19, projects includes Morris House and John Aired Court as there is unlikelihood of spend.
Other	(0.706)	The reduction in forecast in other components (Lifts, mechanical engineering and minor works) is primarily due to the re-profiling of projects due to Covid, such as Devonshire House Boiler works and Little Venice Tower lifts.
<b>Total</b>	<b>(2.922)</b>	

Housing Regeneration Project	2020/21 P9 vs P6 Forecast Variance £m	Comments
Parsons North	3.913	Increase due to Contractor made better than expected progress on site (due to Covid-19) which has enabled the recovery of some lost time. Cost b/fwd. from 21/22.
Lisson Arches	2.098	Increase due to Contractor made better than expected progress on site (due to Covid-19) which has enabled the recovery of some lost time. Cost b/fwd. from 21/22.
Ebury	1.573	Forecast increase due to Demolition Contractor and Design Consultants progressing better than expected (due to Covid-19). Costs b/fwd. from 21/22.
Ebury Acquisitions	(3.908)	Decrease in forecast due to lockdown which impacted on the leaseholder engagement - revised assumption for the remainder of 2021
Other	(2.183)	Reduction in forecast is due to delayed start on site for a number of other projects (Ashbridge, Cosway, Ashmill Street, Luton Street and Carlton Dene).
<b>Total</b>	<b>1.493</b>	

Other Project	2020/21 P9 vs P6 Forecast Variance £m	Comments
Contingency	(9.550)	Decrease in forecast as a result of underspend/reprofiling of all schemes with no shortfall hence the removal of the contingency
Kemp House/Berwick St	(0.722)	Decrease due to the continued Covid19 restriction and lockdown have had more of an impact than had been anticipated
Other	(0.494)	Decrease in the forecast in other projects, including in-fills, Churchill Gardens and Queens Park Court, primarily due to delayed contractor appointment.
<b>Total</b>	<b>(10.766)</b>	

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## Council Tax and Business Rates

The collection of business rates and council tax have been impacted by the Covid-19 outbreak as residents and businesses face an uncertain financial situation. The restriction on courts has in effect suspend recovery action for unpaid bills and reduced cash receipts.

### **Collection Rates**

December council tax collection rate to date is 79.37% which is 5.86% lower than the same month last year. The business rates collection rate for December 2020 is 74.87%, 9.95% lower than the same month last year.

The restriction surrounding courts therefore continues to have a negative effect on income collected to date. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted.

### **Overview**

Council Tax and Business Rates are the Council's largest income sources and the Council has a responsibility to collect on behalf of the GLA and government. It collects and recognises in its account the following:

- Gross Council Tax (including GLA share): £98m
- Gross Business Rates (after retail relief given by government during COVID): £1.4bn

The Council only retains £185m of this income (Council Tax £60m & NNDR £120.5m) for its own use. If there is a reduced business rates income as witnessed through Covid the maximum the council will lose is £6.8m, reducing our recognised income from £120.5m to £113.7m.

Also it should be noted that the collection figures in this section are based on gross income and collection rates for December 2020 are summarised in the table below:

	<b>December 2020 Collection Rate</b>	<b>December 2019 Collection Rate</b>	<b>Percentage Difference</b>
<b>Business Rates</b>	74.87%	84.82%	-9.95%
<b>Council Tax</b>	79.37%	85.37%	-6.00%

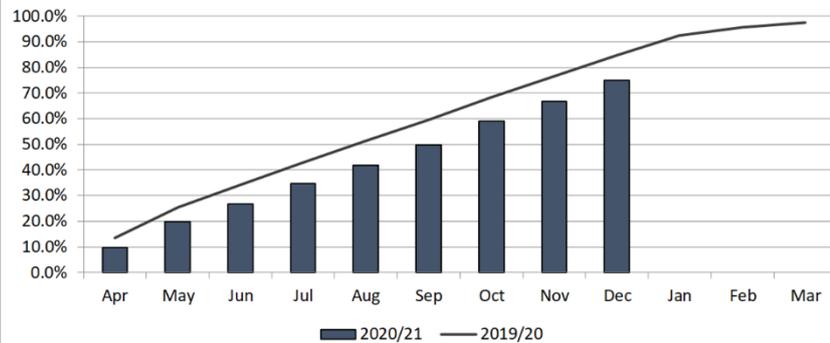
## Council Tax Collection

### BUSINESS RATES

### Revenues Dashboard - December 2020

#### Current Year Bills - Collection Rates

	2019/20	2020/21
Apr	13.6%	9.7%
May	25.4%	19.9%
Jun	34.1%	26.7%
Jul	42.9%	34.7%
Aug	51.5%	41.8%
Sep	59.6%	49.8%
Oct	68.3%	59.1%
Nov	76.5%	66.7%
Dec	84.8%	74.9%
Jan	92.5%	
Feb	95.5%	
Mar	97.6%	



Collectable Balance £1,413m

Amount Collected £1,058m

Balance Owing £355m

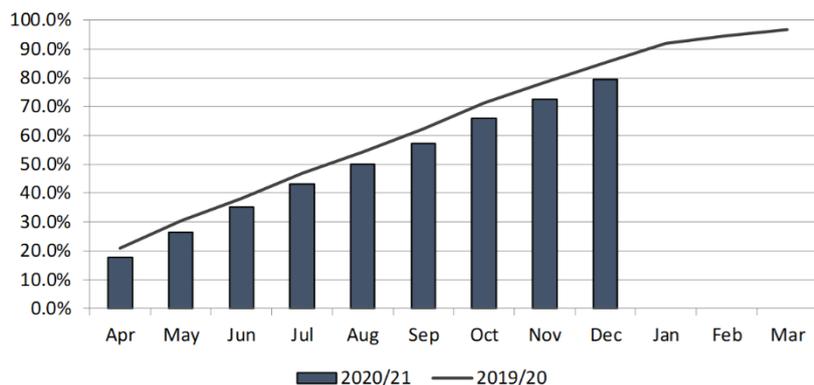
25.1%

### COUNCIL TAX

### Revenues Dashboard - December 2020

#### Current Year Bills - Collection Rates

	2019/20	2020/21
Apr	20.9%	17.9%
May	30.5%	26.4%
Jun	38.1%	35.3%
Jul	47.0%	43.3%
Aug	54.4%	50.0%
Sep	62.1%	57.3%
Oct	71.1%	66.0%
Nov	78.5%	72.6%
Dec	85.4%	79.4%
Jan	91.9%	
Feb	94.5%	
Mar	96.7%	



Collectable Balance £107.9m

Amount Collected £85.6m

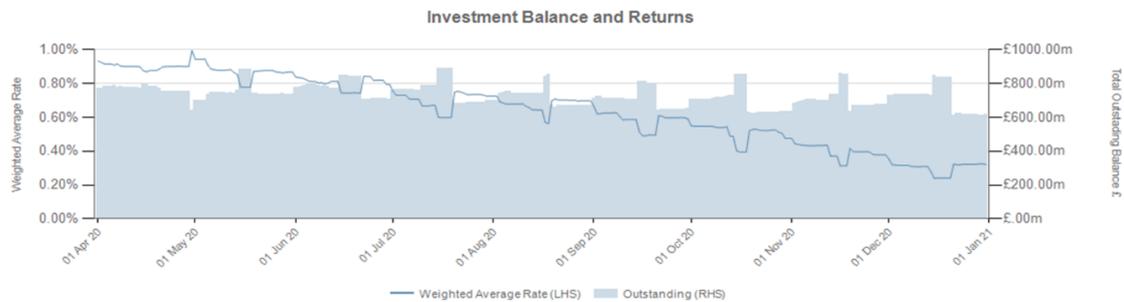
Balance Owing £22.3m

20.6%

## Treasury and Pensions

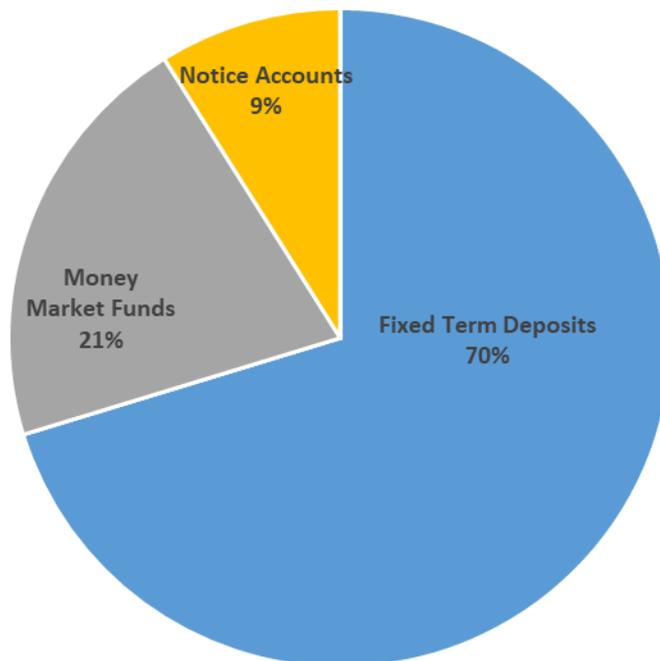
### Treasury

Investment balances as at 31 December 2020 stood at £617.5m. The weighted average return in period 9 was 0.30%. This compared to an average investment balance of £703.7m in period 8, which generated an average return of 0.40%.



As at 31 December 2020, these investments are placed in fixed term deposits (banks and local authorities), money market funds and notice accounts.

Current Deposit by Type at 31 December 2020



The five largest holdings were:

Counterparty Name	Amount (£m)	%
DMADF (Debt Management Account Deposit Facility)	115.90	18.77
JP Morgan Sterling Liquidity Fund	60.00	9.72
Morgan Stanley Sterling Liquidity Fund	60.00	9.72
Standard Chartered Bank	50.00	8.10
Santander Bank	50.00	8.10
<b>Total</b>	<b>335.90</b>	<b>54.41</b>

Prudential indicators to 31 December 2020 have all been complied with.

All investments are currently within the limits set out in the 2020/21 Treasury Management Strategy Statement.

### Pensions

The valuation of the City of Westminster Pension Fund at the end of period 9 increased by £35m from period 8 (£1.672bn) to £1.707bn. This was largely due to excellent performance within the Baillie Gifford and LGIM Future World equity mandates. The estimated funding level for the City of Westminster Pension Fund has increased by 1.3% to 98.5% as at 30 September 2020 (97.2% at 31 March 2020), this is as a result of positive performance within the Fund. The funding level for Westminster City Council as an employer has remained stable, with a funding level of 86% as at 30 September 2020 (86% at 31 March 2020).

### Asset Values

The table below shows 12 months valuations to 31 December 2020.

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
	£m											
Market Value	1,546	1,481	1,320	1,425	1,487	1,527	1,556	1,612	1,593	1,575	1,672	1,707

### Pension Fund Cash Flow

The balance on the Pension Fund bank account at the end of period 9 was £2.689m (£1.098m in period 8). Payments from the bank account will continue to exceed receipts on a monthly basis. During the year cash withdrawals from cash at custody are expected to take place to maintain a positive cash balance. A total of £4m was withdrawn from the custodian over the quarter.

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

	Bank Opening Bal  £000	Oct-20  £000	Nov-20  £000	Dec-20  £000
<b>Total Receipts</b>		6,052	5,647	7,047
<b>Total Payments</b>		5,867	5,484	5,456
<b>Net Cash Flow</b>		184	162	1,591
<b>Cumulative Bank Balance</b>	<b>752</b>	<b>936</b>	<b>1,098</b>	<b>2,689</b>

### Update on the London CIV (LCIV)

The value of Pension Fund investments managed by the London CIV at the end of period 9 was £851m (£835m in period 8), an increase of £16m as a result of positive performance within the Morgan Stanley and Baillie Gifford mandates. The LCIV holdings represents 50% of the pension fund investments of £1.707bn at 31 December 2020. A further £379m continues to benefit from reduced management fees, LGIM having reduced their fees to match those available through the LCIV.

### Investment Strategy Review

As agreed at the Committee meeting in June 2020, fund manager interviews for a new asset allocation to renewable infrastructure took place on 7 December 2020. The Committee explored the fund on offer at the London CIV alongside external fund manager offerings. A decision was made to appoint two renewable infrastructure managers, Macquarie and Quinbrook with each manager allocated a 3% holding of the Pension Fund assets.

Macquarie is one of the largest infrastructure managers in the world with c. €99bn in infrastructure assets under management. The Renewable Energy Fund 2 will focus on assets at the construction and operational stages of development, consisting of offshore and onshore wind assets and solar PV. The geographical location of the assets will primarily be allocated to Western Europe, alongside North America and Asia.

Quinbrook are a relatively new manager, founded in 2015, who focus entirely on low carbon and renewable energy products within the infrastructure sector. Their Renewable Energy Impact Fund will invest solely in UK assets at both the development and operational stage. Target assets include solar PV and onshore wind, alongside supporting infrastructure such as battery storage and connection assets.

The funds are due to be transitioned from the existing Hermes property mandate and residual Longview holdings, with the remaining funds to be taken from equities. The initial drawdowns are expected to take place during the first quarter of 2021.

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# Audit and Performance Committee Report

<b>Meeting or Decision Maker:</b>	Audit and Performance Committee
<b>Date:</b>	17 February 2021
<b>Classification:</b>	General Release
<b>Title:</b>	2020/21 Quarter 3 Performance Report
<b>Key Decision:</b>	Review performance and challenge officers on the contents of the report
<b>Report of:</b>	Mo Rahman, Strategy & Intelligence Team

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## **Purpose:**

This performance report summarises the Council's performance and progress at the end of quarter three 2020/21. It incorporates a range of updates to performance indicators where possible to reflect the current operating context of the pandemic.

## **Recommendations:**

- Committee to note the performance updates for quarter 3.
- Committee to indicate any areas where they require more information or clarification.

## **New additions and changes to the report from the previous quarter:**

- We have added analysis from the Council's 2020 City Survey results.
- We have added an achievements and issues highlight section to draw attention to the headline submissions from these areas.
- We have added a KPI highlight section to show which indicators are under and overperforming, and an update on previously underperforming indicators.
- We have added a risk highlight section to show the highest scoring risks.
- At the request of the Audit and Performance Committee:
  - We have highlighted throughout the report where there have been new or amended KPIs that aim to better reflect our operating context. We have also flagged where new KPIs may be added or changed in the future.
  - We have started linking risk and KPIs by showing which indicators may be affected if a risk were to be realised. We will continue to develop this link over the next quarter, ensuring that impacted KPIs are used to help inform the score of the risk.

## **Report content:**

The **main body** of the report consists of:

- Headlines messages against each directorate including top achievements, challenges, risks and KPIs at the end of quarter three.
- High-level update on the Council's strategic and operational risks.
- Summary of the Covid-19 impacts to date.
- Featured analysis on the finds from the City Survey 2020.

The **appendix** follows the main body of the report and includes detailed performance information by directorate.

# Quarter Three Performance Report – 2020/21

## 1. Headline Achievements

This section highlights the Council's headline achievements this part quarter. The Council's key achievements across all services can be read in more detail in the appendix.

The Council has continued its **response to the Covid-19 pandemic** over quarter three, in particular with:

- ✓ **The Standard Operating Procedures for Lateral Covid-19 flow testing** created by our Public Health department being recognised as best practice nationally by the Department for Health and Social Care. The lateral flow tests give a result within half an hour. It is a quick way of testing for Covid-19 symptoms and returns a result in about 30 minutes.
- ✓ **The mobilisation of discharge hubs**, which focus on supporting people to be quickly discharged from hospital when they are medically fit. This is key in creating hospital capacity during the pandemic.
- ✓ Recognising the need to **support businesses operating during Covid-19** by quickly adapting to a more supportive approach in order to support businesses to remain viable. We were able to deliver numerous highway and hospitality schemes to enable outdoor dining in a Covid-19 compliant environment.
- ✓ **Establishing asymptomatic testing centres**. We have mobilised our resources to set up three new testing centres, largely staffed by the Council's Public Protection and Licensing department with additional colleagues from the Westminster Employment Service. 7800 were tested by the end of December, and the time of writing, 22,078 tests have been undertaken.

The Council continued to **support the community** over quarter three by:

- ✓ The Community Access Westminster and Employment (CAWE) team worked with multi-media services to **provide personalised video services for approximately 100 residents** with complex needs at home during the pandemic to develop their confidence and skills and provide access to training and jobs. This included bespoke coaching on topics of individual interest and support needs. The team has also distributed repurposed tablets to residents who would otherwise not be able to access this service.
- ✓ **Developing and launching the 'Naturally Active' campaign**. This aims to reduce the impact of sedentary behaviours of our community during the pandemic by increasing levels of physical activity and lowering anxiety about leaving the house and going outdoors.
- ✓ **Westminster Partnerships supporting the local community** by providing laptops to children who do not have them and distributing vouchers and hampers to families in need.

## 2. Headline issues

As well as its many achievements over the quarter, the Council also faced various issues. More detail on the Council's key issues over quarter three can be read in the appendix. This section provides a highlight of top issues.

The Covid-19 pandemic and the subsequent lockdowns continue to cause issues for the Council to face, for example:

- ✘ The Government announcement of a third nationwide lockdown from January 2021 will have a **significant financial impact on our budgets**. The services within the Environment and City Management generate significant commercial income to fund services and these will be further impacted by the third lockdown during 2020/21. The Government is making additional funding available to local authorities to mitigate the income declines, but this will not fully fund the income declines. There is also a risk that external funding from TFL and developers will be reduced, and this will impact schemes in the capital monitor.
- ✘ **Young people's unemployment has been particularly affected** since the Covid-19 pandemic began. Although Westminster has a historically low number of claimants of unemployment related benefits, the rate of increase is accelerating. Once you strip out economically inactive students from the results, Westminster's unemployment rate is 11.9% (at November 2020) for 18-24 year olds, compared to 5.7% in the wider population. Geographical variations make these disparities even more stark. In Church St and Queens Park, we estimate the unemployment rate in this age group to be around 25%.

Other key issues to highlight this quarter are:

- ✘ **Management of on-street issues:** Park Lane is a major rough sleeping hotspot and has been an ongoing issue that we have been trying to resolve for some time. This area is privately owned and managed by a separate highway's authority, creating some specific difficulties with the types of interventions the Council can lawfully take in trying to reach a solution. This challenge is further compounded with the significant deficiencies in the powers that the Council and our partners have when trying to support individuals to remove tents, or in tackling behaviours that are having a direct impact on the community. The Integrated Street Engagement Unit (ISEU) conducted a patrol of the area on 14th January 2021 with the Street Engagement Team (SET) from the Metropolitan Police Service (MPS) and Immigration officers from the Home Office (HOIE). They observed all tents and wooden structures were vacant and the site looked like it had been abandoned. **The area is now cleared as of 13 Jan 2021, clean and safe for the public to access.** Other locations of concern include in and around Edgware Road and Hungerford Bridge.
- ✘ **A New Building Safety Bill** has been drafted following the Grenfell Inquiry. Westminster has the highest number of in-scope buildings in the country at 9.5% (1038). This has far-reaching impacts on the Building Control (BC) Team, Housing, Planning, Environmental Health and the Development Team. There will be additional requirements for consultations between Planning to Building Control. Estimated resourcing for this from WCC as an enforcing authority is an additional 25-30 level 6 qualified surveyors.

### 3.Key Performance Indicators for attention

#### 3.1 Overachieving KPIs

The indicators presented below are reported by the service are currently exceeding aspirational target levels for the year. Detail on each KPI assessment can be found in the relevant directorate’s section of the appendix.

Directorate KPIs <i>Aspirational target positions are provided in the descriptions below for each KPI)</i>		Quarter 3 2020/21 result and target assessment	Service commentary
<b>ADULTS SOCIAL CARE AND PUBLIC HEALTH</b>			
1	Community champions - 14,000 of residents reached through activity	<b>20,707 (Q2 result)</b>	Exceeding target
2	9,000 sexual health screens undertaken through e-services	<b>11,549 (Q2 result)</b>	Exceeding target
<b>CHILDREN’S SERVICES</b>			
3	100% of Education, Health and Care assessments completed within 20 weeks, excluding exceptions	<b>100%</b>	Exceeding target
<b>ENVIRONMENT AND CITY MANAGEMENT</b>			
5	98% of urgent lighting defects made safe within agreed timescale	<b>100%</b>	Exceeding target
6	90% of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	<b>95%</b>	Exceeding target
7	500 vulnerable residents supported to continue living in their homes	<b>615</b>	Exceeding target
8	98% of streets in Westminster that pass the street score survey for litter	<b>98%</b>	Exceeding target
<b>GROWTH, PLANNING AND HOUSING</b>			
9	1,000 businesses significantly engaged (including vouchers issued, Corporate Social Responsibility activity)	<b>5,073</b>	Exceeding target
10	345 Westminster residents supported into Interims (Work trials, training, work placements & volunteering)	<b>707</b>	Exceeding target

Directorate KPIs <i>Aspirational target positions are provided in the descriptions below for each KPI)</i>		Quarter 3 2020/21 result and target assessment		Service commentary
<b>PEOPLE SERVICES</b>				
11	14% of staff turnover is managed at appropriate benchmark levels (excluding redundancies)	9%	Exceeding target	222 leavers out of an average headcount of 2,468 employees.  Results from the 2020 annual staff survey.
12	2.3% of apprenticeship starts in relation to the public sector target of 2.3% of total headcount	3.65% without schools/2.35% with schools	Exceeding target	
13	60% of WCC staff feel valued by Westminster	62%	Exceeding target	
14	61% of WCC staff feel the Council cares about my health and wellbeing	70%	Exceeding target	
15	6% of WCC staff feel they have the opportunity to improve our services by seeking and using feedback from users.	66%	Exceeding target	

### 3.2 KPIs 'off track' at Q2 2020/21 that have since improved to 'on track'

The table below provides an update on KPIs that were missing their target at the end of the last quarter that are now on track with their target. Of the 14 KPIs that were off track in quarter two, three have improved to 'on track' or 'exceeding target'.

Directorate KPIs <i>Ideal target positions are provided in the descriptions below</i>		Quarter 2 2020/21 result and target assessment		Quarter 2 2020/21 result and target assessment		Service commentary
<b>ENVIRONMENT AND CITY MANAGEMENT</b>						
1	500 vulnerable residents supported to continue living in their homes	252	Target off track	439	Target on track	The Home improvements Agency have the funding and approval and priority cases are being dealt with quickly. The Handyerson Service is also now fully operational, supporting our older vulnerable residents in their own home.  This is largely due to an improvement in collection of litter around parked cars.
2	98% of streets in Westminster that pass the street score survey for litter	94%	Target off track	98%	Exceeding target	
<b>GROWTH, PLANNING AND HOUSING</b>						
3	350 Westminster residents into jobs through our Westminster Employment Service (WES)	95	Target off track	179	Target on track	The team is supporting the recruitment of a significant number of Emergency response roles including for Mass Vaccination sites.

### 3.3 Underperforming KPIs and related risks

The indicators presented below are critical to the Council's performance and have been highlighted for the attention of the committee. Target information for some of these KPIs are currently under review in order to ensure they reflect the current operating environment. The table below also shows the highest scoring risks reported by directorates that would threaten the performance of the KPI (listed below) if a risk were to be realised. This is part of a new initiative to start integrating performance and risk within the Council and will be further refined over quarter 4. Please see the appendix for detail on the full list of KPIs and top risks (and impacted KPIs) from each directorate.

Directorate KPIs <i>Ideal target positions are provided in the descriptions below for each KPI)</i>	Quarter 3 2020/21 result and target assessment	Impact of the pandemic to KPI performance	Mitigating actions to manage KPI performance during the pandemic
1 2% increase in real and virtual visits to libraries compared to the same period last year	Q1-Q3, 19/20 1,592,272  -58%  Q1-Q3, 20/21 668,352	Target off track	<ul style="list-style-type: none"> <li>From the start of the current lockdown period, 8 of our 12 libraries have remained open with a service offer which includes: PC access, collections, home library service and virtual library events.</li> <li>Barriers to membership and blocked accounts have been removed to ensure that the most vulnerable residents can access the service.</li> <li>We are working to enhance the website to align with a long-term vision of ensuring the service can connect to communities and engage new audiences.</li> </ul>
Directorate risks that could impact the performance if risk materialises:	<b>Covid-19 pandemic</b> - Covid-19 may continue to impact footfall and service usage at our libraries.		
2 95% of appointments to register births available within 5 days of enquiry	81%	Target off track	<ul style="list-style-type: none"> <li>Increased death registrations due to Covid-19</li> <li>Increased demand for birth registrations and pent up demand for marriage and civil partnership ceremonies postponed due to lockdowns.</li> <li>Increased pent up demand for Citizenship ceremonies due to the Home Office recommending the issue of naturalisation certificates.</li> </ul> <p>Resources have been put in place to increase the number of birth registrations in Q4, but this may change if the number of deaths continues to rise and resources need to be moved to death registration.</p>
Directorate risks that could impact the performance if risk materialises:	<b>Covid-19 pandemic</b> – Increasing death registrations due to Covid-19 and pent up demand for birth registrations, marriage and civil partnership ceremonies postponed due to lockdowns		
3 Complete 100% of high-risk food premises inspections (category A-B)	68%	Target off track	<p>The food premises are affected by the Covid-19 restrictions and a number of them are closed during this time. In current situation of Covid-19 restrictions and social distancing physical inspections take longer. In certain situation the officers undertake remote assessments, which take additional time.</p> <p>The officers are currently also involved in other Covid-19 work and food complaint investigations in addition to their day to day responsibilities for food hygiene inspections. According to data shared by Food Standards Agency in August 2021 WCC food officers completed the highest number of food hygiene inspections in the whole country.</p>
Directorate risks that could impact the performance if risk materialises:	<b>Covid-19 pandemic</b> - The food premises are affected by Covid-19 restrictions and a number of them are closed during this time. This target may be threatened in the future if restrictions do not lift.		

Directorate KPIs <i>Ideal target positions are provided in the descriptions below for each KPI)</i>		Quarter 3 2020/21 result and target assessment	Impact of the pandemic to KPI performance	Mitigating actions to manage KPI performance during the pandemic
4	Improve 65 Houses of Multiple Occupation (buildings with more than one household including shared facilities)	30	Target off track	The number of HMOs improved this year is expected to be lower due to the Covid-19 restrictions that have been put in place. Full building inspections and improvements that contribute to this target will continue to be lower due to the risk-based approach we are taking.
	Directorate risks that could impact the performance if risk materialises:	Covid-19 pandemic - This target continues to be threatened by further Covid-19 restrictions.		
5	Remove 375 hazards from residential dwellings which pose a serious and immediate threat to people's health or safety	173	Target off track	The removal of housing hazards has been severely impacted. The service has had to take an increased risk-based approach in responding to complaints, and this has resulted in dealing with issues mainly through remote means. The pandemic, and recent lockdowns have hindered the completion of works in properties and have impacted enforcement activities. The number of hazards removed is likely to be lower for this year.
	Directorate risks that could impact the performance if risk materialises:	Covid-19 pandemic - The pandemic and future lockdowns may continue to hinder the completion of works in properties at times and may continue to impact on enforcement activities.		
6	Achieve 3.7m participation in Council sports, leisure and wellbeing activities	705,214	Target off track	The global Leisure industry is not expected to meet pre-Covid-19 levels but attempt to slowly build on the growing confidence of users. Following the first national lockdown, usage of Leisure Centres was increasing monthly until Lockdown 2.0 leading to further tiered restrictions and now Lockdown 3.0.
	Directorate risks that could impact the performance if risk materialises:	Covid-19 pandemic - Covid-19 may continue to impact participation in Council sports, leisure and wellbeing activities.		
7	Less than £5m variance between budget and full year forecast	£55-65m overspent	Target off track	Significant impact on the Council's income during the pandemic. As at Nov 2020 the reduction in planned income is £35.0m. Expenditure variance to date is £9.8m
	Directorate risks that could impact the performance if risk materialises:	<p>The Council has claimed £15.4m from the first two income recovery claims. The Council was expecting to claim £20-25m from the income recovery scheme as at Nov 2020.</p> <ul style="list-style-type: none"> <li>• <b>Westminster fails to provide a Covid-19 secure environment in which to work or receive services</b>, this would likely lead to overspend and may result in further variance between budgets and forecasts.</li> <li>• <b>Covid-19 Investment property, tenants may not be able to generate sufficient income to continue trading</b>. If businesses collapse, the Council is responsible for the property costs such as NNDR, utilities, repairs, maintenance and insurance. This would likely lead to overspend.</li> <li>• <b>Reliance on commercial income</b>, risk that budgeted income levels from commercial income fail to materialise.</li> <li>• <b>MTP savings linked to income growth</b>, it may not be possible to grow income to meet our savings target.</li> <li>• <b>There is a risk that Brexit could disrupt our services</b>.</li> <li>• <b>Financial risk due to Covid-19 and uncertainty regarding future government funding</b>, If the Government's funding for the pandemic is not sufficient, this would cause overspend and may result in further variance between budgets and forecasts.</li> </ul>		

Directorate KPIs <i>Ideal target positions are provided in the descriptions below for each KPI)</i>		Quarter 3 2020/21 result and target assessment		Impact of the pandemic to KPI performance	Mitigating actions to manage KPI performance during the pandemic
8	On budget - Variance between capital budget and FY forecast	<b>£102.985m under-spent</b>	<b>Target off track</b>	Due to Covid-19, many projects have been delayed leading to a forecasted underspend and start dates of many projects have been delayed to 2021/22 due to the pandemic.	Project expenditure budgets will be reprofiled into future years to reflect project delays. Project managers will continue to review and update forecasts
	Directorate risks that could impact the performance if risk materialises:	<b>Financial risk due to Covid-19 and uncertainty regarding future government funding,</b> If the Government's funding for the pandemic is not sufficient, this would cause overspend and may result in further variance between budgets and forecasts.			
9	91% of council tax collected by the Council	<b>79.3%</b>	<b>Target off track</b>	The restriction surrounding courts therefore continues to have a negative effect on income collected to date. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted. The targets have been lowered this quarter and compared to National local performance indicator sent by Capita.	The Council only retains £185m of this income (Council Tax £60m & NNDR £120.5m) for its own use. The Government has introduced a compensation scheme to reduce the loss for councils. It compensates councils for reduced tax base growth and increased reliefs for 2020/21 following the COVID19 outbreak.
	Directorate risks that could impact the performance if risk materialises:	<b>Financial risk due to Covid-19 and uncertainty regarding future government funding,</b> The governments compensation scheme to reduce the loss for councils is not enough. The scheme aims to compensates councils for reduced tax base growth and increased reliefs for 2020/21 following the COVID19 outbreak.			
10	91% of business rates collected by the Council	<b>74.87%</b>	<b>Target off track</b>	The restriction surrounding courts therefore continues to have a negative effect on income collected to date. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted. The targets have been lowered this quarter and compared to National local performance indicator sent by Capita.	The Council only retains £185m of this income (Council Tax £60m & NNDR £120.5m) for its own use. If there is a reduced business rates income as witnessed through Covid-19 the maximum the Council will lose is £6.8m, reducing our recognised income from £120.5m to £113.7m.
	Directorate risks that could impact the performance if risk materialises:	<b>Financial risk due to Covid-19 and uncertainty regarding future government funding,</b> The governments compensation scheme to reduce the loss for councils is not enough. The scheme aims to compensates councils for reduced tax base growth and increased reliefs for 2020/21 following the COVID19 outbreak.			
11	Less than 4% calls abandoned (Agilisys contact centre performance)	<b>6.5%</b>	<b>Target off track</b>	This quarter saw an improvement although the call volumes were still higher than forecast mainly due to adverse weather conditions and COVID-19 resulting in more emergency calls out of hours.	Call handling for both in and out of hours contact centres are constantly monitored to take account of seasonal peaks and also maintaining support for changing messages and service information relating to Covid-19.
	Directorate risks that could impact the performance if risk materialises:	<b>Covid-19 pandemic</b> – higher call volumes due to C19 and potential staffing issues through absences and sickness.			

Directorate KPIs <i>Ideal target positions are provided in the descriptions below for each KPI)</i>		Quarter 3 2020/21 result and target assessment	Impact of the pandemic to KPI performance	Mitigating actions to manage KPI performance during the pandemic	
12	90% of staff who have completed mandatory data protection & cyber security online training per year	71%	Target off track	WCC introduced a newer training module in July 2020. There has been challenges in recording training.	Working with Hants/LMS to understand why training may not be being recorded when it is completed.
13	1,850 affordable housing units delivered by 2023	201 (994 total units build to date since the start of the programme)	Target off track	Due to the impact of Covid-19 many projects have been delayed, there is likely to be some slippage into later quarters of the year and potentially into 2021/22.	There was an initial slowdown of construction during the first lockdown that included some sites closing for a short period and reduced construction staff on site. This impacted the delivery of in year new supply in 2020/21 meaning some schemes will now deliver in 2021/23. However, the current projected supply figure by March 2023 is now 2,005 rather than 1,850, so we remain on track to exceed the City for All target.
Directorate risks that could impact the performance if risk materialises:		Covid-19 pandemic – if the pandemic continues projects maybe be further delayed and project expenditure budgets will need to be reprofiled into future years to reflect project delays.			
14	% of 'non-major' planning applications determined within 8 weeks	67%	Target off track	The performance for the determination of non-major applications has been impacted by the pandemic. This affected the ability of officers to make site visits and has reduced available staff resources.	The department now has measures in place to mitigate these impacts, such as a site visit protocol that has reduced the backlog of cases where a site visit is required. In addition, Team Leaders will be undertaking closer monitoring of officer caseloads during Q4 to ensure that the majority of applications are determined within statutory or agreed timeframes. With these measures in place, sufficient applications will be determined within target during Q4 to meet the annual KPI 'Ideal' target.
Directorate risks that could impact the performance if risk materialises:		Building Regulations has been re-written following an independent review following Grenfell. The buildings in scope have extended to cover most of the properties within Westminster. The new draft bill sets requirements for competence and resource of the local Building Control team. It has far reaching impact across the Council with the requirements safety cases for Council and private sector properties.			
15	Reduction in new rough sleepers spending more than one night out	67%	Target off track	Number of rough sleepers was down significantly from 900 in Q2 to 692 in Q3. Although the % target was not met, the overall reduction in numbers is positive.	The service is looking to develop a new KPI for 2021/22 which is more representative of the wider rough sleeping picture
Directorate risks that could impact the performance if risk materialises:		Change in direction from government on EEA nationals or Vagrancy Act - There is a risk that we will not be able to support EEA nationals away from the streets. 60% of people on the streets in Westminster are EEA nationals without access to benefits and, depending on the progression of the Immigration and social security co-ordination (EU Withdrawal) bill, Westminster may not have sufficient powers to support this people.			

<b>Directorate KPIs</b> <i>Ideal target positions are provided in the descriptions below for each KPI)</i>	<b>Quarter 3 2020/21  result and target  assessment</b>		<b>Impact of the pandemic to KPI performance</b>	<b>Mitigating actions to manage KPI performance  during the pandemic</b>	
16	10% of surplus school placements in Westminster primary schools (new KPI for this quarter)	<b>1,839  (with caps)  (16.9% surplus)</b>	Target off track	We are currently operating with a surplus school capacity of 16.9% (with caps) in Westminster primary schools. This is not financially viable for schools or the Council in the long term.	There are a number of strategies in progress with interim measures in place such as informally capping the Published Admission Numbers (PANs) for schools with falling rolls. To support the School Organisation and Asset Strategy work, the Schools Forum commissioned the ISOS Partnership to carry out detailed analysis of school capacity and budgets in collaboration with schools, the Catholic and Church of England Diocese and Officers. Further to ISOS's findings, a Strategic Working Group has been established to consider what actions are required. We expect to see a final report of recommendations towards the end of the summer term.
Directorate risks that could impact the performance if risk materialises:		<b>School Budget Deficits</b> - Schools with falling rolls and those with budget reductions of pupils are at risk of developing budget deficits. Shortage of pupils presents a funding challenge as costs are less flexible and variable, that makes it difficult for schools to balance budgets and could ultimately lead to future school closures / mergers.			
17	80% of care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)	<b>69%</b>	Target off track	% of Care Leavers (19, 20 and 21) in Education, Employment and Training at the last point of the quarter (December 2020). In 2017-18 for instance, 51% of care leavers were in EET nationally and 53% in London compared to 71.6% in WCC. Covid-19 has had a considerable effect on youth unemployment hence the % of care leavers in EET may also be lower than usual	We have set ourselves a challenge in our target range rather than this being an indication that we are drastically under-achieving. We compare favourably to national and London figures on this generally.
18	15% of re-referrals to social care within 12 months (new KPI for this quarter)	<b>130  (25% re-referral  rate)</b>	Target off track	This is a figure for the last quarter (so the number of re-referrals within the last quarter who have come back within 12 months of last being referred). In the year to date (2020-21) we have had a 24% re-referral rate within 12 months.	We have set ourselves a challenge in our target range rather than this being an indication that we are drastically under-achieving.

## 4. Strategic risks

The risks outlined below are considered to be of strategic significance as they could impact the sustainability and delivery of the Council's statutory and non-statutory services and operations. If these risks were realised, there could be serious legal, financial or reputational impacts to the Council. Each strategic risk is contextualised and detailed with existing mitigation measures provided by services across the Council.

### Key changes since Q2 to the strategic risks for Q3:

- "Outbreak of infectious disease in Westminster (other than Covid-19)" has been replaced with "Subsequent health protection incidents could compound the impact of Covid-19 and hinder the local response", as the risk of a low Covid-19 vaccination uptake, and any pressure on the public health system from other sources, was agreed to be more strategically significant for the Council.
- "Loss of IT Systems or Data" has changed name to "Serious information or cyber security incident due to data breach, malware outbreak, phishing, ransomware attack" to better reflect the nature of the risk.
- "The impact of Brexit on services and communities across Westminster" has been updated as a "No Deal" scenario was avoided on the 24<sup>th</sup> of Dec 2020.

1	<p><b>Subsequent health protection incidents could compound the impact of Covid-19 and hinder the local response – Public Health</b></p>	<p>Covid-19 has affected us all, our residents, communities, public institutions, businesses, and voluntary and community organisations. Resources across the Council are fully mobilised in reducing the risk of exposure, through effective outbreak managements, as well as reducing the risk of complications and death among our residents. Recovery planning is underway to tackle the short, medium- and long-term adverse effects on physical and mental health, economic challenges and environmental impact.</p> <p>Risks which still need to be mitigated in this context are as follows:</p> <ul style="list-style-type: none"> <li>• Based on evidence of flu vaccination uptake, potential low update of Covid-19 vaccination, particularly in our most ethnically diverse communities, in areas of highest deprivation and amongst care staff. A vaccination plan is in development but engagement from across the system is needed to maximise uptake and reduce inequality.</li> <li>• Any additional pressure on the system, from an influenza pandemic, an infectious disease outbreak, or extreme weather could hinder our local Covid-19 response and recovery planning. Local Health Protection plans are in place, awareness raising sessions have been held, and proactive and targeted communications campaigns delivered. Local initiatives which promote the uptake of, and facilitate the access to, flu vaccinations to frontline staff and residents have been prioritised in Autumn and Winter. Business continuity arrangements are in place across the organisation to support the delivery of critical functions.</li> </ul>
2	<p><b>The Council fails to meet its safeguarding responsibilities for a child, young person or adult – Adult Social Care and Children’s Services</b></p>	<p>Independent scrutiny is provided by the Local Safeguarding Children’s Board and the Safeguarding Adults Executive Board to ensure robust policies are in place, drive improvement in practice and support the implementation of lessons from case reviews. We monitor our recruitment process and staff are asked to attend safeguarding training as part of their induction and ongoing professional development.</p> <p>In the event of an incident, there would be a co-ordinated and multi-agency response to ensure appropriate and timely action is taken. Additional measures are also in place to protect and safeguard individuals. Community development, communications and public engagement workstreams are established to prevent potential incidents. Learning outcomes are also discussed with the London Resilience Forum to feed future action plans.</p>
3	<p><b>Financial pressures resulting in an inability to fund services for resident, businesses and visitors – Finance and Resources</b></p>	<p>A range of wider market dynamics contributes to increasing financial pressures placed on the Council, including changing levels of service demand, the impacts of Covid-19, Brexit, and central government policy. These affect services across the Council in different ways; however, ultimately, they could impact service quality and delivery and therefore the residents and businesses, our overall financial position and reputation. The Medium-Term Planning process is in place as a mitigating action to ensure the Council balances its budget and identifies savings that can be made.</p>

<p style="text-align: center;"><b>4</b></p> <p><b>Serious information or cyber security incident due to data breach, malware outbreak, phishing, ransomware attack – Finance &amp; Resources</b></p>	<p>Increased numbers of cyber-attacks, combined with the pressure to respond quickly to the emergency and the unprecedented rise in working from home (while data protection requirements remain unchanged) potentially increases the risk of unauthorised disclosure, data loss and wrongful use of personal data. Critical business systems could be taken offline leading to financial loss through ransomware or outages on revenue generating systems as well as data compromise, leading to Information Commissioners’ Office (ICO) fines, putting vulnerable residents’ dataries with associated reputational damage or the Council being unable to undertake business. To date, there is no increase in staff reporting data breaches since Covid-19. We continue to focus on improving system availability and reducing the risk of data loss. Improvements around information security and data breach management are being made, such as the full migration to Windows 10 and the design of new policies, with the support of our Data Protection Officer. Cybersecurity is also being improved via mandatory training completion and corporate guidance on data handling when working from home, whilst maintaining existing controls such as secure email.</p>
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5	<p><b>Failure of a major contract or an inability to secure alternative provision resulting in the Council being unable to provide services or meet its statutory obligations – Finance and Resources</b></p>	<p>The Council depends on a range of contracted partners to deliver its services. This supply chain could be disrupted by several factors such as the Covid-19 pandemic, Brexit, and the economic fallout and uncertainties arising. This could ultimately delay or disrupt critical services or service delivery, resulting in non-compliance of contractual obligations, non-compliance of legal obligations, financial loss or impact the Council’s reputation. Covid-19 has had a disproportionate impact on some sectors, notably social care affecting services for adults, children, and wider public health. The financial impact of this has affected providers in different ways, increasing operational costs (for example additional health and safety measures, increased use of temporary labour) and also through loss of income (for example the increased level of voids in care homes) or utilisation of vehicles for transport services. Some third sector organisations are also seeing normal funding streams disrupted.</p> <p>The Council has the following control measures in place: Procurement Code, the Supply Chain Resilience Forum, Contract Management Framework, scrutiny of all new contracts worth more than £100k, performance monitoring, periodic financial checks/enhanced financial checks pre-and post-contract award, a contract segmentation now applied to all contracts (risk and value). The Procurement Code is being updated and the Procurement Governance Process has been improved. The Council plans to enhance monitoring and awareness across contract managers in particular to recognise early warning signs that might indicate supplier distress and embed contractual mechanisms to ensure formal early warning of changes to the suppliers’ financial wellbeing.</p>
6	<p><b>A significant incident occurring in Westminster (e.g. weather event, fire, terror attack, etc.) – Environment and City Management</b></p>	<p>To help ensure Westminster’s sustainability and resilience, we work closely with other local authorities, the emergency services and partner organisations. This coordination enables us to respond quickly if potential threats such as terrorism or extreme weather were realised. Terrorism Future controls are detailed within Prevent, Protect and Emergency Planning and Business Continuity. In addition to carrying out test exercises, the Council participates fully in Safer City, a pan-London annual exercise, and engages in partnership working with the Metropolitan Police Service. Flooding the Council follows the GLA’s London Strategic Flood Framework and Environment Agency Guidance, the Serpentine Reservoir Inundation Plan, and it also has its own Westminster Plan for Major Emergencies, WCC Staff 10 Point Plan for Business Continuity, and test exercises. The Thames Barrier is also a major existing control against flood events.</p>
7	<p><b>The impact of Brexit on Council services and communities across Westminster – Environment, City and Management</b></p>	<p>Britain left the EU on 31 January 2020 and Her Majesty’s Government agreed a trade deal with the EU27 on 24th December 2020, avoiding a “No Deal” scenario. The impacts of Brexit are far-reaching and have an influence on many parts to the Council’s service delivery and objectives both medium and long term. In the short term, Brexit may mean potential workforce shortages, particularly in key sectors with fragile markets, and potential supply chain disruption. Officers are monitoring the key issues that will impact Westminster and regular meetings are being held with the WCC EU Exit Strategic Board to mitigate risks. The Council has also been advised that regional EU Exit response will be rolled into the current London Strategic Coordination Group and Delivery Coordination Group arrangements.</p>

## 5. Overview of Covid-19 Impacts in Westminster

Since the previous impact report, Westminster, along with the rest of London has experienced a considerable deterioration in terms of infections and health outcomes, but crucially this challenge now takes place against a vaccination roll-out that is likely to enable significant recovery to take place in 2021. This summary provides an update on the Covid-19 impacts last reported to the Committee in December 2020:

1

On **14 October**, the Government introduced a regional tiering system (initially a three-tiered system). London moved to tier 3 of the 4-tier system on 16 December, tier 4 on 20 December, and then moved into the national lockdown on 4 January 2021 as a result of escalating infection rates linked to a new virus variant. London's mayor declared a Covid-19 emergency for the capital on 8 Jan.

2

The situation continues to move at pace, and any numbers provided can be updated later. At the time of writing, the national lockdown, supported by the vaccine rollout, had started to reduce infections in the capital. However, pressures on the NHS and mortuary service continue to grow.

3

By **18 January**, 225 residents of Westminster had died from Covid-19, including 40 in the second wave (measured from 01 Oct).

4

By **19 January**, around 80% of the target population had been vaccinated, with vaccinations to residents in care homes on track for the end of January. Dedicated vaccination centres are operating out of Lord's and South Westminster Health.

5

Economic impacts have been substantial across residents and businesses, with unemployment rising faster in Westminster and the Capital than across the UK. Workless benefit claimant rates in Westminster were just above 2% in the same period last year, and November 2020's figures reached 5.7%, still lower than the 8.2% London rate. Youth unemployment is a particular concern, with economically inactive students removed from local modelling, the unemployment rate for 18-24-year olds stands at almost 12%, rising to 1 in 4 young people in the more deprived wards.

6

As reported to the previous committee, the absence of workers and tourists from major cities have remained more extreme than smaller cities and towns across the country, as the loss of activity in key industries and the ability to work remotely impacts this. Job site (Indeed) reports also indicate that London saw a drop of 50% of job listings, worse than any major Western European city.

7

The collection of migration data has been nationally hit, (along with preparations for the 2021 Census) but early estimates suggest that the City has not experienced the normal high levels of in-migration and population turnover. Figures from school rolls in Oct 2020 indicate that the loss of children from the City is likely to continue and may be accelerated.

8

At the time of writing, the focus of analysis has been in response to the immediate pandemic pressures, providing daily sit-rep updates to help manage emerging risks. The socio-economic and detailed health impacts linked to the pandemic are likely to be much clearer in the next quarter, as vaccination roll-out accelerates, and business and employment support schemes are withdrawn. An update can be provided to the next committee if required.

## 6. Featured analysis – City Survey results 2020

The Council completed its annual City Survey for 2020. Between late September and November 2020, 1038 residents (aged 16+) were interviewed face-to-face by an independent research company, Lake Market Research. Some high-level findings were:

### **Council Reputation & Core Service Satisfaction**

- Resident satisfaction with how the Council is running the city remains very high (86%), which is 18 percentage points above LGA's national average for October 2020 and in line with results from 2019 (88%).
- Core council services continue to see high satisfaction levels and, where comparable, are higher than LGA's national averages for October 2020. Levels of satisfaction have marginally decreased since 2019, most notably with regards to road and pavement maintenance (-8 percentage points).

### **Covid-19 Concern**

- Respondents were generally more concerned about their friends and family than themselves, particularly with regards to economic wellbeing, jobs and physical health.
- Two thirds (66%) of respondents agreed that the Council cares enough about its vulnerable residents –4 percentage points higher than in 2019.
- The proportion of respondents that said they were comfortable financially (58%) has decreased by 8 percentage points compared to 2019.

### **Greener and Cleaner**

- Respondents were less likely to take proactive steps for the benefit of the environment than in 2019 (e.g. using less energy or switching to more sustainable transport).
- Approximately one in twenty respondents (6%) travelled a great deal or fair amount by electric vehicle -a similar proportion as in 2019 (7%).
- Encouragingly, just under a third of respondents (30%) identified poor air quality as a problem in their local area -10 percentage points fewer than in 2019.
- A quarter of respondents (25%) felt that rubbish and litter lying around was a problem in their local area –a similar proportion as in 2019 (27%).

### **Vibrant Communities**

- Three quarters (76%) of respondents agreed that the Council is making their local area a better place to live, which is 2 percentage points higher than in 2019.
- As was the case in 2019, residents' top concerns/problems in their local area were people begging (41%) and homeless on the street (38%). Considering the range of issues presented, overall concern about community issues has generally decreased relative to 2019.
- Almost all residents (96%) continue to feel safe in the City, which is in line with 2019 results (95%). Four in five (79%) feel safe after dark, which is marginally less than in 2019 (84%).

### **Smart City & Digital Comms**

- Almost one in ten respondents (8%) said they did not access the internet via a computer, tablet, smartphone, digital TV or games console, which is 5 percentage points lower than in the 2018 media consumption survey.
- A third of respondents (32%) had used or seen the Council website, which is 11 percentage points higher than in 2019. Similarly, two in five (18%) respondents had used or seen the MyWestminster e-Newsletter, which is 10 percentage points higher than in 2019. In both cases, 9 in 10 respondents found them useful.
- The most common preference for receiving news and information about the Council's services was by post (43%), followed by email (30%) and via the website (30%).

The Council has also developed a City Survey Segmentation Guide. This new analytical tool enables the Council to better understand our resident audience and where to focus ongoing work. This guide is available upon request.

# Appendix – Directorate Performance

Detailed performance information for each Council Directorate area.

## Headline Directorate Risks and Impacted KPIs

The table below shows the highest scoring risks reported by directorates within the Council. For this report, a new section entitled “Impacted KPIs” has been added to the risk tables below, to show which KPIs would be threatened if a risk was to be realised. In response to the Chairman’s request, this is part of a new initiative to start integrating performance and risk within the Council and will be refined over quarter four. More detail on all top directorate risks and impacted KPIs can be found in the respective directorate sections below.

Highest scoring directorate risks at Q3	Directorate	Impacted KPIs	Details of Impact
<b>Covid-19 pandemic</b> There is a risk that Covid-19 will continue to threaten residents within City of Westminster, and continue to disrupt business as usual.	Environment and City Management	Number of emergency planning exercises completed.	A number of pandemic specific exercises have been undertaken due to Covid-19.
		To complete all high-risk food premises inspections (category A-B).	The food premises are affected by Covid-19 restrictions and a number of them are closed during this time. This target may be threatened in the future if restrictions do not lift.
		Number of Houses of Multiple Occupation (HMOs) improved (buildings with more than one household including shared facilities).	This target continues to be threatened by further Covid-19 restrictions.
		Number of hazards removed from residential dwellings which pose a serious and immediate threat to people’s health or safety.	The pandemic and future lockdowns may continue to hinder the completion of works in properties at times, and may continue to impact on enforcement activities.
		% of licensed premises that are safe and well managed following a single inspection (Covid-secure).	This KPI has been refocused to ensure that buildings are “Covid secure”.
		Total participation in Council sports, leisure and wellbeing activities.	Covid-19 restrictions may continue to impact participation in Council sports, leisure and wellbeing activities.
		% of visits to Sayers Croft services compared with 2019/2020	Covid-19 restrictions may continue to impact visits to Sayers Croft services.
		2% increase in real and virtual visits to libraries compared to the same period last year	Covid-19 may continue to impact footfall and service usage at our libraries.
		95% of appointments to register births available within 5 days of enquiry	Increasing death registrations due to Covid-19 and pent up demand for birth registrations, marriage and civil partnership ceremonies postponed due to lockdowns
		1,850 affordable housing units delivered by 2023	If the pandemic continues projects maybe be further delayed and project expenditure budgets will need to be reprofiled into future years to reflect project delays.
Less than 4% calls abandoned (Agilisys contact centre performance)	Higher call volumes due to C19 and potential staffing issues through absences and sickness.		

Highest scoring directorate risks at Q3	Directorate	Impacted KPIs	Details of Impact
<b>Covid-19 (operational)</b> There is a risk that Westminster fails to provide a Covid-19 secure environment in which to work or receive services.	Finance & Resources	Variance between budget and full year forecast	If the Council is not able to provide Covid-19 secure workplaces, this would likely lead to overspend and may result in further variance between budgets and forecasts.
		Variance between capital budget and FY forecast	
<b>Covid-19 investment property</b> There is a risk that tenants may not be able to generate sufficient income to continue trading.	Finance & Resources	Percentage of business rates collected	If businesses collapse and buildings become vacant due to Covid-19, we may fail to collect business rates in line with our targets.
		Variance between budget and full year forecast	If businesses collapse, the Council is responsible for the property costs such as NNDR, utilities, repairs, maintenance and insurance. This would likely lead to overspend and a subsequent reduction in the general fund balance.
<b>Financial risk due to Covid-19 and uncertainty regarding future government funding</b> There is a risk that government funding to mitigate Covid-19 is not sufficient.	Finance & Resources	Variance between budget and full year forecast	If the Government's funding for the pandemic is not sufficient, this would cause overspend and may result in further variance between budgets and forecasts.
<b>Reliance on commercial income</b> There is a risk that budgeted income levels from commercial income fail to materialise.	Finance & Resources	Variance between budget and full year forecast	If budgeted income levels from commercial income fail to materialise, this would lead to a variance between budgets and forecasts.
		Variance between capital budget and FY forecast	
<b>MTP savings linked to income growth linked to acquisitions and rent review</b> There is a risk that it may not be possible to grow income to meet our savings target.	Finance & Resources	Variance between budget and full year forecast	If Finance and Resources do not meet the savings target of £0.65m, this would lead to a variance between budgets and forecasts.
<b>Brexit supply chain risk</b> There is a risk that Brexit could disrupt our services.	Finance & Resources	Variance between budget and full year forecast	If Brexit leads to delays in carrying out repairs, maintenance, and replacement, and increases the cost of component spare parts and the replacement of assets, this could lead to further variance between the budget and full year forecast.
<b>Change in direction from government on EEA nationals or Vagrancy Act</b> - There is a risk that we will not be able to support EEA nationals away from the streets.	Growth, Planning and Housing	Reduction in new rough sleepers spending more than one night out	There is a risk that we will not be able to support EEA nationals away from the streets.
<b>Iding Regulations</b> has been re-written following an independent review following Grenfell.	Growth, Planning and Housing	% of 'non-major' planning applications determined within 8 weeks	The new draft bill sets requirements for competence and resource of the local Building Control team. It has far reaching impact across the Council with the requirements safety cases for Council and private sector properties.

# Adult Social Care and Public Health

## Achievements

### **SOPS (Standard Operating Procedures) recognised as best practice - DHSC**

The SOPS for Lateral Covid-19 Flow testing, recently created by the Public Health department was recognised by the Department for Health and Social Care as being best practice nationally. SOPs have been shared with London Local Authority Directors of Public Health to help guide best use and practice of Lateral Flow Testing. The lateral flow tests give a result within half an hour. It is a quick way of testing for Covid-19 symptoms and returns a result in about 30 minutes. Testing involves processing a nose and throat swab sample with an LFD. The LFD detects a Covid-19 antigen that is produced when a person is infected with Covid-19.

The Clinical SOP aims to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and failure to comply with industry regulations.

As part of this work, the following outputs were achieved by the Council:

- Developed an FAQ for schools
- Risk assessment for each setting
- Site plans to aid efficiency
- Uniformity of performance

This will lead to the safer execution of our testing plan and can already be seen in the launch of our asymptomatic testing pilots, having already been run in two schools to date. In December, 248 school children and staff were tested in this pilot phase. This will be more widely rolled out in January in more schools and community settings.

### **Developed and launched Naturally Active**

Due to Covid-19, Public Health England have not produced their national summer campaign. To help mitigate this, and to reduce the impact of sedentary behaviours locally, Public Health have created a summer campaign called Naturally Active. This campaign was devised internally in the public health department, who developed the concept, content and the campaign identity and imagery to be a bespoke campaign supporting families to be active utilising their local environment and green spaces. The booklet has been distributed to over 100 local settings including primary schools, early year's settings, libraries and community centres.

Following the gathering of community intelligence post the first lockdown, it became evident that families had anxieties about leaving the house, spending time outdoors and how to keep safe. This led to low levels of physical activity. The campaign sought to encourage residents to partake in fun physical activity and use local green spaces, whilst ensuring best practices on safety to help reduce the growth of the virus.

Naturally Active (#NaturallyActive) encouraged families to venture out into nature, keep moving and enjoy the benefits of spending time outdoors via a booklet that features games

and activities children and families can do in their own time in and around their local green spaces. The booklet that can be downloaded here.

The Naturally Active campaign addresses key issues raised by the local community and stakeholders of the impact of Covid-19:

- Low levels of physical activity
- Increasingly sedentary behaviours and the impact on emotional health and wellbeing
- Anxiety and fear about leaving the house, going outdoors and keeping safe

These are the main outcomes achieved so far:

- Facilitated community-led, evidence-based initiatives via Change4Life small grants scheme such as the 'Positive Women Project- Covid-19' run by the Hear Women Group, which delivered nutrition and sugar-free online classes for BAME women during the lockdown, reaching 151 families. See Change4Life small grants
- We had 24 applicants and awarded the C4L grant to 19 local voluntary and community organisations – 10 in WCC.
- Developed local websites to promote the programme:  
[www.westminster.gov.uk/change4lifewestminster](http://www.westminster.gov.uk/change4lifewestminster)

### **The 8th Community Champions Conference 'Rise'**

The 8th Community Champions Conference 'Rise' was held on 19 November 2020. With the country in its second lockdown due to the pandemic, the champions worked tirelessly to ensure they could continue the annual celebration of achievement, and so had their first conference on Zoom.

The event aimed to appreciate and recognise the Champions' efforts to support their communities since the onset of the Covid-19 pandemic. Co-hosted by two Community Champions, the event was attended by almost 200 delegates, including Champions, partners and members.

Cabinet Member Councillor Mitchell addressed delegates with opening and closing remarks. Champions projects have adapted their delivery approach to ensure they were able to continue to reach and support vulnerable residents via on-line support, discussion and activity groups, phone, WhatsApp and some socially distanced face to face doorstep support. With the film premier of 'Rise', Guest speaker Peter Merrifield, CEO from Support When It Matters and the launch of a Digital Magazine, it was a lively event filled with joy, tears and lots of thought provoking insight, and served as a reminder of how valuable community champions are to our community.

### **Mobilisation of the Discharge Hubs and Discharge Care Pathways:**

Discharge hubs focus on supporting people to be quickly discharged from hospital when they are medically fit, so the bed is made available to another patient as soon as possible. The pathway is to get people back home as opposed to into a care setting. This is key to creating hospital capacity during the pandemic.

During quarter three we:

- Held daily integrated Hubs meetings across 3 sites with patients discharged on the default pathway 1.
- Embedded early escalation embedded into practice.

- Supported the development of the hub lead role and participated in the recruitment process to all 3 roles.
- Fortnightly, integrated 3B System meetings to review pathways, blockages, close collaborative working to anticipate and smooth out pathway blockages.
- Held weekly meetings with CCG to implement the D2A guidance and reintroduce Continuing Health Care Framework.
- Flexed resources into assessment outside the acute sites.

### **Change to Community Access Services**

The Change for Community Access Westminster and Employment (CAWE) team worked with the multi-media services to make personalised video services for approximately 100 customers at home during the pandemic. This included bespoke coaching on topics of individual interest and support needs including cooking specific meals, and meditation and relaxation. The team has also worked with colleagues in ICT to distribute repurposed tablets to residents who would otherwise not be able to access these specific offers. In addition, the team has continued to develop its use of cutting-edge technology including eye-control devices to introduce 'cause and effect' communication for customers who had not been able to engage with staff in this direct way before. The service won 'Innovator of the Year' at this year's Westminster Staff Awards for this work.

## **Issues**

### **Changes in NHS**

North West London (NWL) are moving to an Integrated Care Service (ICS) commencing 1 April 2021. Changes in personnel and operating models are likely to cause some distraction during the early part of 2021/22, as the new models bed in.

NWL Clinical Commissioning Group (CCG) aims to achieve financial consistency in health budget allocations across the patch. This means the CCG budget will suffer a £10M reduction over in the next 5 years. The local CCG will have to reduce spend to deliver the savings. Some reductions may have a financial impact on the Council Adults Social Care budget, but the extent and impact are unknown.

The Council will do the following to influence the CCG and limit the impact on our residents:

- Review the role of the Joint Health and Well Being Board in the next 6 months to strengthen their role in overseeing the development of health services.
- Ensure CCG involves the Council in efficiency planning and undertakes detailed EQIAs as part of any service change and that any public consultation is meaningful but implementation of changes.
- Encourage CCG to focus on more value for money services and outcome focus commissioning rather than reducing the value of contracts.
- Protect some key services within the Better Care Fund Plan, The BCF Plan is a key vehicle to deliver community and out of hospital services based on our local priorities.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

There are some new measures that won't be available until after quarter four, as they relate to new provisions started recently. Changes to existing KPIs for the next quarter are listed below.

<b>Target range definitions</b>	<b>Minimum Ideal Aspirational</b>	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	<b>Target assessment definitions</b>	<b>Target off track</b> <b>Target exceeded</b> <b>Target on track</b> <b>Minimum standard met</b>	Off track to meet the minimum target level Exceeded ideal target level On track to meet the ideal target level Met the minimum target below ideal level
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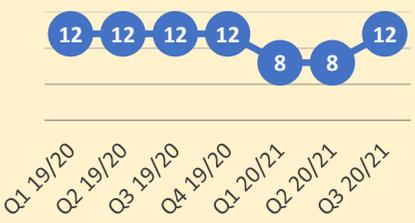
Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight		
		Minimum	→	Ideal				→	Aspirational
<b>Adult Social Care</b>									
1. Total number of new permanent admissions to residential/nursing care of people aged 65 years and over	45	105	→	95	→	85	46	Target on Track	There is a reduction in the numbers of people being admitted to residential and nursing care and the overall number of people supported in this setting. This is an impact of Covid-19.
2. % of carers (caring for an adult) who have received an assessment or review of their needs	50.4%	77%	→	87%	→	92%	66%	Target on Track	
3. % of service users receiving an assessment/review	43%	80%	→	90%	→	95%	65%	Target on Track	
<b>Public Health</b>									
4. % of children who receive a 2-2.5-year development review	70% (Q1)	65%	→	70%	→	75%	70% (Q2)	Target on Track	Q3 results will be available in mid-February.
5. % of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months	37.44% (Q1)	30%	→	35%	→	40%	38.72% (Q2)	Target on Track	This is the Q2 published figure. With the 6 months of monitoring that takes place this means that these are for completions for April 19 – March 20. Figure taken from national reporting system and available mid-February.

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
<b>Public Health</b>							
6. Community champions - number of residents reached through activity	21,663 (Q1)	10,000	→ 12,000	→ 14,000 (annually)	20,707 (Q2)	Target exceeded	Q3 results will be available in mid-February. From next quarter we will be changing this indicator to focus on total active community champions.
7. Stop smoking services – number of 4 week quits	168 (Q1)	600	→ 800	→ 1,000 (annually)	278 (Q2)	Target on Track	NHS Digital Stop Smoking Statistics were published recently for the year 2019/20. Westminster is the 5th best performing borough in England for smoking quits per 100,000. Westminster have been in the top 5 best performing local authority areas for the last 4 years. Q3 results will be available in mid-February.
8. Total sexual health screens undertaken through e-services	7,921 (Q1)	8,000	→ 9,000	→ 10,000 (annually)	11,549 (Q2)	Target exceeded	From next quarter we will be changing this indicator to focus on contraception (this has recently moved to online delivery). Q3 results will be available in mid-February.
9. Screening positivity rate (% screens resulting in diagnosis)	4.29% (Q1)	5%	→ 4%	→ 3%	3.91% (Q2)	Target on Track	From next quarter we will be removing this indicator. See above insight. Q3 results will be available in mid-February.

### Top scoring departmental risk

Q3 Score	Risk			
16	<p><b>Widening Health Inequalities</b>                      There is a risk that health inequalities will widen in Westminster. Local data shows a widening of health inequalities, which is best illustrated by the gap in life expectancy between the most and least deprived areas in the borough. Westminster has the fourth highest gap (for women Westminster ranks similar to England average).</p>			
	<b>Impact</b>	The gap in health inequality between the most and least deprived areas will continue to widen.		
	<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>% of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months</li> <li>Stop smoking services – number of 4 week quits</li> </ul> Increased inequality would lead to an increase in demand and complexity of cases, which would lead to an increase in cost of services and potentially the need to redesign services.		
	<b>Existing controls</b>	<ul style="list-style-type: none"> <li>Recovering planning underway to support initiatives which reduce health disparities.</li> <li>Public Health Intelligence is implementing population health monitoring to support early identification and prevention initiatives</li> <li>BAME action plan being drafted to respond to the disparities identified by Covid-19.</li> </ul>	<b>Future controls</b>	Director of Public Health's annual report to focus on Health Inequalities.
16	<p><b>Extreme weather</b>                      Significant periods of hot weather, and prolonged periods of cold weather can lead to excess deaths and increased morbidity.</p>			
	<b>Impact</b>	<ul style="list-style-type: none"> <li>On average, there are around 25,000 excess winter deaths each year in England. Excess winter deaths are the observed total number of deaths in winter (December to March) compared to the average of the number of deaths over the rest of the year. In the recent past, the rate of winter deaths in England was twice the rate observed in some northern European countries, such as Finland. Even with climate change, cold related deaths will continue to represent the biggest weather-related cause of mortality.</li> <li>Population health and wellbeing and impact on demand for ASC and NHS health services.</li> </ul>		
	<b>Impacted KPIs</b>	No KPIs will be impacted if this risk is realised.		
	<b>Existing controls</b>	<ul style="list-style-type: none"> <li>National alert systems in place which Westminster City Council would respond to.</li> <li>Heat health watch alerts are in place.</li> <li>Local Health Protection plans outlines local response for both hot and cold weather.</li> <li>Communications plan in place.</li> </ul>	<b>Future controls</b>	Continue with existing controls and monitor.

Q3 Score	Risk																		
12	<p><b>Financial Pressures and increased demand in Adult Social Care</b></p> <p>Whilst we are still amid the pandemic and the extent of the full impact is yet to be known, there are three reasons why we might expect an increase in costs to the delivery of Adult Social Care:</p> <ul style="list-style-type: none"> <li>• Suppressed demand of services</li> <li>• NHS pressures</li> <li>• Market fragility</li> </ul>		 <table border="1"> <caption>Quarterly Scores</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Q1 19/20</td> <td>20</td> </tr> <tr> <td>Q2 19/20</td> <td>12</td> </tr> <tr> <td>Q3 19/20</td> <td>12</td> </tr> <tr> <td>Q4 19/20</td> <td>6</td> </tr> <tr> <td>Q1 20/21</td> <td>9</td> </tr> <tr> <td>Q2 20/21</td> <td>9</td> </tr> <tr> <td>Q3 20/21</td> <td>12</td> </tr> </tbody> </table>	Quarter	Score	Q1 19/20	20	Q2 19/20	12	Q3 19/20	12	Q4 19/20	6	Q1 20/21	9	Q2 20/21	9	Q3 20/21	12
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Impact	<ul style="list-style-type: none"> <li>• Increases in acuity of client needs (higher package costs).</li> <li>• Increases in numbers of service users (demand increases).</li> <li>• Need to support providers at risk of failure, and/or develop new markets.</li> <li>• Inability to meet agreed savings targets.</li> <li>• Potential budget overspends.</li> </ul>																		
Impacted KPIs	<ul style="list-style-type: none"> <li>• Total number of new permanent admissions to residential/nursing care of people aged 65 years and over.</li> <li>• % of carers (caring for an adult) who have received an assessment or review of their needs.</li> <li>• % of service users receiving an assessment/review</li> </ul> <p>An increase of delivery cost in Adult Social Care might threaten our ability to achieve our targets for the KPIs above, as we may have increased demand for services, increase in complex need cases requiring residential or nursing placements and subsequently increased pressure on our workforce capacity. The controls below have been put in place to mitigate the impact on our ability to deliver and preserve the KPI targets.</p>																		
Existing controls	<ul style="list-style-type: none"> <li>• Close monitoring of demand for homecare and care home support.</li> <li>• Supplier resilience support mechanism in place.</li> <li>• Savings plans developed to plan for reduction of funding that are costed and achievable</li> <li>• Monthly finance and performance information to look at trends and potential impacts on budgets.</li> <li>• Improved financial and performance monitoring in place to ensure alignment of service provision and financial commitments</li> <li>• Winter-plans in place and funded to meeting seasonal demands</li> </ul>	Future controls	None reported.																

Q3 Score	Risk		
12	<p><b>Fragility of the Care Market and pressures on the local care market</b>                      Pressures on the local care market including staffing, training and development and financial pressures are resulting in the local markets being “fragile”.</p> 		
	<p><b>Impact</b></p> <ul style="list-style-type: none"> <li>• Reduction in demand for residential care could lead to provider failure.</li> <li>• Potential staff shortages that could lead to lower market capacity.</li> <li>• Reduced uptake of training and development opportunities could lead to impacts on the quality of care provided to residents.</li> <li>• Financial pressures could lead to provider viability issues and ultimate failure.</li> </ul>		
	<p><b>Impacted KPIs</b></p> <ul style="list-style-type: none"> <li>• Total number of new permanent admissions to residential/nursing care of people aged 65 years and over.</li> <li>• % of carers (caring for an adult) who have received an assessment or review of their needs.</li> <li>• % of service users receiving an assessment/review.</li> </ul> <p>Failure of a major provider in the care market could have an impact on KPI delivery as there would be a significant impact on the workforce to assess/reassess and put suitable care into place for effected residents.</p>		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td data-bbox="322 746 1451 1286" style="width: 60%; vertical-align: top;"> <p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>• Establishment of a Quality Team across Westminster and Kensington and Chelsea to work with local providers with a focus on quality.</li> <li>• A more cohesive relationship with the care regulator, the Care Quality Commissioning (CQC) including bi-monthly meetings.</li> <li>• When providers are invited to bid for contracts, they are required to provide copies of Business Continuity Plans and confirm when last they were tested.</li> <li>• CreditSafe alerts received when a provider’s rating drops to below 50%. CQC provide alerts for providers in the Market Oversight Scheme.</li> <li>• Business critical contracts identified - targeted programme of regular financial monitoring and strategic engagement at all levels.</li> <li>• New indexation clause designed for contracts that takes account of staff costs and wider factors and pressures affecting the sector.</li> <li>• Programme of Provider engagement events in place with targeted engagement at homecare and care home sectors. Share commissioning intentions and collaborative approaches to support supplier resilience</li> <li>• Pre-procurement market engagement to identify sector characteristics.</li> <li>• Supporting the market in the short term through the supplier resilience forum, although this is not sustainable in the long term.</li> </ul> </td> <td data-bbox="1451 746 1568 1286" style="width: 10%; vertical-align: middle; text-align: center;"> <p><b>Future Controls</b></p> </td> <td data-bbox="1568 746 2083 1286" style="width: 30%; vertical-align: top;"> <ul style="list-style-type: none"> <li>• Ensure Risk registers for all procurement projects above £100k are in place.</li> <li>• Service continuity plans for all contracts awarded above £100k.</li> </ul> </td> </tr> </table>	<p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>• Establishment of a Quality Team across Westminster and Kensington and Chelsea to work with local providers with a focus on quality.</li> <li>• A more cohesive relationship with the care regulator, the Care Quality Commissioning (CQC) including bi-monthly meetings.</li> <li>• When providers are invited to bid for contracts, they are required to provide copies of Business Continuity Plans and confirm when last they were tested.</li> <li>• CreditSafe alerts received when a provider’s rating drops to below 50%. CQC provide alerts for providers in the Market Oversight Scheme.</li> <li>• Business critical contracts identified - targeted programme of regular financial monitoring and strategic engagement at all levels.</li> <li>• New indexation clause designed for contracts that takes account of staff costs and wider factors and pressures affecting the sector.</li> <li>• Programme of Provider engagement events in place with targeted engagement at homecare and care home sectors. Share commissioning intentions and collaborative approaches to support supplier resilience</li> <li>• Pre-procurement market engagement to identify sector characteristics.</li> <li>• Supporting the market in the short term through the supplier resilience forum, although this is not sustainable in the long term.</li> </ul>	<p><b>Future Controls</b></p>
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Q3 Score	Risk			
12	<b>Health Protection (Pandemic Flu)</b> There is a risk of a flu pandemic which may impact residents and workers.			
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Community champions - number of residents reached through activity</li> <li>A pandemic Flu may mean community champions resources will need to be focused on supporting vulnerable residents who will have to isolate. This would reduce their capacity to run all of their programmes</li> </ul>		
	<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>Total number of new permanent admissions to residential/nursing care of people aged 65 years and over.</li> <li>% of carers (caring for an adult) who have received an assessment or review of their needs.</li> <li>% of service users receiving an assessment/review.</li> <li>% of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months.</li> <li>Stop smoking services – number of 4 week quits.</li> <li>Total sexual health screens undertaken through e-services. / Screening positivity rate (% screens resulting in diagnosis).</li> </ul> Health Checks a pandemic flu may mean social distancing for the vulnerable, who would therefore not be able to attend health check services. Another pandemic flu may also threaten business as usual Adult & Social Care services.		
	<b>Existing controls</b>	<ul style="list-style-type: none"> <li>Public Health have developed a Health Protection Protocol and supporting awareness raising sessions.</li> <li>A programme to get front line staff vaccinated for flu is in place.</li> <li>A flu communication plan has been developed.</li> </ul>	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Health Protection Protocol and supporting awareness raising sessions</li> <li>A programme to get front line staff vaccinated for flu is in place.</li> <li>The flu communication plan.</li> </ul>
12	<b>Immunisation uptake (excluding Covid-19)</b> Low uptake of vaccinations could see an increase in other infectious diseases.			
	<b>Impact</b>	Herd immunity to infectious diseases may be threatened.		
	<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>		
	<b>Existing controls</b>	<ul style="list-style-type: none"> <li>Immunisation is a priority undertaken by the NHS, with the Public Health Department serving as a support function.</li> <li>Communications plan in place.</li> </ul>	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Continue with existing controls and monitor</li> </ul>

Q3 Score	Risk		
		<ul style="list-style-type: none"> <li>• Uptake being monitored quarterly</li> <li>• Public Health England due to update at the Health and Wellbeing Board in March 2021.</li> <li>• In Westminster, NHS England have presented at the Audit and Performance committee in September 2020 to outline the local response to improve uptake.</li> <li>• Rollout of new Covid-19 vaccination programme is supported by community communications and engagement. Lessons learned from current Covid-19 vaccine rollout and flu vaccinations rollouts to feed into the future routine programme. Monitoring uptake of rollout is underway.</li> </ul>	

# Children's Services

## Achievements

### **Above Inner London and National average School Attendance in Westminster Schools**

Attendance figures have been positive and above Inner London averages for both primary and secondary schools and above national averages for secondary schools. Data is obtained by the Council from the DfE online portal. Below are the figures for average attendance up until half term. This is based on all primary and secondary schools who submitted their attendance figures on the DfE portal. For the first half of Autumn Term 2020 in WCC (1 September until 23 October) average attendance was 86% for Primary Schools and 85% for Secondary Schools. Nationally, the average attendance was 89% across primary schools and 83% across secondary schools. In Inner London, the average attendance was 85% for primary schools and 82% for secondary schools. We continue to provide effective support and guidance to schools in Westminster on attendance. Early Help is working closely with all schools and supporting individual cases where there are concerns about attendance.

In addition, a dedicated officer is working alongside Public Health to provide effective support with outbreak management in early years and educational settings. When a school has a positive case, they are asked to complete a local form. The dedicated officer will then pick this up with the school directly. Support is provided to the school to identify close contacts and to clarify any questions the school may have about the Government guidance. The early years and schools outbreak management team (OMT) process has worked well. It has allowed us to have real-time intelligence and be able to respond efficiently and collaboratively.

### **Successful Contact with Families in Children's Social Care**

Our staff continue to support families during these difficult times. They are also continuing to support children to attend school. In terms of our staffing capacity, staff continue to be very healthy overall and to-date we have had no Covid-19 cases. In terms of referrals into social care at the front door, unsurprisingly both contacts and referrals went up significantly in September (following the return to school). Despite some fluctuation week on week, referrals are at approximately the levels they were at this time last year (before the pandemic).

This increase in contact and referrals has been well-managed and the proactive work of our staff has ensured stability and safety for children at this critical time. The response has been agile, creative and consistently focused on keeping children and young people safe. Our front-line workers have continued to manage robust duty systems and to visit those most at risk by using dynamic risk assessments throughout the national lockdowns. Staff have also embraced technology and generally worked creatively to engage children and families in order to maintain critical frontline safeguarding services and key support services. Our commitment has been reflected in positive outcomes in terms of a stability in our KPIs, stability in placements and the undertaking of successful children in care meetings, child protection conferences and looked after children reviews.

### **Roll-out of the Digital Futures project**

Through the Digital Futures project, the Council and the Young Westminster Foundation are working in partnership to support disadvantaged children attending our schools to have better access to digital devices and stronger broadband connectivity. Schools which have been forced to close classes due to Covid-19 cases are being prioritised through the project.

750 devices have been ordered for allocation via Westminster schools to support students who do not have a device with their education and development. About 75 Chromebooks have been sent out so far with the other 75 hopefully to be allocated and sent out this week (w/c 14th December). A panel is convening on the 17<sup>th</sup> of December to look at allocating the 600 Windows laptops which should be available in January.

## **Issues**

### **Rising youth unemployment**

During the autumn term, schools have conducted diagnostic assessments with students to determine gaps in knowledge and plan catch-up work. Schools are raising concerns about reduced levels of attendance, the likelihood of lower attainment, reduced progression options and increased risk of becoming NEET. School Standards are discussing an approach with Early Help and schools to identify and monitor Year 11 pupils who are at increased risk of becoming NEET. This project will sit alongside the existing work of the Vulnerable Children's Collaborative.

Young people's unemployment has been particularly affected since the Covid-19 pandemic began. Although Westminster has a historically low number of claimants of unemployment related benefits, the rate of increase is accelerating. Once you strip out economically inactive students from the results, Westminster's unemployment rate is 11.9% (at November 2020) for 18-24 year olds, compared to 5.7% in the wider population. Geographical variations make these disparities even more stark. In Church St and Queens Park, we estimate the unemployment rate in this age group to be around 25%.

The Council needs to prepare for these numbers to increase even more. Following the pandemic, the average caseload of five employment coaches (working across the gangs, leaving care and YOT teams) has doubled (from 15 to 32 clients). WES are working on a bid to the "*Youth Futures Foundation*" due to be submitted in spring. The bid outlines plans to use funding to sustain and develop work with young people in the context of rising young unemployment in a challenging labour market.

The Virtual NEET Group has been established to facilitate online collaboration across a range of teams with shared responsibility to support young people (Early Help, Youth Offending Service, Pupil Referral Unit, Westminster Employment Service, and Bi-Borough Education Team, Integrated Gangs and Exploitation Unit, SEND and Prospects) and to manage referrals of young people who have been identified as NEET. From March, Westminster Employment Service (WES) has been working with Early Help through the Virtual NEET group, to accept referrals of 16- and 17-year-olds. This extends the normal referral age of 18 to 25-year olds.

**Increasing demand for services to support children with SEND**

We have seen increased referrals for our SEND Short Break services which puts pressure on our team's capacity and on funding. Short Break referrals have continued to remain high during the pandemic at 6 per week. However, through successfully bidding, and receiving additional funding to increase capacity, a reorganisation is underway. This has enabled us to separate the team into three distinct areas. The Bi-borough Early Intervention and Support for Disabled Children's Team supports families awaiting a diagnosis and potentially reduces the need for future residential support. The Assessment and Review Team will case hold for those aged 6-14 who are diagnosed and require support through childhood. The Transitions Team will case hold for children aged 14+ and will support the development of SEND young people as they reach adulthood.

We now have dedicated sites set up in both the north and south of Westminster. Tresham Centre is at capacity and will soon be expanding into floors 2 and 3 – with an aim to launch Spring 2021. We will continue to monitor pressure on our short breaks service at our Strategic Implementation Group and Children and Families Act Board, as well as via our quarterly SEND Self-Evaluation Framework.

The prevalence of SEN in England continues to rise, having reached 15.4% of all school pupils with 3.3% of all pupils now subject to Education Health and Care Plans (EHCPs). The total number of EHCPs rose 10% during 2019. In London, the growth in SEND means that 3.5% of all pupils are now subject to an EHCP. In WCC, although the growth in EHCP (8%) was below the national growth rate and the total (3.0%) is below the national and London averages, the prevalence of SEN in WCC schools is higher (15.5%) and at the start of the autumn term 2020 the number of EHCPs had reached 1249.

Recent referrals for assessment of pre-school aged children mirror the national spike in referrals due to Covid-19. Although we are able to meet the statutory timescales in 100% of cases, an increase could mean that this is unsustainable. The further risk is that the level of growth between 2020 and 2021 reaches 15% and 10% thereafter. Changes would be needed to the role of Educational Psychology should this happen. Additional therapy services would need to be commissioned.

This level of growth would result in an additional 620 EHCPs by 2024 and would call for at least 120 new specialist places. Our commissioning plans for SEN provision are to develop additional in-borough resources to meet the demand for places.

## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

There are new KPIs included for this quarter, which is indicated in the table.

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	Ideal	Aspirational			
<b>Target range definitions</b> <b>Minimum</b> The minimum level for the KPI that will still allow the service to deliver <b>Ideal</b> A level which is acceptable for service continuity <b>Aspirational</b> The level at which the service is improving beyond current capability							
<b>Target assessment definitions</b> <b>Target off track</b> Off track to meet the minimum target level <b>Target exceeded</b> Exceeded ideal target level <b>Target on track</b> On track to meet the ideal target level <b>Minimum standard met</b> Met the minimum target below ideal level							
1. Number of Education, Health and Care assessments finalised (new KPI)	31	50 (max)	40	25	26	Target exceeded	
2. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks, excluding exceptions	100%	80%	90%	100%	100%	Target exceeded	25 of 25 completed within 20 weeks. There was one other case within the quarter which was an allowable exception - something beyond our control took it over 20 weeks. There are very strict rules about what is an exception.
3. Number of fixed-term exclusions (new KPI)	5.4%	8%	5%	0%	5.4%	Target on track	Latest data is from 2019/20 school year (September 2019 to July 2020). There were 519 fixed term exclusions during this period and 366 pupils accounting for these fixed-term exclusions.
<b>Service commentary:</b> Going forward, will look at whether there is more up-to-date quarterly data that we can get hold of on fixed-term exclusions. If not, we will update annually, when we receive this data.							
4. % of young people who are not in employment, education or training (new KPI)	New KPI	3.5%	2.5%	1.5%	2.28%	Target on track	Based on young people of year 12-13 age. This represents 56 young people.
5. Number of first-time entrants to the criminal justice system	13	20 (max)	10	5	9	Target on track	There were 3 young people who were first-time entrants with a caution and 6 young people who were first-time entrants with a conviction. This indicator measures the number of First time Entrants [FTEs] to the Youth Justice System. FTEs are defined as young people aged 10-17 who receive their first substantive outcome. Data for this measure is derived from the YOT's Case Management System.

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight		
		Minimum	→	Ideal				→	Aspirational
6. Number of Serious Youth Violence Offences (new KPI)	22	20 (max)	→	10	→	5	11	Target on track	There were 11 offences committed by 6 offenders during the quarter. The YJB defines 'Serious Youth Violence' (SYV) as any drug, robbery or violence against the person offences that has a gravity score of five or more. Gravity scores range from 1 (least serious) to 8 (most serious). Robbery offences all carry a gravity score of 6 or above. In the 2020/21 year to date 17 young people have committed 36 offences. All offences this year have been robbery or attempted robbery, several of which were high value wrist watches.
7. Number of referrals to social care (new KPI)	545	545 (max)	→	500	→	480	517	Target on track	
8. Number of re-referrals to social care within 12 months (new KPI)	141	20% re-referral rate (max)	→	15% re-referral rate	→	10% re-referral rate	130 (25% re-referral rate)	Target off track	This is a figure for the last quarter (so the number of re-referrals within the last quarter who have come back within 12 months of last being referred).
<p><b>Service commentary:</b> In the year to date (2020-21) we have had a 24% re-referral rate within 12 months.</p> <p><b>Mitigating action:</b> We have set ourselves a challenge in our target range rather than this being an indication that we are drastically under-achieving.</p>									
9. Looked after Children numbers (new KPI)	200	201	→	187	→	181	192	Target on track	Number of Looked after Children at latest point in the quarter (December 2020). This includes Unaccompanied Asylum Seeker Children (UASC). 75 of our LAC are currently UASC.
10. Number of Care Leavers (new KPI)	256	N/A	→	N/A	→	N/A	272		Number of care leavers at latest point of the quarter (December 2020). No target to be provided for this KPI as there are not many opportunities to lower this number in the short or medium term. Our cohort of looked after children become our care leavers. New legislation will support care leavers until the age of 25 and it is an indication of good corporate parenting that our carers want to engage and that we offer good support. This is included as a KPI as it has a direct relationship to our budget pressures.

Key performance indicator	Q2 2020/21 position	2020/21 target ranges				Position at Q3	Target assessment	Other contextual insight	
		Minimum	→	Ideal	→				Aspirational
11. % Care Leavers in appropriate accommodation (new KPI)	93%	90%	→	94%	→	96%	93%	Target on Track	% of Care Leavers (19, 20 and 21) in suitable accommodation at the last point of the quarter (December 2020).
12. % care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)	69.5%	70% (min)	→	80%	→	90%	69%	Target off track	% of Care Leavers (19, 20 and 21) in Education, Employment and Training at the last point of the quarter (December 2020). We compare favourably to national and London figures on this generally. In 2017-18 for instance, 51% of care leavers were in EET nationally and 53% in London compared to 71.6% in WCC.
<p><b>Service commentary:</b> Covid-19 has had a considerable effect on youth unemployment hence the % of care leavers in EET may also be lower than usual.</p> <p><b>Mitigating action:</b> We have set ourselves a challenge in our target range rather than this being an indication that we are drastically under-achieving. We compare favourably to national and London figures on this generally.</p>									
13. % of Looked After Children placed in foster care (new KPI)	59%	60%	→	65%	→	70%	62%	Minimum standard met	Measure is as a % of total number of LAC.
14. % of Looked After Children placed in external foster placements (new KPI)	26.5%	25%	→	23%	→	21%	25%	Minimum standard met	Measure is as a % of total number of LAC.
15. Number of surplus school placements in Westminster primary schools (new KPI)	1839 (with caps)	15%	→	10%	→	5%	1839 (with caps) (16.9% surplus)	Target off track	Based on Autumn 2020 census. Targets to be developed.
<p><b>Service commentary:</b> We are currently operating with a surplus school capacity of 16.9% (with caps) in Westminster primary schools. This is not financially viable for schools or the Council in the long term.</p> <p><b>Mitigating action:</b> There are a number of strategies in progress with interim measures in place such as informally capping the Published Admission Numbers (PANs) for schools with falling rolls. To support the School Organisation and Asset Strategy work, the Schools Forum commissioned the ISOS Partnership to carry out detailed analysis of school capacity and budgets in collaboration with schools, the Catholic and Church of England Diocese and Officers. Further to ISOS's findings, a Strategic Working Group has been established to consider what actions are required. We expect to see a final report of recommendations towards the end of the summer term.</p>									
16. 2% increase in real and virtual visits to libraries	-71.2%	1%	→	2%	→	3%	-58%	Target off track	The library service is operating at a reduced service, our physical visits are down by -71% compared to last year due to the pandemic.

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→	Ideal			

**Service commentary:** Following the announcement of the third national lockdown, government guidelines have allowed libraries to remain open to provide a number of clearly defined essential services. However, footfall at our library has dramatically reduced due to the pandemic.

**Mitigating action:** From the start of the current lockdown period, eight of our twelve libraries have remained open with a service offer in line with current government guidelines which ensures that social distancing can be maintained, and our residents continue to have the opportunity to read, learn and connect. The current offer includes: PC access, select and collect, home library service and virtual library events. Barriers to membership and blocked accounts have been removed to ensure that the most vulnerable residents can access the service. We are working in partnership with IT and Customer Experience & Digital colleagues on plans to enhance the website to align with a long-term vision of ensuring the service can connect to communities and engage new audiences.

<b>17.</b> % of appointments to register births available within 5 days of enquiry	75%	95%	→	95%	→	98%	<b>81%</b>	<b>Target off track</b>
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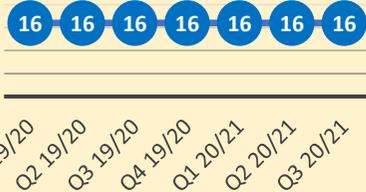
**Service commentary:** The reason the performance was below target in Q3 is that the service was balancing resources across several areas, which meant the number of appointments offered for birth registration were not at the level to meet the KPI. See more details below:

- Increased death registrations due to Covid-19 as well as other conditions (deaths are always prioritised above all other services, to support the bereaved and ensure that the overall death management process is not compromised by late registration of a death).
- Increased demand for birth registrations due to clearing backlog of birth registrations from lockdown 1.0 (where births were restricted to those in urgent need only).
- Increased pent up demand for marriage and civil partnership ceremonies which had been postponed due to lockdowns March to July and November.
- Increased customer enquiries relating to changing Government guidance and restrictions on ceremonies.
- Increased pent up demand for Citizenship ceremonies due to the Home Office recommencing the issue of naturalisation certificates.

**Mitigating action:** Mitigations have been put in place by increasing the number of birth registration appointments in Q4, but these could be reduced or fluctuate if the number of deaths continues to rise and resources need to be moved to death registration. In addition, we are seeing reduced numbers of parents coming forward due to the current lockdown and messaging about staying at home. This may create another backlog of birth registrations to be cleared at a later date, impacting further on the KPI.

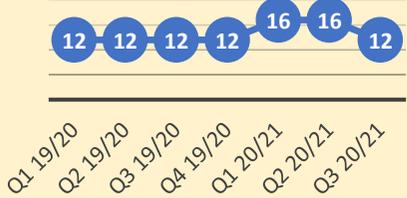
### Top scoring directorate risks

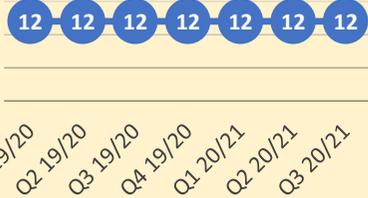
Q3 Score	Risk																		
16	<p><b>Ongoing pressures with SEN service</b> Growing number of young people in need of SEND support, causing increasing pressure on capacity and resources.</p>		<table border="1"> <caption>Q3 Scores</caption> <tr><th>Quarter</th><th>Score</th></tr> <tr><td>Q1 19/20</td><td>12</td></tr> <tr><td>Q2 19/20</td><td>12</td></tr> <tr><td>Q3 19/20</td><td>12</td></tr> <tr><td>Q4 19/20</td><td>12</td></tr> <tr><td>Q1 20/21</td><td>12</td></tr> <tr><td>Q2 20/21</td><td>12</td></tr> <tr><td>Q3 20/21</td><td>16</td></tr> </table>	Quarter	Score	Q1 19/20	12	Q2 19/20	12	Q3 19/20	12	Q4 19/20	12	Q1 20/21	12	Q2 20/21	12	Q3 20/21	16
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Q4 19/20	12																		
Q1 20/21	12																		
Q2 20/21	12																		
Q3 20/21	16																		
<b>Impact</b>	<ul style="list-style-type: none"> <li>Local Area Inspection: the WCC Inspection has been completed successfully. A post inspection review is being used to prepare RBKC (Inspections are suspended due to Covid-19). However, there will be enormous expectation on RBKC to deliver the same success. Where the outcome of an inspection results in the authority and its CCG partners being required to provide a written statement of action (WSOA), remedial action would be necessary to meet the needs and expectations of our families.</li> <li>Funding pressures in High Needs Block, particularly in RBKC: the implications of Covid-19 are likely to include an increased demand for support available for pupils with special educational needs (SEN). This includes requests to repeat an academic year, enhanced levels of specialist input and pressure to commission health services such as therapies.</li> </ul>																		
<b>Impacted KPIs</b>	No KPIs will be impacted if this risk is realised.																		
<b>Existing controls</b>	<ul style="list-style-type: none"> <li>The SEND Strategies were published in April 2018 and progress updates and refreshed action plans were published in September 2019.</li> <li>The multi-agency Children and Families Act (CFA) Executive Board provides oversight of delivery through targeted work streams. Self-evaluation is updated quarterly for reporting to CFA Board.</li> <li>Schools are engaged in a review of high needs and proposals for reducing expenditure and ensuring the funding is used in the most effective way. This will be presented to the Schools Forum.</li> </ul>	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Keep risk under review.</li> <li>Regular management oversight of local area inspection preparations, with management actions taken where necessary.</li> <li>Review of current contracts to identify potential future financial opportunities moving forward.</li> </ul>																

Q3 Score	Risk		
		<ul style="list-style-type: none"> <li>In WCC, the high needs block is under pressure but not in deficit. In RBKC there is a significant deficit which is being successfully addressed through the review.</li> <li>Additional funding announced by the DfE will further support reducing the in-year forecast unfavourable variance.</li> </ul>	
16	<p><b>School Budget Deficits</b> Schools with falling rolls and those with budget reductions of pupils are at risk of developing budget deficits.</p>		
	Impact	<ul style="list-style-type: none"> <li>Schools funding is largely driven by pupil numbers. Therefore, schools with falling rolls have reductions in their funding. Eight of the thirty three mainstream schools saw a budget reduction in 2020-21 (when comparing to their 2019-20 budgets) and fifteen of these schools have a reduction in pupil numbers. Two of the schools with reductions in funding are academies. There may also be a financial and reputational impact for the Council in supporting maintained schools to put in place financial strategies. Other schools' budgets may be at risk if schools with deficits are unable to repay them.</li> </ul>	
	Impacted KPIs	<ul style="list-style-type: none"> <li>Number of fixed-term exclusions</li> <li>% of young people who are not in employment, education or training</li> <li>A reduction in funding for schools could potentially lead to cuts and/or a reduced quality of service, and thus lead to an increase in the number of fixed-term exclusions and the % of young people who are not in employment, education or training.</li> </ul>	
	Existing controls	<ul style="list-style-type: none"> <li>Schools Forum agree the formula used to allocated budgets to schools with the aim of keeping per pupil funding reductions to a minimum, within the constraints of available resources.</li> <li>Officers ensure adherence to financial regulations and promote a wider understanding of financial management through the delivery of training to schools' staff and governing bodies. Sessions aim to provide those involved with school finances and operational and strategic decision making with a greater understanding of their budgets and their financial responsibilities so that resources can be managed effectively.</li> <li>All maintained schools provide quarterly returns to the Authority for financial monitoring and reporting, and schools with deficit recovery plans are required to provide this information on a monthly basis.</li> <li>Schools with falling rolls of more than 5% were able to apply for an allocation from the falling rolls fund. The Schools' Forum finalised allocations in March 2020.</li> </ul>	Existing controls

Q3 Score	Risk																		
		<ul style="list-style-type: none"> <li>Officers continue to support and promote the development of joint arrangements between schools and are engaging with the relevant Dioceses in relation to Voluntary Aided Church schools.</li> <li>ISOS Partnership completed the first stage of a strategic review of pupil projections and school financial management. A Strategic Group was set up for full review based on risk indicators. We are continuing engagement with schools via workshops, Schools' forum papers and support and challenge sessions with individual schools.</li> </ul>																	
15	<p><b>Failure to deliver new Marylebone library</b> If the library does not go into Seymour Leisure Centre, there is a risk that an alternative sizeable site within the Marylebone Area will not be found, as Property have not be able to source an alternative location to date.</p>		<table border="1"> <caption>Score Data for Failure to deliver new Marylebone library</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr><td>Q1 19/20</td><td>15</td></tr> <tr><td>Q2 19/20</td><td>15</td></tr> <tr><td>Q3 19/20</td><td>15</td></tr> <tr><td>Q4 19/20</td><td>15</td></tr> <tr><td>Q1 20/21</td><td>15</td></tr> <tr><td>Q2 20/21</td><td>15</td></tr> <tr><td>Q3 20/21</td><td>15</td></tr> </tbody> </table>	Quarter	Score	Q1 19/20	15	Q2 19/20	15	Q3 19/20	15	Q4 19/20	15	Q1 20/21	15	Q2 20/21	15	Q3 20/21	15
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Q3 20/21	15																		
<b>Impact</b>	Reputational, financial and service risks.																		
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>																		
<b>Existing controls</b>	The new library will be delivered as part of a remodelled Seymour Leisure Centre. We have in place a cross-team project board and project management controls, stakeholder engagement, and regular reporting to the relevant Cabinet Member.	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Engagement with project team.</li> <li>Engagement strategy implementation.</li> </ul>																
15	<p><b>Failure to achieve registrars increased income targets</b> The largest proportion of registration income is generated by ceremonies. The pandemic has meant the cessation of ceremonies for the lockdowns March to July, and again in November. In addition, when ceremonies have been permitted, they have been permitted under restricted circumstances and / or with restricted numbers. Whilst the service has worked hard to increase numbers of ceremonies delivered when ceremonies have been permitted, many couples have chosen to cancel or postpone until 2021 or 2022.</p>		<table border="1"> <caption>Score Data for Failure to achieve registrars increased income targets</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr><td>Q1 19/20</td><td>8</td></tr> <tr><td>Q2 19/20</td><td>8</td></tr> <tr><td>Q3 19/20</td><td>8</td></tr> <tr><td>Q4 19/20</td><td>15</td></tr> <tr><td>Q1 20/21</td><td>15</td></tr> <tr><td>Q2 20/21</td><td>15</td></tr> <tr><td>Q3 20/21</td><td>15</td></tr> </tbody> </table>	Quarter	Score	Q1 19/20	8	Q2 19/20	8	Q3 19/20	8	Q4 19/20	15	Q1 20/21	15	Q2 20/21	15	Q3 20/21	15
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<b>Impact</b>	Failure to meet target income of £2.3m.																		
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>																		

Q3 Score	Risk			
	<b>Existing controls</b>	We are undertaking monthly monitoring to allow mitigation where possible and accommodating as many ceremonies within Covid-19 secure boundaries to maximise income.	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Diversification of services to create multiple income streams.</li> <li>Implement a marketing strategy to drive up demand.</li> </ul>
12	<b>Delivery of savings and service failure</b> Inability to deliver savings plans in required timescale as a result of Covid-19. There have been additional cost burdens on Children’s Services as a result of Covid-19. For instance, there have been cost pressures on our short breaks service because we have enhanced provision and we have sent laptops and ensured connectivity to vulnerable children.			
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Failure to meet the needs and expectations of our customers and politicians.</li> <li>Failure to deliver a statutory service.</li> </ul>		
	<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>		
	<b>Existing controls</b>	<ul style="list-style-type: none"> <li>Our position against planned savings is reported monthly via SLT and Corporate Finance to ensure we are taking account of our financial planning. Timing of some savings reprofiled as a result of Covid-19 e.g. Registrars income.</li> </ul>	<b>Future controls</b>	Keep risk under review.

Q3 Score	Risk		
12	<p><b>Partners in Practice Programme - embedding new ways of systemic social work</b>                      The Centre for Systemic Social Work is moving towards financial sustainability but is not functioning on this basis yet.</p>		
	Impact	<p>If the Centre for Systemic Social Work is unable to become financially sustainable Children’s Services will either subsidise the running of the centre or close it. The centre provides all year one and year two systemic training for practitioners and managers. If the centre closes, the core training function will be transferred to the workforce development team at a cost of £50k for RBKC and £50k for WCC. A decision would need to be made if any other functions of the centre need to be retained and where these would be transferred to.</p>	
	Impacted KPIs	<ul style="list-style-type: none"> <li>• Number of referrals to social care.</li> <li>• Number of re-referrals to social care within 12 months.</li> </ul> <p>If the Centre for Systemic Social Work is unable to provide training for practitioners and managers, we may experience a momentary disruption as the core training function is transferred to the workforce development team, and therefore experience a reduction in the quality of our social care service. This could lead to increased referrals and re-referrals to social care.</p>	
	Existing controls	<ul style="list-style-type: none"> <li>• Partners in Practice (PiP) Programme Board are actively managing risks and monthly reports by exception are provided to Children's Services SLT. We have a wealth of experience within the boroughs in designing and delivering systemic training.</li> <li>• Two of the programmes delivered by the CfSSW have been accredited by the Association for Family Therapy (AFT).</li> <li>• The Department for Education (DfE) monitors the progress of the PiP Programme both locally and nationally with regular meetings taking place, including national roundtable board meetings with the Directors of Children Services.</li> <li>• Similarly, the DfE also monitors the Practice Leaders Development Programme, with quarterly monitoring meetings taking place.</li> <li>• Ongoing monitoring of the PiP budget takes place via regular meetings of the PiP Programme Board. Funding from the DfE is confirmed until March 2021 and the business continuity plan is being reviewed to ensure sustainability from April 2021</li> </ul>	Future controls

Q3 Score	Risk		
12	<p>Rates of fixed-term exclusions in secondary schools continuing to rise</p>		
	Impact	<p>This would cause disruption to the progression in the learning of young people, their educational and life outcomes and increased risk of being criminally exploited. Schools could also receive a negative Ofsted inspection rating.</p>	
	Impacted KPIs	<ul style="list-style-type: none"> <li>• Number of fixed-term exclusions</li> <li>• % of young people who are not in employment, education or training</li> <li>• Number of first-time entrants to the criminal justice system</li> <li>• Number of Serious Youth Violence Offences</li> </ul> <p>If fixed-term exclusions continue to rise, these individuals may suffer disruptions in their educational progression and consequently their employment opportunities. Being excluded from the school environment may also lead to individuals being criminally exploited.</p>	
	Existing controls	<ul style="list-style-type: none"> <li>• There is targeted multi-agency work with those schools where exclusions are an issue, including meetings with heads over the next few weeks.</li> <li>• School Standards, Early Help and alternative provision behaviour outreach support is already in place and we are piloting inclusion work with a small number of schools which encompass more than 20 pupils. Our intention is to expand this to more schools and more than three times the number of young people – subject to a successful outcome of an external funding bid to the Home Office’s Youth Endowment Fund submitted on 23 July.</li> <li>• All secondary schools in WCC are being offered Trauma Informed training by the Early Help Service in WCC. Plans are underway for this offer to be made in RBKC schools.</li> <li>• In November, evidence from school visits of fixed term exclusions were down on the previous year. Local data to be pulled together to confirm the current picture.</li> <li>• In June, permanent exclusions were down by a significant amount in both boroughs compared to the same time the previous year (RBKC 2 in Autumn 2019 compared to 7 in Autumn 2018, WCC 5 in Autumn 2019 compared to 10 in Autumn 2018). Fixed term exclusion %’s were lower (than previous year) but only one term’s data was available and due to the covid-19 lockdown it’s not known how this would have changed over the year.</li> </ul>	Future controls

Q3 Score	Risk		
12	<p><b>Increased placement demand for Look After Children</b>                      Looked after Children numbers are rising, due to an increase in Unaccompanied Asylum Seeker Children (UASC) and there is an increasing demand for placements.</p>		
	Impact	<p>The increased demand in placements creates a financial pressure on the Council as well as pressure on our capacity to manage this demand. Without mitigations, this will lead to financial overspend. The Pan London rota continues to operate. However, capacity across the whole of London has been impacted. London authorities are now mostly at their 0.07 quota per 10,000 population, limiting the Pan London transfer scheme to small numbers of transfers from Croydon. This means that the potential number of UASCs coming into the authorities (especially for Westminster) may increase dramatically in the coming financial years. The numbers of UASC arriving in Westminster are likely to remain the responsibility of Council. Modelling, using trend analysis, highlights a net financial increase in Looked After Children due to numbers of UASC presenting by £0.650m per annum reflecting an average increase of 49 children per annum cumulatively.</p>	
	Impacted KPIs	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>	
	Existing controls	<ul style="list-style-type: none"> <li>Regular review and monitoring of current placement costs including a breakdown of how these costs are made up.</li> <li>In response to this some additional capacity has been created by Labour councils have increased their threshold to 0.08% to support primarily Croydon where most arrivals present due to the location of the Home Office arrivals unit.</li> <li>Implementation of a new Placement Strategy in 2019/20 as part of a wider transformation review of Looked After Children Placements.</li> <li>The Lead Member is kept informed on a regular basis as to the current position and potential financial implications</li> <li>A Looked after Children tracker and financial placement models are in place to monitor numbers, need and cost.</li> <li>Forecasting future demand and sufficiency planning are in place over the medium term to 2022/23.</li> <li>Regular lobbying of government regarding this issue.</li> <li>Ensuring the consultation on the Spending Review for Local Government has a robust response regarding the financial pressures created by LAC and in particular rising UASC numbers in Westminster to ensure the final settlement meets the needs of the borough.</li> <li>Local authorities have continued to lobby government considering the lack of success of the National Transfer Scheme in relieving pressure on local authorities with high numbers of spontaneous arrivals, however there are no current planned legislative changes. Local authority regions are collectively working on a proposal for a national rota however this is still in the developments stage and it remains unclear whether all authorities would voluntarily commit to this.</li> <li>The spending increase announced by the home office is helping reduce the financial demands on the service. A paper is due to be presented for a capital 'invest to save' bid to acquire new accommodation to satisfy the demand for UASC placements.</li> </ul>	<p><b>Future controls</b></p> <ul style="list-style-type: none"> <li>Keep risk under review.</li> <li>Monitoring of current placement costs.</li> <li>Forecasting future demand and sufficiency planning in place Continue lobbying government regarding issue.</li> </ul>

# Environment and City Management

## Achievements

### **Addressing Climate Emergency**

A ground-breaking roadwork scheme (Low Carbon Street Pilot – King Street) has been completed exclusively using electric vehicles, tools, welfare, and recycled equipment. Electric Vehicle (EV) charging points were installed for the project will remain in place for local resident use. The use of EVs removed the traditional need for diesel and petrol engines our initial findings estimate that this cut carbon emissions by almost 75% compared to traditional industry methods and reduced noise pollution for residents.

Westminster is leading the way in on-street Electric Vehicle (EV) provisions (chargers) per capita in the country with 632 EV charge points installed on the highway (One for every 412 residents). The target is to hit one for every 250 residents by the end of March 2021.

Installation of low energy LED street lights – 7000 low energy lanterns with a central management system that allows remote monitoring and control have been installed to date across the City. 5000 lanterns remain to be changed and the programme is due to be completed by the end of March 2022.

### **Outbreak Management**

Winter Hospitality Plan/Licensing - the directorate has recognised the need to support businesses operating during Covid-19 and was quickly able to adapt to a more supportive approach in order to support businesses to remain viable. Through support of our licenced premises and the hospitality industry and in conjunction with the Council's movement strategy we were able to deliver numerous highway and hospitality schemes to enable outdoor dining in a Covid-19 compliant environment. We continue to provide hundreds of businesses the ability to continue operating through the different restrictions placed on them.

Management of Tier 2,3&4 and Lockdowns - using existing resources, we have been able to confidently manage these emerging issues using the existing and new enforcement powers available.

There was little change in the directorate's approach to the new Tier 4 rules implemented on 20 Dec 2020 and subsequently the Lockdown in January 2021, following on from adopting Tier 3 rules weeks earlier. Officers continued to focus on ensuring premises were operating within the rules. Overall compliance has remained high. New Year's Eve was quiet as expected, with the main focus being on a few unlicensed music events (UMEs) taking place across Westminster.

Establishment of asymptomatic testing centres - with the continued high infection rates, Westminster are undertaking everything possible to protect people by stepping up the fight against Covid-19 with local targeted testing allied with our robust track and tracing process. We have mobilised our resources rapidly to be able to set up three new testing centres, largely staffed by the Council's Public Protection and Licensing department with additional

colleagues from the Westminster Employment Service with 7800 tested by the end of December and at the time of writing, 22,078 tests have been undertaken. Because of our experiences at the Harris Academy test site (set up as a pilot test centre on 14 December 2020) and the work with public health colleagues to develop asymptomatic testing, we are being used as an example of good practice; our operating procedures have been shared across London and we have been supporting colleagues in Camden and Tower Hamlets to roll out lateral flow testing in their boroughs, as well as providing support and guidance to schools to set up testing. For contact tracing we have been able to use the expertise of our environmental health officers, trained in infectious disease control, to trace contacts that have not been traced by the national test and trace programme.

Moberly Sports Centre and Little Venice Sports Centre are both up and running as Asymptomatic Covid-19 mass testing sites since 17 December 2020 despite the site being closed due to Tier 4 and now 3<sup>rd</sup> Lockdown restrictions.

### **Awards**

We were awarded the Circular Economy Award in December 2020 for our innovative work with Veolia in upcycling two end-of-life diesel-powered waste vehicles to fully electric. The vehicles have zero tail-pipe emissions and we therefore avoided having to scrap the vehicles.

In October 2020 we were awarded 27 Green Flags this year (24 in parks and 3 housing sites). This is two more than last year (Berkeley Square and Leicester Square are the newest Green Flag sites). The Green Flag Award scheme recognises and rewards well managed parks and green spaces, setting the benchmark standard for the management of recreational outdoor spaces across the United Kingdom and around the world. The Green Flag Award scheme is the international quality standard for parks and green spaces and 2020 saw a record-breaking 2,061 achieved the award in the UK.

### **Jubilee Phase 2 Project – Community Engagement & Social Value Initiatives**

The Council successfully lobbied a developer, EcoWorld London (EWL), to provide package of social value/community initiatives totalling over £10K in Queen's Park ward during this very challenging time for communities due to the pandemic. The legal agreement relating to this phase of the wider Moberly and Jubilee redevelopment programme did not quantify the social value outputs required by the Council, yet the project team has still worked closely with the developer to secure a variety of initiatives across Queen's Park, which is one of Westminster's most socially deprived wards experiencing greater health inequalities than in other areas.

Digital Futures: WCC has partnered with the Young Westminster Foundation to provide free laptops to vulnerable young people and families in receipt of Free School Meals. A donation of **£1500** will provide a laptop and connectivity for 12 months for 5 families. EWL will commit to providing financial support for 10 families totalling £3,000.

Window Wanderland: WCC have successfully worked with an organisation called Window Wanderland to create festive window art illuminations within our nursing homes and

sheltered schemes, and resident blocks in Harrow road. EWL has committed funding of **£700** sponsorship which will pay for the toolkit. **Winter Wonderland** project has been a great success over the Christmas period and the Council has received excellent feedback from local people and the schools and care homes involved.

Careers and Enterprise with schools: Sponsorship of **£1,000** towards STEM week 2021 and a careers event for Westminster secondary schools with a big focus on STEM & Business & Professional Services apprenticeship opportunities.

Avenues Youth Project: EWL has committed **£500** to funding food supplies for the most vulnerable residents and those isolated due to the Covid-19 Virus.

Women's Only Bike Training – Harrow Road: EWL will work with WCC to support training for women to learn to cycle safely in the Harrow Road ward. This project can be delivered when London pandemic status reduces to Tier 2.

Toy Drive: Donations across the business with a target of £500. Toys to be provided to families in need and to the local nursery and primary school.

## **Issues**

### **Financial Pressures**

The Government announcement of a third nationwide lockdown from January 2021 will have a significant financial impact on ECM budgets. The services within the Directorate generate significant commercial income to fund services and these will be further impacted by the 3<sup>rd</sup> lockdown during 2020/21.

As at the end of November the projected income shortfalls to 31<sup>st</sup> March 2021 are £37m which has partly been mitigated by reductions in spend. It is expected that the declines in income will continue following the Government's announcement of a 3<sup>rd</sup> lockdown. The Government is making additional funding available to local authorities to mitigate the income declines, but this will not fully fund the income declines.

There is also a risk that external funding from TFL and developers will be reduced, and this will impact schemes in the capital monitor.

To date (December 2020), £2.6 million has been committed to Movement Strategy measures wider footways, additional cycle lanes or support for the reopening of the hospitality industry. £0.5m has been gained from third party funding sources to date. Efforts continue to identify other sources of income to support the initiatives.

### **Management of On Street Issues**

**Park Lane** has been a major rough sleeping hotspot and encampment that the Council and partners have been trying to resolve for some time. The area is privately owned and managed by TfL, as the highway authority, creating some specific difficulties with the types

of interventions the Council can lawfully take in trying to reach a solution. This challenge has been further compounded with the significant deficiencies in the powers that the Council and our partners have when trying to support individuals, to remove tents, or in tackling behaviours that are having a direct impact on the local residents, business community, and visitors.

The Council's Neighbourhood Coordinator continued to arrange joint weekly patrols with the Integrated Street Engagement Unit (ISEU), the Metropolitan Police Service (MPS) while other options were being sought.

Following WCC legal advice to TfL in November 2020 outlining their responsibility, and subsequent conversations with the Freeholder, The Crown Estate, TfL have been more solution focused resulting in the following interventions.

ISEU conducted a patrol of the area on 14th January 2021 with the Street Engagement Team (SET) from the MPS and Immigration officers from the Home Office (HOIE). They observed all tents and wooden structures were vacant and the site looked like it had been abandoned.

The next day a joint operation with partners cleared the reservation of all debris, tents and structures. On the back of that operation, TfL have put up over signage showing the entire central reservation is now subject to Section 61 of the Criminal Justice and Public Order act 1994, which prohibits anyone in groups of two or more from residing for any period of time, and damaging the land or property. We believe this action and our regular visits to ensure any breaches are enforced should see this site being free of further tents and encampments.

Other locations of concern – In and around Edgware Road Recent patrols of the area have found reduced begging and rough sleeping. A group of individuals remain but are more scattered with their sleep sites, rather than in large congregations. The most recent Street Population count found no individuals in Edgware Road, and only 2 tents under the Marylebone Flyover.

Our Integrated Street Enforcement Unit (ISEU) have recently been concentrating resources on an encampment under Hungerford Bridge on Victoria Embankment. It has become apparent that tents have been abandoned by their occupants and numerous visits at different times of the day and early hours have found the tents empty. Bags of food and essentials, left by charities and outreach, had built up outside the tents compounded by the rotting food found scattered around the area, inside tents and the evidence of a rodent infestation.

ISEU liaised with our partners from outreach to ascertain the occupancy of the tents and if there had been any recent engagements. We were informed that they had only encountered one female at the location and that she was now engaging with services. They also advised that it was their belief that all the other tents were unoccupied. As a result, ISEU and Veolia effected a clearance that disposed of eight tents and other general material.

**The area is now cleared as of 13 Jan 2021, clean and safe for the public to access.**

**Unlicensed Musical Events**

During the Pandemic particularly following the first lockdown, Westminster has experienced a number of unlicensed music events (UMEs), generally parties at residential or commercial addresses involving large numbers of attendees. The events were causing significant noise and anti-social behaviour as well as being in breach of Covid-19 safety requirements. The size and organised nature of some of these events, and the behaviour of attendees made it extremely difficult to close them down. However, a planned and targeted approach between the Council and Police has been successful in carrying out enforcement action to prevent reoccurrence.

One such example of successful joint activity has been at a venue known as El Prince on Edgware Road. Evidence over a number of weekends of activity at this venue resulted in a large-scale operation over the weekend of 9/10 January. 150 people were found inside the venue holding a birthday party, with music, alcohol and shisha smoking. Four arrests were made, and 17 Covid-19 fines issued at the time. Police put a temporary closure order in place whilst evidence and statements were gathered to support application for a full closure order. A full closure lasting 3 months was granted at Westminster Magistrates on 15 January. We await confirmation from the owners of the Head Lease, Criterion, of how the premises will be secured going forward. The DJ at this party had equipment seized and has been issued a £10,000 fine.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

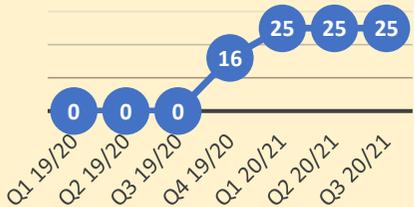
<b>Target range definitions</b>	<b>Minimum</b> <b>Ideal</b> <b>Aspirational</b>	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	<b>Target assessment definitions</b>	<b>Target off track</b> <b>Target exceeded</b> <b>Target on track</b> <b>Minimum standard met</b>	Off track to meet the minimum target level Exceeded ideal target level On track to meet the ideal target level Met the minimum target below ideal level
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Key performance indicator	Q2 2020/21 position	2020/21 target ranges					Position at Q3	Target assessment	Other contextual insight
		Minimum	→	Ideal	→	Aspirational			
1. % of urgent lighting defects made safe within agreed timescale	100%	95%	→	98%	→	100%	100%	Exceeded	
2. % of carriageway and footway defects repaired or made safe within 24 hours	99.7%	95%	→	98%	→	100%	99%	On Track	
3. % of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision.	100%	70%	→	80%	→	90%	95%	Exceeded	
<b>Service commentary:</b> The Licensing Sub-Committee determines 2 cases a week through a virtual hearing, after which the formal decision is produced within 5 working days. The Licensing Service has successfully issued 95% of these licences within 28 days which is a great achievement. The service will ensure it maintains its focus on exceeding this performance indicator throughout Q4 by continuing to work effectively and efficiently with Sub-Committee Members and Committee Services.									
4. To complete all high-risk food premises inspections (category A-B)	68%	100%	→	100%	→	100%	68%	Off Track	
<b>Service commentary:</b> Food hygiene inspections are completed based on their due date, which is calculated depending on their category, which means that the number may vary each quarter.									
<b>Mitigating action:</b> 1. The food premises are affected by the Covid-19 restrictions and a number of them are closed during this time. In current situation of Covid-19 restrictions and social distancing physical inspections take longer. In certain situation the officers undertake remote assessments, which take additional time. The officers are also involved in other Covid-19 work and food complaint investigations in addition to their day to day responsibilities for food hygiene inspections. 3. Westminster City Council food officers completed the highest number of food hygiene inspections in the whole country (according to data shared by Food Standards Agency in August 2021)									

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight	
		Minimum	→	Ideal				→
5. Number of Houses of Multiple Occupation (HMOs) improved (buildings with more than one household including shared facilities)	19	50	→	65	→	75	30	Off Track
<p><b>Service commentary:</b> The number of HMO's improved this year is expected to be lower due to a pause for much of the year in undertaking proactive inspections of such properties. Whilst officers have been responding to urgent situations in HMO's, full building inspections and resulting 'whole building' improvements that contribute to this figure will continue to be lower due to the risk-based approach we are taking for proactive work.</p> <p><b>Mitigating action:</b> The service continues to be restricted through the ongoing pandemic and the restrictions that have been put in place. Issues of an urgent nature continue to receive necessary response to safeguard tenants and living conditions.</p>								
6. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety	126	300	→	375	→	450	173	Off Track
<p><b>Service Commentary:</b> The removal of housing hazards has also been severely impacted by this year's pandemic. The service has had to take an increased risk-based approach in responding to complaints, and this has resulted in dealing with issues mainly through remote means. Issues of a more urgent nature continue to receive service as normal. The pandemic, and recent lockdowns, have hindered the completion of works in properties at times, and have impacted on enforcement activities. The number of Category 1 hazards removed is therefore likely to be lower for this financial year. It is also noted that 247 Cat 2 hazards have also been removed to date.</p> <p><b>Mitigating action:</b> The service continues to be restricted through the ongoing pandemic and the restrictions that have been put in place. Issues of an urgent nature continue to receive necessary response to safeguard tenants and living conditions.</p>								
7. % of licensed premises that are safe and well managed following a single inspection (COVID-secure)	99.7%	80%	→	90%	→	100%	85%	Minimum Target Met
<p><b>Service commentary:</b> There were 348 premises visited during this quarter the majority of those were unlicensed venues. Approximately 70 licensed venues were provided with advice on the Covid-19 regulations. These licensed premises were visited specifically due to Covid-19 issues and the 85% figure is based on these visits only. Hence this is why this report reflects a lower level of well managed 'licensed premises'.</p> <p><b>Mitigating action:</b> City Inspectors are not, as a matter of course visiting licensed premises to carry out BAU inspections due to the pandemic and the majority of the venues being closed due to Tier 3/4 restrictions or Lockdown.</p>								
8. Number of vulnerable residents supported to continue living in their homes	252	400	→	500	→	600	615	Exceeded
9. % of women accessing specialist domestic abuse services who report a reduction in abuse	68%	75%	→	75%	→	80%	Data not yet available until March 2021)	Not yet available as per comments
<p><b>Service commentary:</b> Data for this KPI is provided by an external agency and not collated at the same time as our quarterly reports. We should expect data for Q3 by March 2021.</p>								

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight		
		Minimum	→	Ideal				→	Aspirational
10. Total participation in Council sports, leisure and wellbeing activities	699,106 (68%*) *% of projected pre-Covid-19 target	3.5m	→	3.7m	→	3.8m (annually)	705,214 (68% of projected pre-Covid-19 target for Q3) Annual to date = 1,958,136	Off Track	
<p><b>Service commentary:</b> The global Leisure industry is not expected to meet pre-Covid-19 levels but attempt to slowly build on the growing confidence of users. Following the first national lockdown, usage of Leisure Centres was increasing monthly until Lockdown 2.0 on 5 November 2020 – 2 December 2020 leading to further tiered restrictions and Lockdown 3.0. Leisure usage follows similar trends reported in the 4Global leisure recovery report. PRG casual usage has decreased since Q2 but has shown an increase of approximately 10% compared to the same time period in 2019-20. Overall, PRG usage has increased through the year when compared to 2019/20. At the end of Q3, total usage to date is 1,958,136 (68% of the total pre-Covid-19 yearly target).</p> <p><b>Mitigating action:</b> 1. Reduced operating hours as agreed through contract negotiations and 2. Lockdowns and Tier 4 system introduction.</p>									
11. Ensuring parking compliance across the City is over 97%	Q2: (n/a as biannual reporting)	97%	→	98%	→	99%	98%	On Track	
12. Availability of residents parking in Westminster (Ratio of residential permits issued against parking bays available on the street)	87%	85%	→	90%	→	95%	85%	Minimum Standard Met	
<p><b>Service commentary:</b> Increased demand for Resident Permits and the suspension of a number parking bays as part of the Covid-19 Movement Strategy continues to have an effect on availability in some parking zones. However, this was slightly exasperated in Q3 due to additional drain cleaning/tree works being carried out in November.</p> <p><b>Mitigating action:</b> If required pay to park bays will be made available for resident use.</p>									
13. % of streets in Westminster that pass the street score survey for litter	96%	98%	→	98%	→	98%	98%	Exceeded	
<p><b>Service commentary:</b> An improvement in Q3 over Q2, largely due to an improvement in collection of litter around parked cars.</p>									
14. % of visits to Sayers Croft services compared with 2019/2020 (New KPI)	1,793 visitors (8%)	19,000	→	21,000	→	23,000	11% 2,246 visitors	Off track	
<p><b>Service commentary:</b> All services impacted by the Government Covid-19 restrictions. Improvement due to some easing of restrictions which allowed day visitors and family residential, but the largest service which accounts for more than half of the visitors being the school residentials, has not been permitted in any format under the pandemic restrictions since March 2020.</p>									
15. Number of emergency planning exercises completed	Q1: 0 Q2: 8	6	→	7	→	10	9	Target on track to exceed	While the majority of BAU exercises were cancelled, including all those relating to large scale events, there have been a number of pandemic specific exercises undertaken.

**Top scoring directorate risks**

Q3 Score	Risk																	
25	<p><b>COVID-19 Pandemic</b>                      Novel coronavirus (Covid-19) is a new strain of coronavirus first identified in Wuhan City, China at the end of 2019. Generally, the coronavirus can cause more severe symptoms in people with weakened immune systems, older people, and those with long-term conditions like diabetes, cancer and COPD (chronic obstructive pulmonary disease). As of 31st December 2020, a total of 52,560,089 have been tested in the UK, of which 8,358 were confirmed as positive within Westminster. 157 patients who tested positive for Covid-19 in Westminster have died. Assistance from Bi-borough Public Health providing daily Public Health data, advice and guidance.</p>																	
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<b>Impact</b>	<p>The virus has the capacity to transmit quickly amongst the population. The current case fatality rate is estimated to be around 1% with higher fatality rates seen in older age groups and those with underlying health conditions. Wave 1 saw a disproportionate impact on black and minority ethnic communities and in more deprived communities. The worst case scenario is that 80% of the population will be infected with the virus. The Government is advising that up to a fifth of the workforce may be off sick during the peak of an epidemic in the UK.</p> <p>Whilst in many ways the Council is better prepared for subsequent waves with many processes established to maintain pandemic responses and business as usual activity, this should be considered in the context of a workforce and community already fatigued and less resilient.</p>																	
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>To complete all high-risk food premises inspections (category A-B). The food premises are affected by the Covid-19 restrictions and a number of them are closed during this time. This target may be threatened in the future if restrictions do not lift.</li> <li>Number of Houses of Multiple Occupation (HMOs) improved (buildings with more than one household including shared facilities). The current risk-based approach to proactive work will remain in place if the situation with Covid-19 does not materially improve.</li> <li>Number of hazards removed from residential dwellings which pose a serious and immediate threat to people’s health or safety. The removal of housing hazards has been severely impacted by this year’s pandemic as the service has had to take a risk-based approach in responding to complaints. The pandemic and the restrictions imposed by the Government may continue to hinder the completion of works in properties and impact enforcement activities.</li> <li>% of licensed premises that are safe and well managed following a single inspection (COVID-secure). This KPI has been refocused to capture that inspections have been focused on compliance with Covid-19 regulations.</li> <li>Total participation in Council sports, leisure and wellbeing activities. Covid-19 has led to closure of multiple leisure centres and led to restrictions around gathering for sports and wellbeing activities. This may continue if the situation with the virus does not improve.</li> <li>% of visits to Sayers Croft services compared with 2019/2020. Covid-19 has led to closure of multiple leisure centres and led to restrictions around gathering for sports and wellbeing activities. This may continue if the situation with the virus does not improve.</li> </ul>																	
<b>Existing Controls</b>	<ul style="list-style-type: none"> <li>The Council has been monitoring cases and ensuring we are prepared. Following government advice, there is a resurgence of the virus with many parts of London and the UK experiencing a wave of positive cases. Governance arrangements are continuing, and the WCC Strategic Group is meeting weekly to co-ordinate activity. This arrangement will be revised as the scale and impact of subsequent waves change.</li> </ul>	<p><b>Future Controls:</b></p> <ul style="list-style-type: none"> <li>Continuation of Covid-19 testing (symptomatic and asymptomatic).</li> </ul>																

Q3 Score	Risk																			
	<ul style="list-style-type: none"> <li>Service areas have been asked to review their business continuity plans in the event of subsequent waves or national restrictions, focussing on service delivery of their statutory and essential services. This should include contingencies for redeployment of staff as were seen in the first lockdown.</li> <li>Generic risk assessment for WCC colleagues has been developed both for office based and front-line staff. Control measures have been implemented as appropriate.</li> <li>Pan-London Governance arrangements have been stepped up with a London wide SCG is coordinating activity across London. A Tactical Delivery Group is taking place weekly with all directorates in attendance. This group is coordinating responses to business continuity, staff health and safety, human resource guidance alongside the impact on service delivery and vulnerable groups.</li> <li>Testing facilities (Mobile &amp; Local) have been set up in Hyde Park, with further testing facilities set up in Church St and Paddington Rec and being developed in other areas. Additionally an extra testing facility location in the south of the borough is also evaluated to be set up. Consideration is being given to local contact tracing.</li> <li>Government introduced further restrictions (Tier 4) on the London area. Tactical is closely monitoring infection rates and likelihood of 3rd national lockdown.</li> <li>Identification of vaccination sites which will be lead by NHS.</li> </ul>			<ul style="list-style-type: none"> <li>Ongoing planning for outbreak management/test &amp; trace. Service escalation plans in response to escalating infection rates.</li> </ul>																
16	<p><b>Reduction in income and grant funding across Environment and City Management</b> There is a risk that the Council experiences a reduction in income and grant funding across Environment and City Management due to impact of Covid-19.</p>		 <table border="1"> <caption>Score Trend</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr><td>Q1 19/20</td><td>0</td></tr> <tr><td>Q2 19/20</td><td>0</td></tr> <tr><td>Q3 19/20</td><td>0</td></tr> <tr><td>Q4 19/20</td><td>0</td></tr> <tr><td>Q1 20/21</td><td>0</td></tr> <tr><td>Q2 20/21</td><td>0</td></tr> <tr><td>Q3 20/21</td><td>16</td></tr> </tbody> </table>		Quarter	Score	Q1 19/20	0	Q2 19/20	0	Q3 19/20	0	Q4 19/20	0	Q1 20/21	0	Q2 20/21	0	Q3 20/21	16
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<b>Impact</b>	Impact on directorate budgets which may mean savings are needed to be made elsewhere.																			
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>A reduction in income and grant funding across Environment and City Management inherently threatens all the services in the directorate, and thus threatens our ability to meet all KPI targets included in the report.</li> </ul>																			
<b>Existing controls</b>	<ul style="list-style-type: none"> <li>ECM services generate commercial income of circa £140m to offset costs of service provision. There continues to be a risk that the level of income and grant could reduce significantly due to the third lockdown announced by the Government on January 2021. This could continue beyond 2020/21 due to future lockdowns and potential downturn in the economic environment. We are experiencing reductions in parking, road management, commercial waste and licensing income. Some funding has been made available to mitigate the impacts, but this is not expected to be fully funded.</li> </ul>	<b>Future controls</b>	Monthly ECM budget challenge monitors income and agrees strategies to reduce spend and increase income to mitigate any shortfall.																	

Q3 Score	Risk																		
16	<p><b>Continued decline in demand for Paid for Parking and Permits</b>                      There is a risk that the Council experiences continued decline in demand for Paid for Parking and Permits.</p>		 <table border="1" style="display: none;"> <caption>Q3 Scores by Quarter</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr><td>Q1 19/20</td><td>0</td></tr> <tr><td>Q2 19/20</td><td>0</td></tr> <tr><td>Q3 19/20</td><td>0</td></tr> <tr><td>Q4 19/20</td><td>16</td></tr> <tr><td>Q1 20/21</td><td>16</td></tr> <tr><td>Q2 20/21</td><td>16</td></tr> <tr><td>Q3 20/21</td><td>16</td></tr> </tbody> </table>	Quarter	Score	Q1 19/20	0	Q2 19/20	0	Q3 19/20	0	Q4 19/20	16	Q1 20/21	16	Q2 20/21	16	Q3 20/21	16
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<b>Impact</b>	A decline in revenue across most parking income streams is expected this financial year resulting in a net risk to the Parking Service budget.																		
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this is realised as there are no KPIs set around parking demand.</li> </ul>																		
<b>Existing controls</b>	Full city-wide rollout of Diesel Surcharge in 2019/20 Q2 and surplus revenue generated from suspensions has helped mitigate the current deficit. Charging increases via the 2020 Corporate Fees & Charges Review should also have a positive effect.	<b>Future controls</b>	A number of commercial opportunities investigated in order to help mitigate the expected deficit across various income streams.																

## Finance and Resources

### Achievements

#### Retro-Fit Accelerator ITT Partner Bid – Property

Retrofitting the current building stock is a vital part of meeting our emissions reduction targets and using energy in a more efficient, sustainable way. The Energy Team, with the guidance and steer of Procurement, have commenced engagement with the GLA's RE:FIT Framework as a 'route to market' in order to deliver what will be an extensive programme of energy efficiency retrofit projects. The Retrofit Accelerator ITT Partner Bid went live on CapitalESourcing Monday 30 November 2020 with the purpose to select and appoint a delivery partner to implement an extensive programme of energy efficiency retrofit projects across WCC's operational buildings. The tender evaluation is in January 2021, and the preferred bidder appointment in February 2021.

This achievement will result in a reduction of carbon emissions. A delivery partner will be selected to implement carbon reduction measures through retrofit projects. The carbon footprint of the corporate estate will reduce and contribute to the Council's climate emergency response and pathway to net-zero carbon emissions by 2030.

To help achieve our ambition of significant reductions in energy use and carbon emissions. The investment grade proposal (IGP) Phase will identify the target parameters to achieve across three levels. An example is shown below:

Level	Minimum energy savings	Minimum CO2 savings	Maximum Payback Period
Foundation Level Retrofit - Baseline Performance	20%	20%	8 years
Intermediate Level Retrofit - Medial Performance	50%	50%	11 years
Ultimate Level Retrofit - Optimum Performance	As high as possible within payback	As high as possible within payback	15 years

The target parameters will be identified in discussion with the selected Service Provider before the start of any IGP Phase. It will take into consideration elements including the Premises, their use, expected lifetime (current and overall usage), funding availability and strategic importance. *Foundation Level Retrofit* is seen as a baseline level of savings with a solid business case. *Intermediate Level Retrofit* will allow more comprehensive change to be considered and may be appropriate for key locations with a longer expected lifetime in their current use. *Ultimate Level Retrofit* will deliver measures vital to achieving the carbon neutral targets of the Council across its estate as holistically as is practicably possible.

**Data Centre migration delivered - IT**

The Westminster Housing (former City West Homes) Data Centre in Grosvenor Place hosts a range of applications and data used by the Housing department. IT completed migration of Westminster Housing Data Centre migration from on-premise location to Microsoft Azure Cloud.

The Legacy Housing data centre inherited from City West Homes was not fit for purpose and came close to failing last summer due cooling limitations of the building. This caused IT data centre equipment to overheat and fail which would have seriously impacted Housing Services. Now that data centre is migrated to the cloud reliability, resilience and security of housing IT services is significantly improved.

**Infrastructure managers hired for WCC pension fund****Infrastructure managers hired for WCC pension fund**

The Pension Fund has concluded its procurement exercise for two renewable infrastructure managers, appointing Quinbrook and Macquarie to manage £50m each. This paves the way for £100m of renewable energy infrastructure investment, with capital drawdowns starting in early 2021. The two managers will buy direct renewable energy infrastructure assets, which are intended to enhance and preserve future fund valuations, as well as providing CPI inflation protected income and generating uncorrelated investment returns. Income generating assets are required as the pension fund needs income to cover its operational cash deficit (contributions versus pensions paid). Investments will be predominantly operational assets, as well as greenfield construction assets, where the projects have been developed and construction risk is mitigated to a large extent. The allocation will result in further diversification of the portfolio, reducing overall investment risk. The investment will also provide ancillary benefits of carbon offset.

**Supply Chain Resilience & Covid-19 – Procurement & Commercial Services**

We have continued to monitor the impact the Covid-19 pandemic is having on our providers and supply chains. The Supply Chain Resilience Forum (SCRF) has continued to review requests from providers where their financial situation has deteriorated, or they are unable to meet their contractual obligations. Although the number of relief requests has slowed in the period to December, the forum will continue to operate as the latest wave of the pandemic works through. The focus of the SCRF will turn to the 'open book' review of the agreements that have reached the end of their term and the potential impact of Brexit on our supply chains. The total value of relief measures for WCC suppliers to date stands at £1.591m.

**Issues**

There were no issues reported.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

<b>Target range definitions</b>	<b>Minimum Ideal Aspirational</b>	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	<b>Target assessment definitions</b>	<b>Target off track</b> <b>Target exceeded</b> <b>Target on track</b> <b>Minimum standard met</b>	Off track to meet the minimum target level Exceeded ideal target level On track to meet the ideal target level Met the minimum target below ideal level
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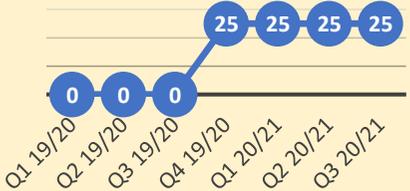
Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
1. Number of days taken to collect debt	72.27 days (Sep P6)	71 to 90 days	→ 61 to 70 days	→ 1 to 60 days	92.48 (Dec P9)	Minimum standard met	<p><b>Service commentary:</b> Debtor days increased substantially from 83.83 days in P9 to 92.48 in P9.</p> <p><b>Mitigating action:</b> “Debtor Days” for sundry and adult social care. There are factors that remain uncontrollable with this measure, the main being that income is not raised evenly throughout the year. There will be spikes in some months, where a large value or volume of invoices are raised which will increase the debtor days for payment at the date of the measure. We have split this into 3 targets (Minimal, Ideal and Aspirational). The largest contributor to the increase relates to £2.3m raised to RBKC. £1.4m raised in P9 for internal and external Legal Business support, which remains outstanding, in 2019/20 half of this invoice was raised in P7 and cleared in P8 the subsequent half was raised in P10. In addition, RBKC have an invoice for £900k outstanding for bi-Borough S113 staffing recharges covering P1 to P8, which remains outstanding. In 2019/20 only P1 to P6 had been raised and also cleared before P9.</p>
2. Debt position 90-day change	£19,346 (Nov P8)	90 to 180 days 0% decrease	→ 181 to 365 days 1% decrease	→ >365 days 3% decrease	£20,188 4% increase	Target on track	<p><b>Service commentary:</b> Debts aged 90 to 180, 181 to 365 &amp; &gt;365 days all decreased or remained the same. There was an increase from £19,346m to £20,188m across all debts.</p> <p><b>Mitigating action:</b> Given that our average debtor days are 92, we would expect invoices in 0 to 29, 30 to 59 and 60 to 89 to be paid within the time frame. Anything not paid will start to fall into 90 to 180, which is where our KPIs identify performance. The contributing factors to the total debt figure £20,188 are: NHS Central London &amp; West London had £3.1m raised in P8 which remains outstanding., in addition they also have invoices for £3.3m outstanding from P7. £890K NHS aged debt are for Facility Management and capital works relating to prior years and currently part of an ongoing dispute with the NHS £2.3m raised to RBKC in P9 2020/21. £494k over a year old is owed from for Schools under a deficit recovery plan being paid via instalments, agreed by Children’s Services. £394k over a year old, owed by Berkshire West Clinical, for an ongoing dispute which has had the intervention of Legal services. The largest client group of debtors are the ASC debtors contributing to £4.7m, of which £3m is over a year old. There are 11 ASC clients owing approx. £1.3m over 1 year, all of whom are being closely monitored and most are working with legal.</p>

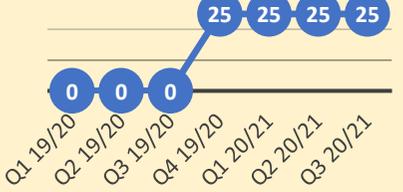
Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
3. Variance between budget and full year forecast	£50-60m (FY forecast P6)	Overspend	→ < £5m underspent	→ As per ideal	£60.8m overspent as at P9	Target off track	The year to date variance is due to financial pressures arising from the pandemic.
<p><b>Service commentary:</b> There has been a significant impact on the Council's income during the pandemic. As at P8 (p9 to follow) the reduction in planned income is £35.0m. Expenditure variance to date is £9.8m.</p> <p><b>Mitigating action:</b> The Council has claimed £15.4m from the first two income recovery claims. The Council was expecting to claim £20-25m from the income recovery scheme as at P8.</p>							
4. Variance between capital budget and FY forecast	£100.655	On budget based on forecast	→ On budget based on forecast	→ On budget based on forecast	£111.091m underspent as at P9	Target off Track	Due to Covid-19, many projects have been delayed leading to a forecasted underspend. The Q2 figure has been updated to reflect the P6 figure, previously was the P5 figure.
<p><b>Service commentary:</b> Start dates of many projects have been delayed to 2021/22 due to the pandemic.</p> <p><b>Mitigating action:</b> Project expenditure budgets will be reprofiled into future years to reflect project delays. Project managers will continue to review and update forecasts.</p>							
5. Percentage of council tax collected	£78,499,918.22 72.65% (79.3%)	90%	→ 91%	→ 96.5%	£85,645,526.99 as at P9 79.3%	Target off track	The restriction surrounding courts therefore continues to have a negative effect on income collected to date. There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted. The targets have been lowered this quarter and compared to National local performance indicator sent by Capita.
<p><b>Service commentary:</b> The Council only retains £185m of this income (Council Tax £60m &amp; NNDR £120.5m) for its own use. If there is a reduced business rates income as witnessed through Covid-19 the maximum the Council will lose is £6.8m, reducing our recognised income from £120.5m to £113.7m.</p> <p><b>Mitigating action:</b> The Government has introduced a compensation scheme to reduce the loss for councils. It compensates councils for reduced tax base growth and increased reliefs for 2020/21 following the COVID19 outbreak.</p>							
6. Percentage of business rates collected	£948,818,096.25 66.73% (74.87%)	90%	→ 91%	→ 98.5%	£1,413,162,632.86 as at P9 74.87%	Target off track	Off track compared to last financial year collection rate by 9.95%. The restriction surrounding courts continues to have a negative effect on income collected to date. The targets have been lowered this quarter and compared to National local performance indicator sent by Capita.
<p><b>Service commentary:</b> There will be a programme of initiatives implemented to get collection back on track once the current restrictions are lifted. The Council only retains £185m of this income (Council Tax £60m &amp; NNDR £120.5m) for its own use. If there is a reduced business rates income as witnessed through Covid-19 the maximum the Council will lose is £6.8m, reducing our recognised income from £120.5m to £113.7m.</p> <p><b>Mitigating action:</b> If there is a reduced business rates income as witnessed through Covid-19, the maximum the Council will lose is £6.8m, reducing our recognised income from £120.5m to £113.7m.</p>							

Key performance indicator	Q2 2020/21 position	2020/21 target ranges					Position at Q3	Target assessment	Other contextual insight
		Minimum	→	Ideal	→	Aspirational			
7. Percentage of stage 2 responses signed by Chief Executive with no need to return	98% (1/38)	95%	→	98%	→	100%	97% (1/32)	Target on track	More information was needed by the customer, which didn't change the outcome of the complaint.
8. Number of major business impact priority 1 incidents per quarter (could affect more than 100 people)	5 (2 as per Q2)	22	→	18	→	12	1	Target on track	Some impact to Teams and other M365 applications for some users.
<p><b>Service commentary:</b> In December 2020, Microsoft experienced an issue with the availability and functionality for some users in Europe using the services on the 365 platform.</p> <p><b>Mitigating action:</b> Outage was first reported and marked as resolved at 1700 – liaison with Microsoft was maintained throughout and the IT Service Desk, Yammer and IT intranet were able to inform users of the situation.</p>									
9. Significant incident attracting fines under new GDPR legislation such as Information Commissioner intervention regarding handling of data protection	0	0	→	0	→	0	0	Target on track	We've not had any major incidents that would attract large fines. We shouldn't have any tolerance on GDPR fines because we can't predict what they would be, therefore the target ranges have been reduced to zero.
10. Less than 4% calls abandoned (Agilisys)	9%	<5%	→	<5%	→	<4%	6.5%	Target off track	Call handling for both in and out of hours contact centres are constantly monitored to take account of seasonal peaks and also maintaining support for changing messages and service information relating to Covid-19.
<p><b>Service commentary:</b> This quarter saw an improvement although the call volumes were still higher than forecast mainly due to adverse weather conditions resulting in more emergency calls out of hours.</p> <p><b>Mitigating action:</b> Call volumes continue to be monitored and resource plans reviewed to provide more cover at busier periods where possible.</p>									
11. Number of high-risk incidents reported to the ICO	0	0	→	0	→	0	0	Target on track	The incidents reported so far have not necessitated reporting to the ICO.
12. Percentage of staff who have completed mandatory data protection & cyber security online training per year	59%	70%	→	90%	→	95%	71%	Target off track	This is mandatory training.
<p><b>Service commentary:</b> We introduced a newer training module in July 2020. There has been challenges in recording training.</p> <p><b>Mitigating action:</b> Working with Hants/LMS to understand why training may not be being recorded. We will also be talking to ELT to secure further support for training.</p>									

### Top scoring directorate risks

Q3 Score	Risk		
25	<p><b>Covid-19 (Operational)</b> The Government has placed upon employers and service providers a statutory responsibility to provide a Covid-19 secure environment in which to work or receive services.</p>		
	<b>Impact</b>	Failure to do so places at risk the health of colleagues and service users some of these are classified as vulnerable people. This in addition carries reputational, financial and legal risk particularly if the Health and Safety Executive deem us to have breached our responsibilities.	
	<b>Impacted KPIs</b>	If the Council is not able to provide Covid-19 secure workplaces, the following KPIs could be further impacted as overspend would likely be required: <ul style="list-style-type: none"> <li>• Variance between budget and full year forecast</li> <li>• Variance between capital budget and FY forecast</li> </ul>	
<b>Existing controls</b>	Measures have been put in place to create a Covid-19 secure workplace or place to receive services including where appropriate putting in place additional measures to protect vulnerable service users. Focusing resources where there is a need e.g. deep cleaning in the case of reported Covid-19 cases.	<b>Future controls</b>	Measures are reviewed regularly to ensure that we are compliant and continue to be compliant in the face of changing scientific advice and government guidance and regulations.
25	<p><b>Covid-19 Investment Property</b> Loss of income resulting from the impact of Covid-19 on tenants who may not be able to generate sufficient income to continue trading.</p>		
	<b>Impact</b>	This may necessitate further rent-free periods or increases in bad debt provision. Where businesses go out of business, the City Council is then responsible for the property costs e.g. NNDR, utilities, repairs and maintenance and insurance, etc.	
	<b>Impacted KPIs</b>	If buildings became vacant or tenants were unable to pay due to their businesses collapsing, the following KPI may be further impacted: <ul style="list-style-type: none"> <li>• Percentage of business rates collected</li> </ul>	
<b>Existing controls</b>	The first quarters rents were waived for certain businesses that were impacted on by the lockdown e.g. hospitality, health, beauty and non- essential retail. Other support is considered on a case by case basis. Further similar support was provided to those genuine cases affected by the November 2020 restrictions and it is likely that again support will be offered considering the most recent lockdown.	<b>Future controls</b>	This will be reviewed with Members/ PIP to identify what is appropriate to support businesses and our own income streams. Where businesses terminate their lease or go out of business, we may be able to realise some of the lost income e.g. from any deposits.

Q3 Score	Risk		
25	<p><b>Brexit Supply Chain</b> A disorderly Brexit could have a significant impact on the service in relation to current supply chains and procuring parts required for property maintenance.</p>		
	Impact	A large proportion of building, mechanical, electrical and plumbing components, parts, mechanisms and assets are sourced from the European Community, any barriers or tariffs could result in delays in carrying out repairs, maintenance and replacement and increasing the cost of components spare parts and the replacement of assets.	
	Impacted KPI	If the Council must pay more for routine repairs, maintenance and replacement the variance between our budget and forecast may be threatened due to budget overspend. <ul style="list-style-type: none"> <li>Variance between budget and full year forecast</li> </ul>	
	Existing controls	Ensuring where appropriate spare parts are stocked that might be impacted by a hard close to mitigate the risk of delays and increased costs working closely with Bouygues. Ensuring that there is sufficient knowledge of the alternatives including from within the UK and those Countries where Free Trade arrangements exist.	Future controls
25	<p><b>MTP Savings linked to income growth linked to acquisitions and rent review</b> As part of the MTP savings, income was to be increased by rent reviews, this is unlikely to materialise given Covid-19 effect on businesses.</p>		
	Impact	The current situation with Covid-19 makes it difficult to grow income from rent reviews. It also increases the risks associated with acquisitions. This means that it may not be possible to grow income to meet the MTP savings target of £0.65m	
	Impacted KPIs	If the MTP savings target of £0.65m is not met, this may impact our target to minimise the variance between our budget and our full year forecast. <ul style="list-style-type: none"> <li>Variance between budget and full year forecast</li> </ul>	
	Existing controls	Continuing to negotiate with tenants where there is an outstanding rent review in order to generate additional income whilst also protecting existing income streams.	Future controls

Q3 Score	Risk	
25	<p><b>Financial risk due to Covid-19 and uncertainty regarding future government funding</b></p> <p>The Covid-19 pandemic has created significant financial risks due to additional expenditure the Council incurred to support its communities and reduced income that has resulted from a drop in footfall into the city from the lockdown and social distancing measures. The Council have received approximately £30m in government funding to mitigate against the financial impact of the pandemic. The Government will also reimburse authorities for 75% of income losses occurring in 2020-21 as a result of Covid-19 after the first 5% of losses is absorbed by local authorities. To qualify, income losses must be related to the delivery of services, while commercial and rental income are excluded. The Council have claimed c£15m from the first two rounds of submissions.</p>	
	<p><b>Impact</b></p> <p>If government funding for the financial impact of the pandemic is not sufficient, this would cause overspends and a subsequent reduction in the general fund balance. The uncertainty around the future of local government funding could lead to significant budget gaps in the medium term.</p>	
	<p><b>Impacted KPIs</b></p> <p>If the government funding is insufficient and results in overspend, this may impact the following KPIs:</p> <ul style="list-style-type: none"> <li>• Variance between budget and full year forecast</li> <li>• Variance between capital budget and FY forecast</li> </ul>	
	<p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>• Rigorous monthly monitoring which scrutinises forecast projections and challenges material movements against budgeted targets.</li> <li>• Regular and detailed monitoring of Covid-19 impact on fees and charges, however this will only record not influence impact.</li> <li>• The Council will seek to maximise the recovery of lost income through the Government’s income compensation scheme. It is unknown what the scale of impact from a potential second wave and further government action would be at this stage.</li> <li>• Medium Term Financial Planning which reviews the Council’s financial position over the next three years to ensure the Council are pro-active in finding savings, and therefore ensuring financial resilience.</li> </ul>	<p><b>Future controls</b></p> <p>The Council will seek to maximise the any income it can receive from government and ensure strong medium-term financial planning – reviewing both expenditure and income.</p>
25	<p><b>Reliance on Commercial Income</b></p> <p>The Council generates significant sums of income from its services which help to recover costs or generate surpluses to fund overall services. However, the generation of this income is dependent on demand, competition, the economy and existing legislation. The Covid-19 emergency has led to a significant drop in fee income, currently estimated at £55m. The implementation of further government action such as tier restrictions and national lockdowns will lead to suppressed activity in Westminster and in turn impacts further on the commercial income generated by the Council, reversing a recent recovery in activity.</p>	
	<p><b>Impact</b></p> <p>If budgeted income levels from commercial income fail to materialise, there would be in-year overspends on budgets and as seen previously, a reduction in the GF balance. Some of this will now be offset by the Government’s co-payment scheme. To date, £15.4m has been claimed with £20-25m expected in total although this may change following the restrictions from the second national lockdown.</p>	
	<p><b>Impacted KPIs</b></p> <p>If budgeted income levels from commercial income fail to materialise, this would lead to a variance between budgets and forecasts.</p> <ul style="list-style-type: none"> <li>• Variance between budget and full year forecast</li> <li>• Variance between capital budget and FY forecast</li> </ul>	

Q3 Score	Risk			
	Existing controls	<ul style="list-style-type: none"> <li>• Rigorous monthly monitoring which scrutinises forecast projections and challenges material movements against budgeted targets.</li> <li>• Regular and detailed monitoring of Covid-19 impact on fees and charges, however this will only record not influence impact.</li> <li>• Ongoing negotiation involving legal and procurement to ensure the best outcome, with briefings of senior execs and members in order to ensure an agreed response to contractors where needed.</li> </ul>	Future controls	The Council will seek to maximise the recovery of lost income through the Government’s income compensation scheme. It is unknown what the scale of impact from a second wave and further government action would be at this stage.

# Growth, Planning and Housing

## Achievements

### **Strand Aldwych**

We gained Cabinet Member approval in December 2020 to draw down £18m from the Capital Programme to deliver Aldwych 2-Way and Meanwhile Strand as part of the Strand Aldwych project. The project transforms this traffic dominated, polluted area to a new cultural learning quarter for London. It largely pedestrianises Strand outside Somerset House and King's College London, introduces two-way traffic on Aldwych and new pedestrian crossings, improving safety and creating important links in the area.

Work began on 4 January 2021 and will be complete by the end of 2022. Meanwhile, Strand aims to support economic recovery in the area whilst a Partnership Strategy for the full Strand scheme is developed. Councillor Matthew Green, Westminster City Council Cabinet Member for Business and Planning, said: "Coronavirus has taught us both how to work at pace and how to improve collaboration with partners. We've worked hard with project stakeholders to being forward our plans which can now be implemented more quickly and at a lower cost delivering a major new public space for Westminster as early as summer 2021."

### **Estate Renewal at Tollgate Gardens & Development Programme**

The first of the Council's three estate renewal schemes are moving to full completion. The redevelopment of the Tollgate Gardens estate is providing 86 affordable homes (78 social rent and 8 intermediate rent), 109 new private sales homes, the refurbishment of Tollgate House (the sole block being retained as part of the scheme); the provision of a new community centre and a new landscaping and play area. The scheme is being delivered through a development agreement with Clarion Housing Group and their private sale subsidiary Latimer Homes. All the new homes are now complete with the residents starting to occupy during the quarter. We have received very positive feedback from residents who have returned under the Council's Right to Return policy. The daughter of one resident has said: "Mum is overwhelmed with happiness to be back in Tollgate Gardens. She has been really looking forward to coming back, her favourite things are being near her friends and family." The quality of the new homes and the new central public green space has been positively received.

The only remaining part of the programme outstanding is the refurbishment of the communal areas of Tollgate House with the main contractor advising of a February 2021 finish. The building will benefit from communal improvements including a new entrance lobby, new balustrades on the walkways and refreshed stairwells.

Other progress highlights in the wider development programme during Quarter 3:

- Successful planning applications at Adpar Street, Luxborough, Torridon and Harrow Road. Together these will deliver over 100 affordable homes as well as 61 homes for private sale.
- Planning submissions made for the Carlton Dene and Balmoral schemes. The Carlton Dene proposals include a new extra care facility for Adult Social Care nominated residents as well as new general needs apartments and brand-new community and green space. The

Balmoral proposals include 34 new community supported homes and 18 new high-quality affordable homes for residents, along with landscaped green space.

- At Ebury Bridge completion of the meanwhile use “Ebury Edge” and the demolition of Phase 1.

Overall, we remain on track to meet the Council’s 1,850 affordable housing target by 2023.

### **Westminster Partnerships Supporting the local community**

The *Digital Futures* project for the City Council works with the Young Westminster Foundation to support low income students from Westminster schools who do not have access to a laptop. Our Research shows that at Westminster primary schools, 35 - 45% of children in each year group have no access to the internet or rely on one shared family smartphone. Our first 40 laptops were distributed before the festive break with a further 710 being sent to schools in January. Three hundred additional reconditioned devices will be made available to the project through the Housing team. These laptops will be cleaned and distributed to schools or the wider community. This project is closely aligned to our digital inequality work and our efforts to eliminate residential ‘not spots’.

The Business Community Partnerships team’s co-ordination of volunteers, local charities and businesses in support of Christmas offers for low income families, care leavers and elderly residents was a significant success. Sponsored by the Sir Simon Milton Foundation, Lords Cricket Ground, Wilmott Dixon and South Westminster BIDS, the partnership directly benefited 2,000 local residents who received hampers and other festive gifts.

Over the course of a week, 100 volunteers from the Council, local businesses and our community packed and distributed 455 Christmas vouchers to Children in Care and 525 x £100 vouchers for families in need. These families were identified by Children’s Services and 1,000 hampers given to elderly residents through our work with Housing, Regeneration and Adult Services colleagues. In the past month, in addition to a £15,000 donation secured from South Westminster BID for the Christmas programme, the team has secured a further £27,000 to support Digital Futures (see above) and Westminster Wheels. This is funding donated by the wider business community.

### **Westminster Adult Education Service (WAES) – Maintaining good outcomes despite effects of pandemic**

#### **Learner Achievements**

**Overall achievement** for learners studying all programmes from Entry Level to Level 3 was at 80% compared with 87% in 18/19. Our retention rate, which is the number of learners retained suffered the highest impact from Covid-19 with 85% being retained on programmes, compared to 94% in 18/19. For those that were able to continue to end of their programme **pass rates remained high at 94%**. Learners from vulnerable communities were affected the most by the Covid-19 pandemic and therefore had lower retention, as they were unable to continue their learning. All programmes continued, with appropriate support provided to

assist all retained learners to be successful. Achievements rates for ESOL were at 82% compared to 88% in 18/19.

**Achievement results for Learners with Learning Difficulties and Disabilities (LDD) including those with Education Health Care Plans (EHCPs) were high at 96%.** Only a few learners could not continue in any capacity, so the Service adapted its provision to ensure that learners either engaged in telephone learning/support, online lessons and that parents and carers were supported throughout the pandemic to assist the learners with their progression. For learners who declared dyslexia as a barrier to learning they received additional support and achievements was at 86% with a 100% increase in learner referrals.

Achievements rates for female and male learners was very balanced. Female learners achievement rate was 79.8% and male learners was 80%. Learners from African descent performed proportionately lower than their peers at 74% accounting for 13% of the total number of enrolments. A full action plan has been established and monitoring and support provided to ensure these learners achieve well in 2020/21.

**Learners on Community Learning had an excellent achievement rate of 96%.** This curriculum supports the most vulnerable in community settings and whilst participation figures in community were affected, WAES continued online with additional workshops in mental health and wellbeing to engage and support individuals suffering with social isolation, anxiety, etc. with over 600 learners supported through these programmes.

WAES has self-assessed as remaining a good provider against the key judgement areas. The service had an Interim visit from Ofsted in September, and although there is no formal judgement, the feedback was positive.

## **Issues**

### **New Building Safety Bill**

A New Building Safety Bill has been drafted following the Grenfell Inquiry. The Bill puts responsibility on duty holders for the compliance and maintenance of Fire safety in their properties, whether new or old. Westminster has the highest number of in scope buildings in the country at 9.5% (1038). This has far reaching impacts on resources of the Building Control (BC) Team, Housing, Planning, Environmental Health and the Development Team. There will be additional requirements for consultations from planning to Building Control. New developments will have to come to the local authority BC team rather than private Approved Inspectors. Westminster Council housing stock will need Safety Cases to be checked by BC. Estimated resourcing for this from WCC as an enforcing authority is an additional 25-30 level 6 qualified surveyors. As well as the cost implications, recruiting to these positions is proving extremely challenging due to the lack of qualified staff within the industry.

### **Responding to Challenges from Pandemic on our Capital Programmes**

The recent Government announcements imposing restrictions due to Covid-19 have presented challenges to delivery of the Council's capital programme. In response, both Partners (Axis and United Living) have reviewed their Covid-19 processes and procedures to ensure that they are current and in line with the latest version (7) of the Construction

Leadership Councils. Site operating procedures and the delivery of Major Works is progressing well.

As the majority of major works are outside, or in communal areas, particular emphasis is made on maintaining social distancing, wearing PPE and appropriate signage of the presence of contractors.

The ongoing completion of major works has been delivered by contractors, having revised their risk assessments and safe systems of work, with extra care being taken with social distancing in communal areas, on scaffolding, and working off cradles, with work 'bubbles' being formed between operatives and rotas of work being put in place, so that operatives mixing is contained and confined. This has proven successful since September 2020, following the resumption of major works.

This is accompanied by frequent toolbox talks by management to their operatives and supply chain to remind them of the Safe Systems of Work, social distancing, PPE etc, as well as deep cleansing of offices periodically.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

Target range definitions	Minimum	The minimum level for the KPI that will still allow the service to deliver	Target assessment definitions	Target off track	Off track to meet the minimum target level
	Ideal	A level which is acceptable for service continuity		Target exceeded	Exceeded ideal target level
	Aspirational	The level at which the service is improving beyond current capability		Target on track	On track to meet the ideal target level
				Minimum standard met	Met the minimum target below ideal level

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight		
		Minimum	→	Ideal				→	Aspirational
1. Number of cases of homelessness prevented (Defined as outcomes from a combination of Housing Solutions and Shelter work)	302	500	→	520	→	550	458	Target on track	156 preventions in Q3, comprising a combination of positive outcomes in the "Prevention" stage and the "Relief" stage. The statutory service has experienced a 25% decrease in homeless applications for Q1- 3, compared to the same periods in the previous financial year. As we would expect with a smaller demand profile, there has been an increased opportunity to target prevention activity and improve performance.
2. Affordable Housing units delivered in 20/21 (1,850 by 2023)	31 (824)	271 (1,064)	→	293 (1,086)	→	326 (1,119)	201 (994)	Target off track	On track to achieve City for All target of 1,850 units.
<p><b>Service commentary:</b> Due to the impact of Covid-19, there is likely to be some slippage into later quarters of the year and potentially into 2021/22. Current projected affordable units to be delivered in Q4 is now 36, meaning outturn figure for 2020/21 is likely to be 237. There was an initial slowdown of construction during the first lockdown that included some sites closing for a short period and reduced construction staff on site. This impacted the delivery of in year new supply in 2020/21 meaning some schemes will now deliver in 2021/23. However, the current projected supply figure by March 2023 is now 2,005 rather than 1,850, so we remain on track to exceed the City for All target.</p> <p><b>Mitigating action:</b> We are undertaking early engagement with the Council's Development team and external providers to ensure any slippage is notified and factored into supply projections.</p>									
3. % satisfaction with repairs service	83%	82%	→	84%	→	86%	82%	Minimum standard met	1598 very or fairly satisfied out of a total of 1945.
<p><b>Service commentary:</b> Year to date data customer satisfaction with the repairs service is 82%, a slight drop from the previous reported performance (to Q2) of 83%.</p> <p><b>Mitigating action:</b> Over the course of the year the repairs service has responded to government requirements, firstly in April by a restriction of the service to emergency repairs only and then carefully reinstating the service over the summer and dealing with repairs postponed due to lockdown, and now restricted once more to emergencies only. Comments received from residents show that dissatisfaction is primarily around time taken to complete work. Satisfaction with quality of work remains good at 85%.</p>									

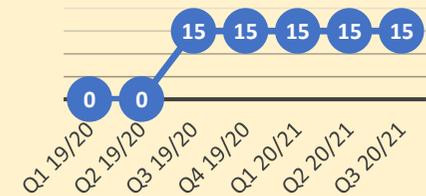
Key performance indicator	Q2 2020/21 position	2020/21 target ranges				Position at Q3	Target assessment	Other contextual insight	
		Minimum	→	Ideal	→				Aspirational
4. Satisfaction with anti-social behaviour (ASB) case handling	66%	62%	→	64%	→	66%	65%	Target on track	167 vary or fairly satisfied out of a total of 256.
5. Contact centre - % calls answered in 30 seconds	80%	65%	→	70%	→	75%	65%	Minimum standard met	99,928 very or fairly satisfied out of a total of 152,755. The contact centre is the first point of contact on all housing services for the Council's tenants and lessees.
<p><b>Service commentary:</b> During Q3, calls to the contact centre increased by 20% on the previous quarter. During October 2020, c30,000 calls were received which is the highest monthly volume received to date. This was as a result of the reintroduction of routine repairs, combined with the annual heating switch on and the posting of leasehold services charge actual account. Over Q3, five members of staff were redeployed from the contact centre to support Westminster Connects and an increase in sickness absence was recorded. With the substantial increase in call volumes, all service level KPIs were impacted. Performance was maintained at above target over Q1 and 2, though performance for year to date is now below target.</p> <p><b>Mitigating action:</b> The contract with Agilisys has been extended to provide additional resource for longer. Staff deployed from the contact centre have returned to service delivery. We have also ensured there have been housing staff ready to pass calls on to. In order to reduce call volumes, we have restricted campaigns that generate contact/calls from residents. There have also been clear communications to residents on service restrictions (sent by email) during this current lockdown to reduce the need to call.</p>									
6. % of 'non-major' planning applications determined within 8 weeks	68%	68%	→	68%	→	80%	67%	Target off track	432 out of 641 in target
<p><b>Service commentary:</b> The performance for the determination of non-major applications has been impacted by the pandemic. This affected the ability of officers to make site visits and has reduced available staff resources.</p> <p><b>Mitigating action:</b> The department now has measures in place to mitigate these impacts, such as a site visit protocol that has reduced the backlog of cases where a site visit is required. In addition, Team Leaders will be undertaking closer monitoring of officer caseloads during Q4 to ensure that the majority of applications are determined within statutory or agreed timeframes. With these measures in place, sufficient applications will be determined within target during Q4 to meet the annual KPI 'Ideal' target.</p>									
7. % of 'major' planning applications determined within 13 weeks i.e. larger scale development.	74%	60%	→	60%	→	79%	64%	Target on track	9 out 14 in target
8. % planning appeals determined in favour of the Council (Excluding telephone boxes)	77%	60%	→	63%	→	67%	74%	Target on track	84 appeals determined in favour of the City Council out of a total of 114.
9. 1,000 businesses significantly engaged (including vouchers issued, Corporate Social Responsibility activity)	2,906	4,000	→	4,500	→	5,000	5,073	Target exceeded	2167 in Q3. The targets were significantly increased in Q2, to account for the unprecedented levels of support being provided to Westminster businesses impacted by the pandemic.
<p><b>Service commentary:</b> The figure includes a range of engagement, including unique business enquiries, business engagement with service support programmes, collaborations with businesses to deliver thematic weeks, as well as vouchers distributed to Westminster businesses during the period. The figure also includes 747 engagements from the business survey not reported in Q2 due to the figure not being available at the time of reporting.</p>									

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
10. 350 Westminster residents into jobs through our Westminster Employment Service (WES)	95	320	→ 350	→ 400	179	Target on track	We are expecting to meet our year-end target. The team is supporting the recruitment of a significant number of Emergency response roles including for Mass Vaccination sites. Over 500 applications have been received for 200 jobs which WES is supporting the NHS to recruit to. In addition, the team has recently filled 36 vacancies for Track and Trace via local residents. These outcomes were achieved in January and are not included in the reported figures which is up to December 2020.
11. 345 Westminster residents supported into Interims (Work trials, training, work placements & volunteering)	332	293	→ 345	→ 380	707	Target exceeded	Given the slow-down in recruitment and number of advertised vacancies, in the past 9 months our team has focused on moving people towards work (interims). This refers to the work done to remove significant barriers to employment and can include: referrals to drug & alcohol services, support provided to assist with debt or arrears, work experience, volunteering and work related courses & qualifications, including via the courses the team has initiated with WAES. A resident can have multiple interims if they have been referred to an appropriate external service for support, have undertaken a work related course/qualification, or undertaken volunteering, etc.
12. 1,000 young people engaged in enterprise and sector-based experiences	0	750	→ 1,000	→ 1,250	541	Minimum standard met	Q3 saw the launch of the service's very first Enterprise Week, which was delivered virtually. The week saw 541 young people attend a variety of events brokered by the service and facilitated by 16 businesses within the borough. Most engagement with schools takes place from September and we anticipate at least meeting the Minimum Target.
13. Reduction in new rough sleepers spending more than one night out	73%	75%	→ 85%	→ 92%	67%	Target off track	148 rough sleepers with no second night out compared with 314 in Q2.
<p><b>Service commentary:</b> While there was a reduction in the percentage of new rough sleepers who had no second night out in Q3, there was also a significant reduction in the total number of new rough sleepers over the quarter. There are seasonal factors that impact the number of new rough sleepers including the operation of Crisis at Christmas, as well as the impact of the second lockdown. We will monitor the number of new rough sleepers into the new year to see if this trend in lower numbers continues as restrictions continue in the UK. Although the % target was not met, the overall reduction in numbers is positive.</p> <p><b>Mitigating action:</b> We are looking to develop a new KPI for 2021/22 which is more representative of the wider rough sleeping picture.</p>							

**Top scoring directorate risks**

Page 130

Q2 Score	Risk	
15	<p><b>Change in direction from government on EEA nationals or Vagrancy Act</b></p> <p>There is a risk that we will not be able to support EEA nationals away from the streets. 60% of people on the streets in Westminster are EEA nationals without access to benefits and, depending on the progression of the Immigration and social security co-ordination (EU Withdrawal) bill, Westminster may not have sufficient powers to support this people.</p> <p>While there was a reduction in the percentage of new rough sleepers who had no second night out in Q3, there was also a significant reduction in the total number of new rough sleepers over the quarter. There are seasonal factors that impact the number of new rough sleepers including the operation of Crisis at Christmas, as well as the impact of the second lockdown. We will monitor the number of new rough sleepers into the new year to see if this trend in lower numbers continues as restrictions continue in the UK.</p> <p>Any changes to the Vagrancy Act are not forthcoming; lobbying from campaigning organisations has been delayed due to the response to COVID-19.</p> <p>Regarding the governments’ approach to EEA nationals; “The Government has made clear that the new rough sleeping rule will apply on a discretionary basis where a person refuses offers of support and is engaged in persistent anti-social behaviour. It does not apply to those protected under the Citizens’ Rights provisions of the Withdrawal Agreement with the European Union, those granted indefinite leave or those granted leave under a protection route (for example as a refugee or on the grounds of human rights or for humanitarian protection).” [Letter from Home Secretary to Independent Anti-Slavery Commissioner]</p>	
	<p><b>Impact</b></p> <p>There will be growing numbers of EEA nationals on the streets which the Council would be unable to support.</p>	
	<p><b>Impacted KPIs</b></p> <ul style="list-style-type: none"> <li>• Number of cases of homelessness prevented (Defined as outcomes from a combination of Housing Solutions and Shelter work). If we are not able to support EEA nationals, it is likely that members of this community will continue to be homeless.</li> <li>• Reduction in new rough sleepers spending more than one night out. If we are not able to support EEA nationals, it is likely that members of this community will continue to sleep rough on the streets.</li> </ul>	
	<table border="1"> <tr> <td> <p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>• Consistent communication with Ministry for Housing, Communities and Local Government and Westminster City Council's strategic group monitoring any changes.</li> </ul> </td> <td> <p><b>Future controls</b></p> <ul style="list-style-type: none"> <li>• Risk of challenge to our operational approach to be minimised by legal advice as/when required. If a change in direction occurs, discussions around funding and availability of bed spaces.</li> <li>• Statutory guidance detailing how LAs respond has yet to be released; the government have also indicated any enforcement will not begin until after 30th June 2021 when the European Union Settled Scheme closes.</li> </ul> </td> </tr> </table>	<p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>• Consistent communication with Ministry for Housing, Communities and Local Government and Westminster City Council's strategic group monitoring any changes.</li> </ul>
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Q2 Score	Risk																			
15	<p><b>Building Regulations – Part B &amp; Draft Building Safety Bill</b>                      Building Regulations - Part B has been re-written following an independent review of the building regulations and fire safety following Grenfell. The buildings in scope have extended to cover most of the properties within Westminster. The new draft bill sets requirements for competence and resource of the local BC team. It has far reaching impact across the Council with the requirements safety cases for Council and private sector properties.</p>			<table border="1"> <caption>Line Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Q1 19/20</td> <td>0</td> </tr> <tr> <td>Q2 19/20</td> <td>0</td> </tr> <tr> <td>Q3 19/20</td> <td>0</td> </tr> <tr> <td>Q4 19/20</td> <td>0</td> </tr> <tr> <td>Q1 20/21</td> <td>15</td> </tr> <tr> <td>Q2 20/21</td> <td>15</td> </tr> <tr> <td>Q3 20/21</td> <td>15</td> </tr> </tbody> </table>	Quarter	Score	Q1 19/20	0	Q2 19/20	0	Q3 19/20	0	Q4 19/20	0	Q1 20/21	15	Q2 20/21	15	Q3 20/21	15
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Q4 19/20	0																			
Q1 20/21	15																			
Q2 20/21	15																			
Q3 20/21	15																			
<b>Impact</b>	Significant cost to local authority - high call on resources to inspect buildings and legal responsibility for licensing of buildings. Insufficient qualified staff in the industry leading to difficulties in recruiting.																			
<b>Impacted KPIs</b>	<ul style="list-style-type: none"> <li>No KPIs will be impacted if this risk is realised.</li> </ul>																			
<b>Existing controls</b>	<ul style="list-style-type: none"> <li>3 surveyors have passed new Local Authority Building Control (LABC) (the national representative association) competency exams</li> <li>WCC has signed up to the LABC Quality Management System</li> </ul>	<b>Future controls</b>	<ul style="list-style-type: none"> <li>Looking to recruit new fire engineer and quality manager</li> </ul>																	

# Innovation and Change

## Achievements

### **Adopted a new statement of Licensing Policy**

We revised and adopted a new statement of licensing policy to provide an up to date regulatory framework for how the Council will continue to promote our licensing objectives whilst protecting residential amenity and supporting businesses. The policy allows growth and support to businesses during Covid-19 recovery whilst maintain protections for residents.

### **Approved a new street entertainment policy**

In December, Full Council approved a new street entertainment policy support street entertainment. To bring the policy into effect, the Council has now published a formal decision to adopt the policy. The policy aims to ensure all users of the public space are safe and that residents and businesses are protected from the impacts of excessive noise and overcrowding, while also promoting responsible busking by ensuring there are designated spaces reserved for the cultural offer of street entertainment on our streets.

### **Excellence in Local Government award**

Westminster Council's Urban Lab won the award for 'Excellence in Local Government' from the Royal Geographical Society for our partnership working with local universities Kings College and UCL (Nov 2020). We were also shortlisted for the prestigious Local Government Chronicle 'Future Places' award. Over the past four years, the partnership has contributed to innovation in service delivery in areas such as parking, recycling and leisure centres.

## Issues

No issues were reported this quarter.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

Innovation and Change will be looking to add in new KPIs for future quarters that will provide better assessment of delivery against the core BAU activities within the directorate.

<b>Target range definitions</b>	<b>Minimum</b> <b>Ideal</b> <b>Aspirational</b>	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	<b>Target assessment definitions</b>	<b>Target off track</b> Off track to meet the minimum target level <b>Target exceeded</b> Exceeded ideal target level <b>Target on track</b> On track to meet the ideal target level <b>Minimum standard met</b> Met the minimum target below ideal level
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Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
1. Residents feel informed about services and benefits	N/A	64%	→ 69%	→ 74%	70%	Target on track	28% did not feel informed about services and benefits.
2. Residents feel informed about plans for your local area	N/A	64%	→ 69%	→ 74%	66%	Minimum standard met	31% did not feel informed about plans for their local area.
3. Residents have seen the Westminster Reporter	N/A	51%	→ 56%	→ 61%	59%	Target on track	This is the highest proportion of views for a council communication channel.

## Top scoring directorate risks

Q2 Score	Risk
20	<p><b>City Promotions, Events and Filming Income</b></p> <p>There is a risk the we lose income due a lack of events and filming. Income generated by the service is externally market driven – i.e. if event/filming activity isn't being commissioned by external third parties, or agencies are not committing spend to advertising, then income will not be forthcoming. This income stream had started to plateau even before the emergence of the Covid-19 pandemic.</p> <p>The City Promotions, Events and Filming Department is a discretionary service that operates on both a cost recovery and income generating basis. By charging event and filming organisers an application fee and applying an hourly charge for the time an officer spends working on a project, the service is able to recover its costs, ordinarily making it cost neutral. This is then topped up by the income it generates through commercial events in parks and open spaces. In addition, the service is also responsible for the management of the Council's advertising portfolio which includes large format digital sites, lamppost banners and seasonal commercial installations.</p>
	<p><b>Impact</b></p> <p>The increasing direct and indirect costs to produce event and filming activity in Westminster combined with a reduction in commercial use of council parks and open spaces has impacted on the service's ability to generate income. Notwithstanding the above, the impacts of Covid-19 and the post-Brexit trade are additional risks.</p> <p>Mass cancellations and postponements due to Covid-19 are forecast to result in an approximate 70% reduction in event and filming activity and income, with ongoing uncertainty meaning that there is currently no planned event activity confirmed for 2020/21. Similarly, Government guidelines make hosting and organising events practically impossible.</p> <p>Whilst the implications on the Outdoor Media sector are similarly impactful, with long term agreements for both large format sites having been renegotiated to short term arrangements based on a revenue share model and no lamppost banner campaigns in the pipeline.</p> <p>Smaller-scale filming is continuing to take place and it is hoped that the Government's schemes to underwrite the insurance premiums for the Filming sector will allow for filming to continue.</p>
	<p><b>Impacted KPIs</b></p> <ul style="list-style-type: none"> <li>No KPIs will be impacted by this risk being realised.</li> </ul>
	<p><b>Existing controls</b></p> <ul style="list-style-type: none"> <li>Given the service is entirely driven by external demand, there are few controls that can be put in place.</li> <li>The service is continuing to ensure that it is aware of changing Covid-19 guidance so that it can facilitate as much activity as is possible within a Covid-19 environment which currently extends to small-scale filming.</li> </ul>
	<p><b>Future controls</b></p> <p>Measures are being taken to ensure that activities can resume when safe to do so. Demand for this service is driven by external demand so the scope of Council controls is limited. Engagement with the market is ongoing.</p>



# People Services

## Achievements

### **Our Voice – Staff Engagement Survey**

This is the fourth year of our revamped staff survey, which ran from 14 September- 2 October 2020. The survey provides a measure of the level of engagement staff have with the Council and therefore highlights areas of focus for the wider people strategy, the Westminster Way. Two new questions were added to reflect the pandemic, with all other questions remaining the same to allow for trending. We worked with our staff networks to ensure the demographic questions were more inclusive than 2019.

Westminster City Council's overall Engagement Index for 2020 is 78%. This is an increase of 6% from last year (72%) and the second year running that we have seen record levels of staff engagement. The result is a positive indicator that people are increasingly engaged working for the Council and that we are making positive progress in making it a great place to work. The response rate was 76% which has increased significantly compared to three years ago when it was 62%. This shows that staff are taking the time to fill in the survey to have their voices heard.

Out of 46 questions, 40 have improved by at least 1 percentage point since 2019. Of these, 19 have scored significantly more positive by at 5 percentage points or more. These results put Westminster comfortably in the top quartile of public sector organisations. In 2020, 17 questions have scored 5 or more points above the local government benchmark, compared to 9 questions in 2019. Taking time to understand the results, build on the strengths and plan for improvements will be critical in continuing to achieve best in class results in the future.

### **Wellbeing agenda development and achievements**

In 2019, the Council set out to overhaul every aspect of our health and wellbeing vision and created a dynamic staff engagement programme and resources. Sponsored by the CEO and Executive Leadership Team (ELT), in early 2020, prior to the Covid-19 pandemic, several policy improvements were made to annual and special leave policies to make them more equitable and flexible. Employees were also encouraged to work in an agile way to suit personal circumstances.

Following the pandemic, the "It's Okay to not be Okay" campaign was launched. This was driven by our well-established Wellbeing Pioneers movement and included several initiatives such as; case studies, Westminster virtual games, employee videos, on-line learning and awareness sessions centred on how to maintain positive mental and physical health in difficult circumstances. This encouraged discussion on taboo subjects, such as mental health. Health and wellbeing also became a regular feature on the weekly Loop Live session hosted by our CEO.

This focus on employee health and wellbeing has reaped benefits. By putting trust in people and giving them the flexibility to work when, where and how they can, they have delivered at a time of enormous pressure. Some evidence that supports this achievement is:

- In the May 2020 pulse survey, 71% agreed “the Council cares about my health & wellbeing”. The all staff survey conducted in September 2020 showed 70% of staff agreed that “the Council cares about their health & wellbeing”, which is up 14% from the 2019 results (when it was 56%) and up by 23% from the 2019 results (when it was 47%).
- The health and wellbeing hub have been visited almost 68,000 times since launch with over 3,000 unique visitors over 3 months in 2020, which is almost equal to our entire workforce. Each of the wellbeing sessions has run at 80%+ capacity, with 2 sessions on menopause totally sold out.
- In November 2020 the Council won the [Business Culture Award](#) for the Best Health & Wellbeing initiative against private sectors names such as EG, Volkswagen, John West food and others.
- We have seen significant improvements on all our health and wellbeing indicators and 62% of our workforce now believe “they are valued by the Council”. We’ve also seen an upwards trend on our staff engagement scores too.

People felt supported throughout a very challenging year. There is now greater awareness around wellbeing topics, where and how to access support and more willingness from our staff to come forward and share personal stories, with the aim to encourage others to take ownership of their wellbeing too. This resulted in the creation of a dedicated Human Library section on our wellbeing hub, where we showcase all these powerful stories, which continue to grow.

The Council is determined to be an Employer of Choice, role modelling a compassionate leadership style and pioneering new ways of working based on a high trust model, which empowers employees to be their best version at work and be outcome focused. We periodically revise our wellbeing priorities in collaboration with the wellbeing pioneers to factor in critical challenges such as caring and childcare responsibilities, fighting isolation, avoiding burnout and promoting mental as well as physical and social wellbeing. As part of this, we recently launched new initiatives such as training a first cohort of Mental Health First Aider and reduced meeting times of either 50 or 20 minutes to avoid “back to back” burnout.

### **Staff conference and staff awards**

We held our first ever virtual staff conference and staff awards over three days in December 2020. Overall feedback from both events has been extremely positive.

#### Staff Conference

The conference was themed around our City for All strategy and offered staff the choice of attending several workshops and a plenary session with the Chief Executive and Leader, repeated over 2 days.

The workshops explored and showcased ways in which the Council is helping to improve the lives of those that live in, work in, or visit our City. Themes included:

- How can we make our cities age friendly for all
- Different roads, same destination - exploring the importance of nurturing authenticity, individualism, identity and belonging in the workplace
- Creating a smarter Westminster

- Prosperity for all – looking at what has happened to Westminster’s economy and the challenges it faces as a result of the pandemic and how we are collaborating and working across Westminster’s communities to support residents and business with the aim of creating prosperity and economic opportunity for all.
- It’s a climate emergency – Greener and Cleaner focused workshops to see how Westminster are tackling the challenges of the climate emergency
- Transforming the way you work – exploring how collaborative and cross directorate working is changing our culture and in turn changing the lives of our residents and service users in Westminster
- The future of wellbeing – empowering staff to create an environment that nurtures the right work life balance.

At the plenary session the Chief Executive and the Leader, Councillor Rachael Robathan, spoke to and answered questions from staff about the challenges we are facing, the positive way we have responded as an organisation and how we continue our success in delivering a City for All. Approximately 1200 staff attended the plenary sessions and there were over 2500 workshop attendances throughout the conference.

### Staff Awards

The staff awards and the Long Service Awards were combined, and a joint virtual ceremony was held on Friday 4 December. It was a Microsoft Teams Live event which meant that over 400 were able to watch and enjoy the ceremony.

Staff were awarded across 10 categories including two new categories – front line hero and wellbeing champion. We received a record 410 nominations from the business across all categories. Alongside the staff award winners, employees that reached either 20- or 40-years’ service in 2020 were recognised. 40 people received their 20-year award, and 4 people received their 40-year award. Long Service Award recipients were sent personalised messages from the Lord Mayor, Councillor Jonathan Glanz to recognise their incredible achievements.

## Issues

### **Data for pay gap reporting**

We receive Gender Pay Gap (GPG) and BAME data annually which is used to create the gender and BAME pay gap. Diversity & Inclusion is a central part of the Council’s agenda and this data is crucial in order to enable regular analysis of the Council’s pay gap. We would like to receive this data more regularly but have been told that this is not possible.

WCC’s employees are impacted by this issue as this data can be used to develop initiatives that close existing pay gaps which in turn benefits large parts of the Council’s workforce.

To mitigate this issue, an in-house report has been produced as an alternative which has partly addressed this. While it is a similar methodology, it is not the exact same, and therefore there could be differences between the 2 data sets producing slightly different results. This will remain an issue until we receive a regular pay gap data report.

## Key performance indicators

The table below presents the latest cumulative outturns available for each KPI at the end of Q3 (October 2020 – December 2020).

The results of the 'Our Voice' survey have been included this quarter as we get annual results. From Q1 21/22, People Services will consider a new KPI around the pay gap.

Target range definitions	Minimum Ideal Aspirational	The minimum level for the KPI that will still allow the service to deliver A level which is acceptable for service continuity The level at which the service is improving beyond current capability	Target assessment definitions	Target off track Target exceeded Target on track Minimum standard met	Off track to meet the minimum target level Exceeded ideal target level On track to meet the ideal target level Met the minimum target below ideal level
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Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
1. % of staff turnover is managed at appropriate benchmark levels (excluding redundancies)	9%	16%	→ 15%	→ 14%	9.0%	Target exceeded	222 leavers out of an average headcount of 2468 employees
2. % of BAME employees in senior leadership roles (band 5 and above)	16%	16%	→ 17%	→ 20%	16.0%	Minimum standard met	Recruitment of BAME senior leaders has increased, however some of these are not due to start until Q4. There has also been an increase in the overall number of senior leaders (the denominator) resulting in the result not changing.  27 out of 169 band 5 and above employees are BAME
3. Hampshire target – HR transactions made via self-service	96%	90%	→ 95%	→ 97%	98.3%	Target exceeded	
4. Increase the number of women in senior leadership roles (band 5 and above)	44%	44%	→ 46%	→ 50%	44.4%	Minimum standard met	There have been 8 new female senior leader starters in 20/21 but 9 female leavers resulting in minimal change in the result.
5. % of apprenticeship starts in relation to the public sector target of 2.3% of total headcount	2.9% without schools/1.8% with schools	2% including schools	→ 2.3% excluding schools	→ 2.3% including schools	3.65% without schools/2.35% with schools	Target exceeded	
6. Positive action - % of Band 4 roles which have BAME candidate on the shortlist	99%	95%	→ 97%	→ 100%	97.2%	Target on track	

Key performance indicator	Q2 2020/21 position	2020/21 target ranges			Position at Q3	Target assessment	Other contextual insight
		Minimum	→ Ideal	→ Aspirational			
7. Engagement: To increase the Employee Engagement Index across WCC	72%	72%	→ 73%	→ 76%	78%	Target exceeded	
8. Engagement: Do you feel valued by Westminster	52%	53%	→ 55%	→ 60%	62%	Target exceeded	
9. My line manager gives me constructive feedback on my performance	67%	67%	→ 68%	→ 72%	69%	Target on track	
10. Staff survey - I am optimistic about my opportunities for career development	43%	43%	→ 44%	→ 47%	45%	Target on track	
11. Staff survey - The Council cares about my health and wellbeing	56%	56%	→ 57%	→ 61%	70%	Target exceeded	
12. Staff survey – measure around bullying and harassment	20%	19%	→ 18%	→ 15%	19%	Minimum standard met	
<b>Service commentary:</b> Although only the minimum target was met, there was a 1% improvement from 2019.							
<b>Mitigating action:</b> There will continued focus on this across the Council as part of the work done within directorates to understand their results and make improvements.							
13. Staff survey – in order to meet my objectives I have the freedom to work in the most productive way	74%	77%	→ 78%	→ 85%	78%	Target on track	
14. Staff survey - Different teams work well together	47%	50%	→ 57%	→ 66%	51%	Minimum standard met	
<b>Service commentary:</b> Although only the minimum target was met, there was a 4% improvement from 2019.							
<b>Mitigating action:</b> There will continued focus on this across the Council and within directorates to further increase collaboration between teams.							
15. Staff survey - I have the opportunity to improve our services by seeking and using feedback from users.	61%	61%	→ 62%	→ 66%	66%	Target exceeded	

### Top scoring risks

No risks for People Services met the minimum scoring threshold to be included in this report

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## Audit and Performance Committee Report

<b>Date:</b>	17 February 2021
<b>Classification:</b>	General Release
<b>Title:</b>	Internal Audit Progress Report (November 2020 to January 2021)
<b>Wards Affected:</b>	All
<b>City for All Summary</b>	Internal audit provides assurance to the Council that it has robust systems and controls in place to meet its priorities.
<b>Financial Summary:</b>	There are no financial implications arising from this report
<b>Report of:</b>	Gerald Almeroth, Executive Director of Finance and Resources
<b>Report author:</b>	Moira Mackie, Head of Internal Audit Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> . Tel: 07800 513 192

### 1. Executive Summary

- 1.1 Although the Covid-19 pandemic delayed the start of the 2020/21 Internal Audit work, good progress is now being made in undertaking the audits contained in the revised Audit Plan and five audits have been finalised and six draft reports issued since the last report to the Committee. No overall opinion is given at this time on the adequacy and effectiveness of the Council's governance, risk management and controls.

### 2. Recommendation

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

### 3. Reasons for Decision

The work undertaken by the Internal Audit Service is reported to the Committee during the financial year to enable the Committee to consider the progress made against the Internal Audit Plan and the outcomes of the completed audits which

are considered as part of the Annual Assurance Opinion provided by the Shared Services Director for Audit, Fraud, Risk and Insurance.

#### 4. Background, including Policy Context

4.1 The Council's internal audit service is managed by the Shared Services Director for Audit, Fraud, Risk and Insurance. Audits are undertaken by the in-house audit team or by the external contractor to the service, in accordance with the Internal Audit Charter. Key issues identified from audit work are reported each month to the Council's Deputy Section 151 Officer. The Audit & Performance Committee are provided with updates at each meeting on all assurance audits issued in the period.

##### Internal Audit Outcomes (November 2020 to January 2021)

4.2 The revised Audit Plan for 2020/21 was reviewed by the Committee in September 2020. Where significant changes in the coverage of the plan occur, these will be reported to the Committee and a full record of the changes during the year is also reported within the Head of Internal Audit's Annual report.

4.3 Since the last report to the Committee five audits have been completed, none of which identified any key areas of concern:

Audit	Assurance	RAG
GPH – Emergency Planning	Satisfactory	Green
GPH – Procurement of Temporary Accommodation	Satisfactory	Green
School – Soho Parish	Satisfactory	Green
School – St Stephen's	Satisfactory	Green
School – Edward Wilson	Satisfactory	Green

Further information on these audits is contained in Appendix 1.

In addition, two advisory report have been issued in the following areas:

- Adult Social Care – Deprivation of Liberty Safeguards;
- Finance & Resources – Review of Income Compensation Claim.

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

4.4 Six audits have been issued as draft reports and are due to be finalised and the majority of the remaining audit work is now in progress or due to commence shortly.

4.5 As reported to the last meeting of the Committee, the Covid-19 pandemic delayed the start of our work in 2020/21 and no overall assurance opinion can be given at this stage, although the S151 Officer and the Committee can be assured that sufficient internal audit work is in progress to ensure an appropriate assurance opinion can be provided by the end of the financial year.

Appendix 2 shows the status of the audits contained in the Audit Plan.

- 4.6 In addition, the Director of Audit, Fraud, Risk and Insurance and his team are involved in supporting a number of elements of the Council's ongoing Covid response which will help to obtain assurances to feed into the annual opinion.

**Follow up**

- 4.7 Two follow-up reviews were undertaken in the period (November 2020 to January 2022) which confirmed that 100% of recommendations made had been fully implemented:

<b>Audit</b>	<b>No of Recs Made</b>			<b>No of Recs Implemented</b>			<b>No of Recs in Progress</b>			<b>No of Recs not yet actioned</b>		
Day Centre (Lisson Grove)	4			4			0			0		
Emergency Duty Team	3			3			0			0		
<b>Total</b>	<b>7</b>			<b>7</b>			<b>0</b>			<b>0</b>		
Priority of recommendations	H	M	L	H	M	L	H	M	L	H	M	L
	1	1	5	1	1	5	0	0	0	0	0	0

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

**5. Financial Implications**

There are no financial implications from this report.

**6. Legal Implications**

There are no legal implications from this report.

**7. Staffing Implications**

There are no staffing implications from this report.

## 8. Consultation

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

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

Moira Mackie on 07800 513 192 Email: [Moira.Mackie@rbkc.gov.uk](mailto:Moira.Mackie@rbkc.gov.uk)

or

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## BACKGROUND PAPERS:

### Internal Audit Reports

**Audits Completed November 2020 to January 2021**

**GPH – Housing Emergency Planning (Satisfactory)**

The transfer of City West Homes (CWH) back to Council control in April 2019 necessitated a review of the Housing Department's Emergency Planning (EP) process and how it feeds into the wider Growth, Planning and Housing EP and the Council's overall strategy for dealing with emergencies. CWH's previous EP process concentrated on a Housing Estate based scenario where the EP required officers to concentrate resources to restore services on a Housing Estate rather than across the Housing Department.

This audit was commenced prior to the Covid-19 pandemic and the final fieldwork and reporting was delayed due to the need to prioritise the service response to the pandemic. Whilst the audit recommendations do not specifically reference the pandemic, the agreed management actions should be considered taking into account how the pandemic has or could impact on the emergency planning process

The review confirmed that the controls over the Estate EP were operating to an acceptable level. However, some processes that contribute to an effective EP could be improved, in particular, risk assessments and the simplification of instructions and procedures. In addition, the staff across are very experienced in Housing Management and possess a good knowledge of working across the estates and with the residents. However, the knowledge and experience needed to be supported by a strong training regime to ensure consistency should an emergency be declared.

Two high, two medium and four low priority recommendations were made which have been accepted and are due to be implemented by June 2021.

**GPH – Procurement of Temporary Accommodation (Satisfactory)**

In 2013 Cabinet reviewed and approved the Council's Temporary Accommodation Procurement Strategy which outlined the challenges the Council faced due to significant increases in demand for temporary accommodation over recent years along with the corresponding budget pressures this demand had placed upon the Council. The Strategy explained that: traditional models of temporary accommodation procurement and types of supply were no longer adequate

A comprehensive review of the Council's strategy regarding all placements of homeless households and the procurement of temporary accommodation was undertaken in 2016 and in 2017 the Accommodation Procurement Policy for homeless households was approved and replaced the Temporary Accommodation Procurement Strategy.

Since the original Strategy was approved over 250 properties have been purchased for use as temporary accommodation at a cost of over £88M. This expenditure figure includes the property purchase price, stamp duty, legal fees, RMG purchase fees for out-of-borough properties, Asset Team fees for in-borough properties, costs relating to the repairs/refurbishment undertaken immediately post purchase to bring the property to a lettable standard, and furniture. Properties which are located in-borough are funded through the Affordable Homes Fund; out-of-borough properties are funded through the General Fund and external borrowing.

The audit confirmed that the procurement of properties to be used as temporary accommodation is undertaken in line with the Council's temporary accommodation strategy and policies.

One medium priority recommendation was made in respect of the need for a proper, structured and appropriately restricted solution for the storage of documentation relating to the properties purchased for use as temporary accommodation. This recommendation is being addressed by the service with a solution expected before the end of the financial year.

### **Schools (Satisfactory)**

Audits of the Council's schools are carried out using an established probity audit programme, usually on a three-year cycle unless issues dictate a more frequent review. The programme is designed to audit the main areas of governance and financial control and has been fully reviewed to facilitate effective remote auditing. The programme's standards are based on legislation, the Scheme for Financing Schools and accepted best practice and the purpose of the audit is to help schools establish and maintain robust financial systems.

In the reporting period, three final reports have been issued in respect of the following schools:

- Soho Parish
- St Stephen's
- Edward Wilson

No significant issues were identified from these audits and any recommendations made will be followed up later in the year.

## Audit Plan 2020-21 – Status Report to end October 2020

## Completed Audits:

Plan Area	Auditable Area	Issued	Assurance level given	No of High Priority Recs	No of Med. Priority Recs	No of Low Priority Recs	Reported to Committee
ASC/ Finance	Direct Payments	Oct-2020	Limited	3	5	5	Dec 2020
	Deprivation of Liberty Safeguards	Nov-2020	Advisory	2	7	0	n/a
Schools	Soho Parish	Nov-2020	Satisfactory	0	3	4	Feb 2021
	St Stephen's	Dec-2020	Satisfactory	0	2	4	Feb 2021
	Edward Wilson	Jan-2021	Satisfactory	0	1	2	Feb 2021
Finance & Resources	Contract Expenditure Controls	Aug-2020	Advisory	0	5	0	n/a
	Income Compensation Claim	Dec-2020	Advisory	0	0	2	n/a
GPH	Housing Emergency Planning	Nov-2020	Satisfactory	2	2	4	Feb 2021
	Procurement of Temporary Accommodation cfwd 2019/20	Jan-2021	Satisfactory	0	1	0	Feb 2021

**Audit Plan 2020-21 – Status Report to end October 2020**

**Status of Remaining Audits:**

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Plan Area	Draft Reports	In Progress	Being Scoped	Booked for Q4	To Be Confirmed	Defer/ Cancelled
<b>Cross Cutting</b>		<ul style="list-style-type: none"> <li>○ GDPR (information assets) – Advisory</li> <li>○ Procurement &amp; Pre-paid Cards</li> <li>○ Finance/ HR/ Payroll Compliance</li> <li>○ Digital Accessibility</li> <li>○ Gifts &amp; Hospitality (Ongoing)</li> </ul>			<ul style="list-style-type: none"> <li>○ Risk Management</li> <li>○ Contract Management</li> <li>○ Procurement</li> </ul>	<ul style="list-style-type: none"> <li>○ Business Continuity Compliance (2021)</li> </ul>
<b>Adult Social Care</b>	<ul style="list-style-type: none"> <li>○ Financial Assessments cfwd 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>○ Test &amp; Trace &amp; Community Testing Grants (ongoing)</li> <li>○ Mosaic Financial Controls</li> </ul>				<ul style="list-style-type: none"> <li>○ Placements (2021)</li> </ul>
<b>Children’s Services</b>		<ul style="list-style-type: none"> <li>○ Supporting People (Ongoing)</li> </ul>			<ul style="list-style-type: none"> <li>○ External Placements</li> </ul>	<ul style="list-style-type: none"> <li>○ Replacement case management system (2021)</li> <li>○ Registrar Service</li> <li>○ Libraries</li> </ul>
<b>Schools</b>	<ul style="list-style-type: none"> <li>○ College Park</li> <li>○ QEII Special</li> </ul>	<ul style="list-style-type: none"> <li>○ St Saviour’s</li> <li>○ Thematic Reviews</li> </ul>		<ul style="list-style-type: none"> <li>○ St Peter’s Eaton Sq</li> <li>○ Robinsfield</li> </ul>		
<b>Finance &amp; Resources</b>	<ul style="list-style-type: none"> <li>○ Commercial Property Income cfwd 2019/20</li> <li>○ Westminster Community Homes Governance cfwd 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>○ Treasury Management</li> <li>○ Council Tax</li> <li>○ Housing Benefit</li> <li>○ IT Asset Management</li> </ul>	<ul style="list-style-type: none"> <li>○ IT Supplier Chain Management (Cyber)</li> </ul>	<ul style="list-style-type: none"> <li>○ Income Compensation Scheme (final claim)</li> </ul>	<ul style="list-style-type: none"> <li>○ Corporate Landlord Model</li> <li>○ Property – Various to be considered</li> <li>○ Legal Services Off Panel Spend</li> </ul>	<ul style="list-style-type: none"> <li>○ NNDR</li> <li>○ IT Projects &amp; Programmes</li> <li>○ Procurement</li> </ul>

**Audit Plan 2020-21 – Status Report to end October 2020**

Plan Area	Draft Reports	In Progress	Being Scoped	Booked for Q4	To Be Confirmed	Defer/ Cancelled
<b>People Services</b>		<ul style="list-style-type: none"> <li>○ Learning Management System</li> </ul>				
<b>Growth, Planning &amp; Housing</b>	<ul style="list-style-type: none"> <li>○ Resident Managed Halls (LALGRA) cfwd 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>○ H&amp;S Asbestos Compliance</li> <li>○ Management of Halls</li> <li>○ Building Control Income cfwd 2019/20</li> <li>○ Capital Programme (advisory)</li> <li>○ BACS Interfaces</li> <li>○ S106 Working &amp; Skills Undertakings</li> </ul>	<ul style="list-style-type: none"> <li>○ Lessee Charges</li> <li>○ H&amp;S Gas Safety Compliance</li> </ul>			
<b>Environment &amp; City Management</b>		<ul style="list-style-type: none"> <li>○ Electric Vehicle Grant Claims (ongoing)</li> <li>○ Trading Standards</li> <li>○ Food Safety</li> <li>○ Corporate Health &amp; Safety (Covid impact)</li> </ul>			<ul style="list-style-type: none"> <li>○ Leisure Services</li> </ul>	<ul style="list-style-type: none"> <li>○ Public Realm external funding</li> </ul>

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City of Westminster

## Audit and Performance Committee Report

<b>Date:</b>	17 February 2021
<b>Classification:</b>	General Release
<b>Title:</b>	Internal Audit Plan 2021/22
<b>Wards Affected:</b>	All
<b>City for All Summary</b>	Internal audit provides assurance to the Council that it has robust systems and controls in place to meet its priorities.
<b>Financial Summary:</b>	There are no financial implications arising from this report.
<b>Report of:</b>	Gerald Almeroth, Executive Director of Finance and Resources
<b>Author:</b>	Moira Mackie, Head of Internal Audit Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> . Tel: 07800 513 192

### 1. Executive Summary

- 1.1 The Strategic Audit Plan has been reviewed to document significant, persistent risks that the Council faces and the business areas to be covered over a five-year period. The Strategic Plan will support the annual planning process and ensure that internal audit continues to provide assurance over the breadth of the Council's operations.
- 1.2 The Plan has been prepared following consultation with Directors and takes into account the Council's corporate risks and priorities.
- 1.3 To ensure that the Annual Audit Plan is more responsive to changing risks and challenges, it has been developed as a '3 plus 9- month' plan. This approach allows for the first three months to be identified in detail with the remaining nine months being more flexible to suit the needs of the Council

at the time. The Plan will be reviewed and updated following discussions with Directors, taking into account changing risks and priorities. The revised Plan will be reported to the Committee on a quarterly basis.

## **2. Recommendations**

- 2.1 The Committee review the draft Strategic Audit Plan as set out in Appendix A and consider whether it covers the persistent risks that the Council faces and outlines the business areas or themes that need to be considered as part of a five-year plan?
- 2.2 The Committee review the draft of the Annual Audit Plan as set out in Appendix B, and comment on the audit work due to be undertaken in the first quarter of 2021/22 and identify any specific audits to be considered during the coming year.

## **3. Reasons for Decision**

- 3.1 The Strategic and Annual Audit Plans are compiled by the Shared Services Director for Audit, Fraud, Risk and Insurance, taking account of the Council's risk framework and following discussions with stakeholders, including senior managers. The Annual Audit Plan is subject to review by the Council's Executive Leadership Team and is reported to the Audit & Performance Committee for noting and comment.

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

- 4.1 The Council's Internal Audit Service is managed by the Shared Services Director for Audit, Fraud, Risk and Insurance. Audits are undertaken by the in-house team or by the external contractors to the service, in accordance with the Internal Audit Charter. Internal Audit is required to provide the S151 Officer, the Executive Leadership Team and the Audit & Performance Committee with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control arrangements. The Audit & Performance Committee are provided with updates at each meeting on the progress and outcomes from the internal audit work completed in the period.
- 4.2 A primary role of internal audit is to provide assurance that that the Council has robust systems of governance and control in place to achieve its priorities and meet its statutory responsibilities. The Council's internal and external environment continues to evolve and the way in which the Internal Audit Service is delivered must change to keep pace with this. The traditional audit approach of planning a full year of audits in advance has become unsuitable as the original plan fails to keep pace with the organisation's needs.
- 4.3 As a result we are implementing the following changes to the way in which we deliver the Internal Audit Service:
  - A Strategic Audit Plan is being developed which documents the significant, persistent risks that the Council faces and outlining, in broad terms, themes to be covered over a three to five-year period.

This will help to ensure that internal audit does not become a purely reactive function. A draft of the Strategic Audit Plan is attached as Appendix A;

- We will work with a '3 plus 9' Annual Audit Plan – planning out the next three months in detail, taking into account key risks and priorities, whilst keeping the remaining nine months more flexible. The plan will then be revisited each quarter to confirm the following quarter's work and will include sufficient audit coverage to enable an overall annual opinion to be reached on the Council's control framework;
- New reporting formats will be developed which are more appropriate to the work being undertaken, such as succinct reports for short/focused reviews;
- The option of faster paced audit work, through more focused coverage or less formal reporting, will be available where the traditional approach would not provide assurance as quickly as needed; and
- We will seek to increase attendance on 'working groups' where real time input to projects and initiatives would be useful.

4.4 The draft '3 plus 9' Internal Audit Plan for 2021/22 is attached as Appendix B to this report. It should be noted that this plan is an early draft, intended to focus on the work planned in the first quarter of 2021/22 and some changes may be required once all of the audit planning meetings have been held.

## **5. Financial Implications**

5.1 There are no financial implications arising from this report.

## **6. Legal Implications**

6.1 Regulation 3 of the Accounts and Audit Regulations 2015 sets out the Council's responsibility for ensuring that it has a sound system of internal control which:

- a. facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- b. ensures that the financial and operational management of the authority is effective; and,
- c. includes effective arrangements for the management of risk.

6.2 Regulation 5 requires the Council to ensure that it undertakes an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into consideration public sector internal auditing standards or guidance.

6.3 There are no legal implications arising from this report.

## **7. Staffing Implications**

7.1 There are no staffing implications arising from this report.

## 8. Consultation

- 8.1 For the new approach to be successful the Internal Audit Service require ongoing engagement with Departments throughout the year to identify and scope audits and more frequent discussions regarding emerging and changing risks and priorities. We have already undertaken a number of planning meetings with the Council's Senior Management Teams who are supportive of the changes to the way we will deliver our work during the coming year.

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

[Moiri.Mackie@rbkc.gov.uk](mailto:Moiri.Mackie@rbkc.gov.uk).

### **BACKGROUND PAPERS:**

*Internal Audit Planning Files*

*Risk Registers*

### Draft Strategic Internal Audit Plan

The Strategic Audit Plan sets out the medium-term direction of the Internal Audit service. This five-year plan outlines the priorities of the service and how Internal Audit can continue to provide an adequate level of assurance whilst taking account resource limitations and the changing risk landscape.

The Strategic Plan is supported by the Audit Charter, which sets out the roles and responsibilities of Internal Audit, and the Annual Audit Plan which outlines the internal audit work which will be undertaken each year.

All Local Authorities have faced significant financial reductions in recent years and increasing demand for services. All Council services have seen a reduction in the resource available to them and this in turn has an impact on the control environment. In addition, local authorities are taking more risks as they explore innovative solutions in order to bridge the funding gap and transform the organisation. It is important that the Internal Audit service continues to evolve to ensure that it remains an effective assurance provider.

This Strategic Audit Plan has been prepared to document significant, persistent risks that the Council faces and outlines, in broad terms, themes to be covered. The intention of the five-year period of this plan is to ensure that, in becoming more agile, internal audit does not become a purely reactive function and continues to provide assurance over the entire breadth of the Council's operations.

The Strategic Audit Plan will be aligned where possible to the Council's priorities, as identified in their City for All Vision and Strategy.

Area of Review	Significant Persistent Risks	Five-year Approach
<p><b>Corporate Resources</b>                      Back office and support functions including Finance, HR, business continuity, risk management, health and safety and procurement</p>	<ul style="list-style-type: none"> <li>• Internal and external fraud</li> <li>• Poor Financial management</li> <li>• Risks to staff safety and welfare</li> <li>• Value for money not achieved in commissioning, procurement and contract management</li> <li>• Council funds not invested effectively</li> <li>• Staff do not have the skills, resources or support to discharge their roles effectively</li> <li>• Council unable to cope with business disruption or emergencies.</li> </ul>	<p>At least one full audit of each key financial system and ongoing testing of key controls every year.</p> <p>Cyclical Coverage of Revenues and Benefits over a three-year period.</p> <p>At least one audit of each key HR Function</p> <p>Work on other functions, themes or departments based on conversations with management, assessment of risk and other sources of assurance</p> <p>Annual coverage of management of individual procurements and contracts based on review of forward plans, perceived risk, significance and discussions with management</p>

Area of Review	Significant Persistent Risks	Five-year Approach
<p><b>Governance, Partnerships and Transformation</b>                      Council governance functions, key strategic partnerships, commercial ventures and transformation programmes and projects</p>	<ul style="list-style-type: none"> <li>• Governance failures, bringing the Council into disrepute or leading to the aims and objectives of the Council not being achieved.</li> <li>• Programmes and projects are not managed effectively within the required budget and timescales, delivering all expected benefits.</li> <li>• Ill-advised strategic partnerships or ventures entered into or poor governance arrangements lead to objectives not being achieved.</li> <li>• Information requests (such as SARs and FOIs) are not responded to promptly and appropriately.</li> <li>• Statutory functions such as Registrars and Electoral Services are not discharged effectively</li> <li>• Commercial property portfolio is not managed effectively.</li> </ul>	<p>At least one full audit of SARS, FOIs, Members Enquiries and Complaints                      Annual coverage of Health and Safety based on discussions with management and understanding of risk areas                      At least one audit of Gifts, Hospitality and Declarations of Interest                      At least one audit of the Registrars Service                      Annual audits of specific areas of governance based on discussions with management and understanding of risk                      Coverage of each significant Partnership, Joint Venture, Council Owned Company or Commercial Venture                      Annual Coverage of Risk Management at either a corporate, thematic or departmental level.</p>
<p><b>Information Management &amp; Technology</b>                      Management of data, compliance with the Data Protection Act /GDPR.                      Information technology including cyber security, asset management and disaster recovery.</p>	<ul style="list-style-type: none"> <li>• Loss of information, data breaches or inappropriate disclosure.</li> <li>• Loss of access/information due to systems failure or cyber attack.</li> <li>• Breach of access controls.</li> </ul>	<p>Periodic IT audit needs assessment and frequent discussions with management to understand risk areas.</p>

Area of Review	Significant Persistent Risks	Five-year Approach
<p><b>Housing</b> Housing Services provided to Council Tenants, Leaseholders and those at risk of homelessness.</p>	<ul style="list-style-type: none"> <li>• Properties are either acquired or disposed of that are not in line with the Council’s strategy or value for money is not achieved.</li> <li>• Rent payments are not recovered promptly and completely</li> <li>• Council housing is acquired through fraud or is used inappropriately</li> <li>• Housing stock is not maintained in a satisfactory condition leading to health and safety hazards and increased reactive maintenance.</li> <li>• Risks to the health and safety of residents are not identified and addressed promptly.</li> <li>• Leaseholders and not consulted and correctly charged for any works affecting their property.</li> <li>• Homeless and those at risk of becoming homeless in the borough do not receive the support they require.</li> </ul>	<p>At least one full audit of key Housing functions such as Rents, Homelessness, Housing Allocations, Temporary Accommodation, Tenancy Management, Leaseholder Services</p> <p>More frequent coverage of both responsive repairs and planned repairs and maintenance</p> <p>Annual coverage of building Health and Safety compliance.</p>
<p><b>Children Services</b> Provision of services for children and families including looked after children, family support, schools and SEND</p>	<ul style="list-style-type: none"> <li>• Failure in service continuity, safeguarding arrangements, financial management and governance;</li> <li>• Increased demands for services with reduced funding.</li> </ul>	<p>On-going in-year assurance on funding claims for Supporting People.</p> <p>Cyclical full review of specific areas such as placements, direct payments, looked after children based on discussions with management and understanding of risk</p> <p>Each school reviewed at least once (with more frequent review where required).</p>
<p><b>Adult Social Care</b> Services provided to adults including day care, home care, direct payments and reablement.</p>	<ul style="list-style-type: none"> <li>• Increased demands for services with reduced funding;</li> <li>• Lack of suitable provision;</li> <li>• Weak supplier financial resilience.</li> </ul>	<p>Cyclical review of specific areas such as direct payments, home care, day centres, client affairs, charges and debt management, partnership agreements based on discussions with management and understanding of risk</p>

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Area of Review	Significant Persistent Risks	Five-year Approach
<p><b>Public Health</b>            Services provided to support the public health of the community including the response to the Covid-19 and other pandemics.</p>	<ul style="list-style-type: none"> <li>• Access to appropriate affordable resources to support improvement to public health priorities;</li> <li>• Changing public health priorities and capacity for delivery (as exemplified by Covid-19 pandemic).</li> </ul>	<p>At least one procurement and one contract monitoring review across 2 to 3-year period.            Targeted reviews in specific areas based on discussions with management and understanding of risk</p>
<p><b>Environment, Infrastructure and Community Services</b>            Management of highways infrastructure and services provided for residents, businesses and visitors.            Includes Planning &amp; building control, parking, highways, public realm, environmental health, trading standards, community safety, leisure, culture and amenity services.</p>	<ul style="list-style-type: none"> <li>• Statutory and regulatory functions not discharged effectively;</li> <li>• Weak supplier resilience / lack of provision;</li> <li>• Poor value for money/ ineffective service delivery/ failure to deliver outcomes for the community;</li> <li>• Injury to health /wellbeing to the community, businesses and visitors.</li> </ul>	<p>At least one procurement and one contract monitoring review across 2 to 3-year period.            Cyclical review across the service areas based on discussions with management and understanding of risk</p>

### Strategic Risks

The risks that could impact on the sustainability and delivery of the Council's statutory and non-statutory services and operations are considered to be of strategic significance. At the time of preparing the Audit Plan the Council's Strategic Risks are identified as:

Number	Risk	Department
1	Subsequent health protection incidents could compound the impact of Covid-19 and hinder the local response.	Public Health
2	The Council fails to meet its safeguarding responsibilities for a child, young person or adult.	Adult Social Care and Children's Services
3	Financial pressures resulting in an inability to fund services for residents, businesses and visitors.	Finance and Resources
4	Serious information or cyber security incident due to data breach, malware outbreak, phishing, ransomware attack.	Finance and Resources
5	Failure of a major contract or an inability to secure alternative provision resulting in the Council being unable to provide services or meet its statutory obligations.	Finance and Resources
6	A significant incident occurring in Westminster (e.g. weather event, fire, terror attack, etc).	Environment and City Management
7	The impact of Brexit on Council services and communities across Westminster.	Environment and City Management

### Draft Annual Plan - 2021/22

The Annual Internal Audit Plan for 2021/22 is presented in two parts: the three months of the year where we have identified a number of audits to be undertaken; and the remaining 9 months where planning is more flexible.

To achieve this, we have increased engagement with Management Teams to:

- Become more involved in risk discussions throughout the year, to better understand the risk environment and alternative sources of assurance available;
- Firm up the scope and timing of the following quarter's audit work; and
- Identify other areas for internal audit involvement not yet considered in the Annual Audit Plan.

Where possible the Plan is aligned to the Council's strategic risks and identified audits have been prioritised (High, Medium or Low). However, it should be noted that the Council's strategic risks and priorities may change during the year and the Plan will be updated as appropriate. The Plan will be presented to the Executive Management Teams and Audit and Performance Committee at the start of the financial year and will then be presented every quarter. The delivery of the plan helps to create a culture of accountability, ensures that risk management processes are embedded and contributes to the Council's governance framework.

In addition, areas of fraud risk are evaluated by the Corporate Anti-Fraud Service (CAFS) and this information will be used to inform and focus some of the audit work planned, as well as identifying areas where pro-active exercises and data analytics can provide additional assurance that fraud risks are effectively managed.

#### **Corporate Anti-Fraud Service (CAFS) – Quarter 1 2021/22**

In quarter one of 2021/22, the majority of CAFS activities will focus on the National Fraud Initiative (NFI).

The NFI is a biennial, mandatory, data matching exercise which all UK local authorities must participate in. The aim of the exercise is to identify possible cases of fraud, error and overpayments within public bodies, e.g. local authorities, central government, the NHS.

The last exercise generated over 9,000 matches and similar numbers are again expected this year. There is no requirement for all matches to be investigated, but to assist with the prioritisation of investigation, matches were categorised high, medium or low risk.

During the last exercise, investigation work cleared over 3,700 matches, identified more than 400 anomalies, identified seven instances of fraud and recorded a financial saving of over £165,000.

Draft Internal Audit Plan - Quarter 1 2021/22

Department	Review	Potential Coverage	Strategic Risk*	Priority (H/M/L)
Cross-Cutting	S113 Agreements	Process for ensuring review and agreement is taking place at the appropriate level. (ASC, CHS, Finance & Resources)	n/a	M
Adult Social Care	Direct Payments	Assistance with improvements to address previously identified control weaknesses.	2	H
Adult Social Care	Debt Management	Review of processes in place to ensure that debt is minimised and managed effectively	2, 3	H
Adult Social Care – PH	Covid Grant Funding	Dependent on timing of returns & reviews done in 2020/21.	1, 3	H
Children's Services	Case Management System	Advice on internal audit controls in replacement system. Ongoing assurance on procurement if required.	2	M
Children's Services	Integration of operational & financial systems	Alignment of financial information and reporting. Potential to compare and contrast across WCC and RBKC.	2	H
Children's Services	SEN High Value Placements	To discuss further with the service.	2, 3	H
Children's Services	Purchase Cards	To consider work undertaken within finance and identify where additional review could provide benefits.	2	M
Children's Services	Placements	Shared Services Placements Team – Assurance on processes and controls.	2, 3	H
Children's Services	Payments & Direct Payments	Shared Services Payments and Direct Payments Team – Assurance on processes and controls.	2, 3	H
Children's Services - Schools	Schools to be confirmed	Financial control and governance review.	2	M
Environment & City Management	PPL Transformation	Advisory support during transformation programme.	n/a	H

## Appendix B

Department	Review	Potential Coverage	Strategic Risk*	Priority (H/M/L)
Environment & City Management	Procurement	Role of the Procurement Board.	5	M
Finance & Resources – Information Systems	Projects & Programmes	Effective management of pipeline of projects and programmes (carried forward from 2020/21) and identified as priority for 2021/22.	tbc	H
Finance & Resources	NNDR	Cyclical review deferred from 2020/21 to include additional assurance areas where appropriate.	3	H
Growth, Planning & Housing	Northgate	Procurement and Implementation . Possible start in Q1 but potential to be ongoing during the year.	n/a	H
Growth, Planning & Housing	Major Works Contracts	Reduction in providers. Impact and action required. Possible start in Q1 but potential to be ongoing during the year.	5	H
Growth, Planning & Housing	Rough Sleeping	Changes required to process. Possible start in Q1 but potential to be ongoing during the year.	2, 3	M
Growth, Planning & Housing	Apprenticeships	Deferred in 2020/21 due to Covid-19.	n/a	M
Growth, Planning & Housing	Social Value Commitments	To be considered post current S106 review on employment and skills commitments – may be lessons learnt from current review.	n/a	H
Growth, Planning & Housing	Standardisation	To consider any potential for similar tasks to be standardised across the service.	n/a	M

\*The Council's current strategic risks are detailed at the end of Appendix A (Strategic Internal Audit Plan). These will be reviewed and updated during the year as appropriate.

**Draft Internal Audit Plan – Quarters 2 to 4 2021/22**

Department	Review	Potential Coverage	Strategic Risk*	Priority (H/M/L)
Cross-Cutting	Governance	Understanding and mapping of governance arrangements: <ul style="list-style-type: none"> <li>• Panels, Boards and Working Groups</li> <li>• Delegated authority</li> </ul>	n/a	H
Cross-Cutting	Governance & Compliance	Compliance with expected standards: <ul style="list-style-type: none"> <li>• Declarations of Interest</li> <li>• Gifts &amp; Hospitality</li> <li>• Business Continuity</li> <li>• Risk Management</li> </ul>	6 All	M M H M
Adult Social Care	Covid-19 Inequalities	To discuss further with the service.	1	H
Adult Social Care	Quality Assurance	Review existing processes in place and information from other sources of assurance.	2	H
Children's Services	Libraries Income	Diversity of income streams (deferred from 2020/21)	3	M
Children's Services	Registrar Service	To discuss further with the service (deferred from 2020/21)	3	M
Children's Services - Schools	Schools to be confirmed	Financial control and governance review.	2	M
Environment & City Management	Uniform	Advice & support on changes to business-critical software. Ongoing assurance if required.	5	H
Finance & Resources – Information Systems	Other – to be confirmed	To be further discussed with the service to identify	tbc	tbc
Finance & Resources	Key Financial Controls Testing	Annual programme of testing	3	H
Finance & Resources	Council Tax	Cyclical Review	3	H
Finance & Resources	Housing Benefits	Cyclical Review	3	H

Appendix B

Department	Review	Potential Coverage	Strategic Risk*	Priority (H/M/L)
Finance & Resources	Wholly Owned Companies	Revisit following governance review in 2020/21 to provide re-assurance on changes to arrangements.	3	H
Finance & Resources	Property Services	To be discussed further with the service	3	H
Finance & Resources	Commercial Partnerships	To be discussed further with the service. Work could relate to procurement, contract management, performance management, reporting and likely to be cross-cutting.	3	H
Finance & Resources – Legal Services	Lexcel Certification	Critical friend as part of preparation for certification process.	n/a	M
Finance & Resources – Legal Services	FOI/SARs and Data Breaches	Cyclical review – previously limited assurance.	4	H
People Services	Key Payroll Testing	Annual programme of testing. To include leavers processing, salary overpayments.	n/a	H
People Services	Cyclical review	To be discussed with the service. Could include, induction process, apprenticeships (use of levy), recruitment and likely to be cross-cutting.	n/a	M
People Services / Finance & Resources	Pensions Administration	Changes to provision – to be discussed with the service on timing to be post migration.	n/a	H
Growth, Planning & Housing	Building Control	Implementation of changes in legislation	n/a	H
Growth, Planning & Housing	Housing Health & Safety	Cyclical review of compliance with H& S requirements (areas to be confirmed)	n/a	H
Innovation & Change	Transformation Governance	To be discussed with the service.	tbc	H
Innovation & Change	Performance Reporting	Effectiveness. Measurement in line with key priorities & outcomes.	tbc	H

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## Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	17 February 2021
<b>Classification:</b>	General Release
<b>Title:</b>	Annual Complaints Review 2019/20
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	There are no financial implications from this report
<b>Report of:</b>	Sue Howell, Complaints and Customer Manager Telephone: ext 8013 E-mail: showell@westminster.gov.uk

### 1 Executive Summary

- 1.1 The purpose of this report is to present to the Audit and Performance Committee the Council's Annual Complaints Review for 2019/20 (**see Appendix 1**).
- 1.2 The attached report (**Appendix 1**) summarises the Council's complaints performance (complaint stages 1 & 2), complaints received from the Local Government and Social Care Ombudsman (LGO), and a limited review of dealing with the Leader and Cabinet Member correspondence. A copy of the Local Government and Social Care Ombudsman Annual Letter/Review for the year ended 31 March 2020 is also appended (Appendix 1) to this report .

### 2 Recommendations

- 2.1 Members are requested to review and note the information about complaints set out in the Annual Complaint Review 2019/20 (**Appendix 1**) and review the Local Government and Social Care Ombudsman Annual Letter/Review which is appended to this report.

### 3 Complaints Handling

3.1 The Council has two stage complaints procedure which is as :

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

If the complainant still remains dissatisfied he/she can take the concern to the Local Government and Social Care Ombudsman (LGO) or to the Housing Ombudsman if the complaint refers to issues dealt with by Housing Management Services.

3.2 The procedure covers most council services. However, Adults and Children's Social Care Services each have their own separate statutory complaints procedure and as such separate reports are produced for Member and Officer oversight.

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

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

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

3.5 It should be noted that most contacts from the members of the public are handled outside of the Council's complaints procedure, and there can be confusion about what constitutes a complaint. Generally, when an initial request for a service is received this is not usually considered a formal complaint even if some form of dissatisfaction is expressed. The request becomes a complaint should the person make further contact if they consider the matter has not been dealt with satisfactorily, or to protest the Council's policies and procedures. Departments apply common sense when deciding what is a complaint as the majority of customers simply wish the Council to put something right and a service area may attempt to do this a couple of times before the matter is put into the formal complaints procedure.

3.6 There are some concerns which cannot be dealt with under the council's complaint procedure. These include issues where there are separate statutory appeals procedures such as disputes over parking tickets, planning applications appeals and Housing Benefit appeals, as formal appeals procedures takes precedence over the complaints procedure. Issues which are, or have been subject to Court action, complaints about staff and issues involving insurance claims against the Council also cannot be addressed in our complaints procedure. For these reasons, the complaints included in this report only relate to allegations of service failure which constitute a formal corporate complaint, and where there is not a legal,

statutory procedure or an alternative complaint procedure to deal with the specific issue.

- 3.7 It should also be noted that on 1 April 2019 Housing Management Services (was known as CityWest Homes) returned to the Council. Previously CityWest Homes operated its own complaints procedure, therefore this report cannot make performance comparisons between the financial years for 2018/19 and 2019/20 as we have no Housing Management Services data for 2018/19. The volume of complaints is high for the Housing Service, but this is primarily due to the state of the service inherited from City West Homes. It is anticipated that the levels of complaints will reduce in the future, as the new improved arrangements implemented by Housing Management Service take effect.

#### **4 Findings from the Annual Complaint Review (Appendix 1)**

- 1.1. A total of 1804 complaints (1628 at stage 1 and 176 at stage 2) have been recorded across both stages of the corporate complaints procedures. This is an overall increase of 37% when compared with 2018/19. If the complaints volumes for Housing Management Services are removed from the calculations the data indicates that overall complaints volumes have decreased (-17%) when compared with the preceding year.
- 4.1 Complaint Volumes – The 34% increase in stage 1 complaints is due to the return of Housing Management Services (was CityWest Homes). If the data from this service is removed from the calculations there is an overall decrease (-18%).
- 4.2 Response times – The 10 day working response target has been met in 77% of stage 1 complaints which is a 1% reduction on the previous year.
- 4.3 Complaint Learning – Item 9 of the Annual Complaint Review provides some example of how complaint data has been used for complaint learning.
- 4.4 Stage 2 Complaint Volume/Escalation – 176 stage 2 complaints have been received which represents a 34% increase on the preceding year. The return of Housing Management Services is the main factor for the increase. If the complaints from this service are removed from the calculation there would have been an overall decrease (-13%) in stage 2 complaint volume.
- 4.5 Response Times – 13% of stage 2 complaints were responded to in target response time against 25% in the preceding year.
- 4.6 Complaint Escalation Rate – Across all services the escalation rate from stage 1 to stage 2 is 11% and this is considered a good performance.
- Local Government and Social Care Ombudsman (LGSCO)**
- 4.7 No formal published reports finding maladministration with injustice for 2019/2020 were issued against the Council in 2019/20.

4.8 The Council received 25 first time enquiries in 2019/20 (+8) on the preceding year.

#### **LGSCO Annual letter 2019/20**

4.9 Complaint Outcomes – 73% of all LGSCO complaints and enquiries received in 2019/20 were either referred back to the Council's complaints procedure or the case was closed after initial enquiries were made.

4.10 Complaint Learning from the Annual Letter - The below is a summary of the main learning issues for the Council coming out of the Annual letter:

- Ensure that all agreed LGSCO remedies are completed within the time indicated
- It is the responsibility of the relevant service to make the necessary arrangements to make payment of any agreed compensation, and this should be started when the service receives a copy of the final decision
- To consider whether an early resolution remedy could be made either when answering formal detailed enquiries or if the complaints team notify the service of this opportunity before the case is allocated to a LGSCO investigator

#### **Leader and Cabinet Member Correspondence**

4.11 The volume of correspondence is down on the previous year (-178). This is in the main due to departments responding to the correspondence directly rather than the Cabinet Member's office issuing the response.

### **5 The Management of Complaints**

5.1 The Council will work to improve the response times for stage 2 complaints.

5.2 Housing Management Services is bedding into the Council's complaints procedure and is working to improve all aspects of complaint handling.

### **6 Financial Implications**

There are no financial Implications associated with this report.

### **7 Legal Implications**

There are no legal implications associated with this report.

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

**Sue Howell, Complaints and Customer Manager**

**E-mail:** [showell@westminster.gov.uk](mailto:showell@westminster.gov.uk)

## **BACKGROUND PAPERS**

None

# **APPENDIX 1**

## **Annual Complaint Review 2019/20**



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# **APPENDIX 1**

## **Local Government and Social Care Ombudsman Annual Complaint Review 2019/20**

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22 July 2020

*By email*

Mr Love  
Chief Executive  
Westminster City Council

Dear Mr Love

### **Annual Review letter 2020**

I write to you with our annual summary of statistics on the decisions made by the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2020. Given the exceptional pressures under which local authorities have been working over recent months, I thought carefully about whether it was still appropriate to send you this annual update. However, now, more than ever, I believe that it is essential that the public experience of local services is at the heart of our thinking. So, I hope that this feedback, which provides unique insight into the lived experience of your Council's services, will be useful as you continue to deal with the current situation and plan for the future.

### **Complaint statistics**

This year, we continue to place our focus on the outcomes of complaints and what can be learned from them. We want to provide you with the most insightful information we can and have made several changes over recent years to improve the data we capture and report. We focus our statistics on these three key areas:

**Complaints upheld** - We uphold complaints when we find some form of fault in an authority's actions, including where the authority accepted fault before we investigated. A focus on how often things go wrong, rather than simple volumes of complaints provides a clearer indicator of performance.

**Compliance with recommendations** - We recommend ways for authorities to put things right when faults have caused injustice. Our recommendations try to put people back in the position they were before the fault and we monitor authorities to ensure they comply with our recommendations. Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

**Satisfactory remedies provided by the authority** - We want to encourage the early resolution of complaints and to credit authorities that have a positive and open approach to resolving complaints. We recognise cases where an authority has taken steps to put things right before the complaint came to us. The authority upheld the complaint and we agreed with how it offered to put things right.

Finally, we compare the three key annual statistics for your authority with similar types of authorities to work out an average level of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

This data will be uploaded to our interactive map, [Your council's performance](#), along with a copy of this letter on 29 July 2020, and our Review of Local Government Complaints. For further information on how to interpret our statistics, please visit our [website](#).

It is pleasing that we recorded our satisfaction with your Council's compliance in the cases where we recommended a remedy. However, it is disappointing that in five cases remedies were not completed within the agreed timescales and we had to chase the Council to achieve compliance. I acknowledge the pressures councils are under, but such delays can add to the injustice already suffered by complainants. Additionally, the actions you agree to take, and your performance in implementing them, are reported publicly on our website, so are likely to generate increased public and media scrutiny in future. I would ask the Council to consider the way it implements remedies with a view to reducing delay in future.

### **Resources to help you get it right**

There are a range of resources available that can support you to place the learning from complaints, about your authority and others, at the heart of your system of corporate governance. [Your council's performance](#) launched last year and puts our data and information about councils in one place. Again, the emphasis is on learning, not numbers. You can find the decisions we have made, public reports we have issued, and the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

I would encourage you to share the tool with colleagues and elected members; the information can provide valuable insights into service areas, early warning signs of problems and is a key source of information for governance, audit, risk and scrutiny functions.

Earlier this year, we held our link officer seminars in London, Bristol, Leeds and Birmingham. Attended by 178 delegates from 143 local authorities, we focused on maximising the impact of complaints, making sure the right person is involved with complaints at the right time, and how to overcome common challenges.

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. During the year, we delivered 118 courses, training more than 1,400 people. This is 47 more courses than we

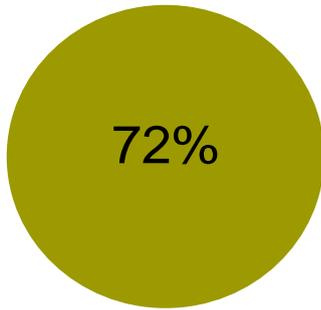
delivered last year and included more training to adult social care providers than ever before.  
To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M King', with a horizontal line underneath.

Michael King  
Local Government and Social Care Ombudsman  
Chair, Commission for Local Administration in England

### Complaints upheld



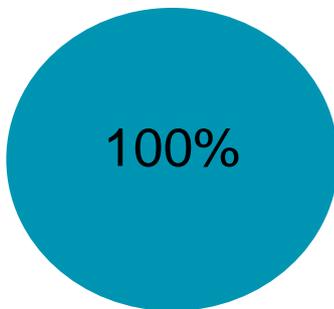
**72%** of complaints we investigated were upheld.

This compares to an average of **70%** in similar authorities.

**21**  
upheld decisions

Statistics are based on a total of 29 detailed investigations for the period between 1 April 2019 to 31 March 2020

### Compliance with Ombudsman recommendations



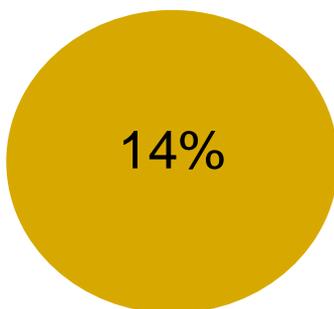
In **100%** of cases we were satisfied the authority had successfully implemented our recommendations.

This compares to an average of **99%** in similar authorities.

Statistics are based on a total of 18 compliance outcomes for the period between 1 April 2019 to 31 March 2020

- Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

### Satisfactory remedies provided by the authority



In **14%** of upheld cases we found the authority had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **15%** in similar authorities.

**3**  
satisfactory remedy decisions

Statistics are based on a total of 29 detailed investigations for the period between 1 April 2019 to 31 March 2020



City of Westminster

## **Annual Complaints Review 2019/20**

December 2020

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

## 1. Introduction

- 1.1 This report presents complaints performance trends and for 2019/20, and a comparison of performance between 2018/19 and 2019/20 (where applicable) across stage 1 and stage 2 of the corporate complaints procedure. It also includes a performance review of Local Government and Social Care Ombudsman (LGSCO) first time enquiries, and a limited review of Leader and Cabinet Member correspondence.
- 1.2 Data used in this report has been taken from the Council's complaints database (icasework).

## 2. Background

- 1.3 The Council's two stage complaints procedure is as follows:
- **Stage 1** - Complaints are addressed by the local service delivery manager (10 working day turnaround).
  - **Stage 2** - A Chief Executive's review undertaken (10 working day turnaround)
  - **LGSCO** - If the complainant still remains dissatisfied with the stage 2 reply he/she can take their concerns to the LGO
- 1.4 The procedure covers most council services although Adults and Children's Social Care Services each have their own statutory complaints procedure. In view of this separate reports are produced for Member and Officer oversight, therefore there is limited information about these services in this report.
- 1.5 Housing Management Services (was known as CityWest Homes) came back in house on 1 April 2019 and therefore no comparison data for 2018/19 is included in this report; as they were still an Arms Length Organisation and operated their own complaints procedure at that time.
- 1.6 This is the first year of Housing Management Services return and as expected because they have inherited problems this may take a couple of years to resolve, and to see the effect of their improvement plan on complaints handling.

## 3. Headline findings

### Summary of Complaint Numbers

- 3.1. A total of **1804** complaints (1628 at stage 1 and 176 at stage 2) have been recorded across both stages of the corporate complaints procedures. This is an overall increase of 41% when compared with 2018/19.
- 3.2. If the complaints volumes for Housing Management Services are removed from the calculations the data indicates that overall complaints volumes have decreased (-17%) when compared with the preceding year.
- 3.3. The increase in volume across both stages is attributed to the return Housing Management Services (was CityWest Homes).

### Stage 1 Summary

- 3.4. **Complaint Volumes** – The 42% increase in stage 1 complaints is due to the return of Housing Management Services. If the data from this service is removed from the calculations there is an overall decrease (-18%).

**Response times** – The 10 day working response target has been met in 77% of complaints which is a 1% reduction on the previous year.

- 3.5. **Complaint Learning** – Item 9 provides some example of how complaint data has been used for complaint learning.

### **Stage 2 Summary**

- 3.6. **Complaint Volume/Escalation** – 176 stage 2 complaints have been received which represents a 34% increase on the preceding year. The return of Housing Management Services is the main factor for the increase, and if the complaints from this service are removed from the calculation there would have been an overall decrease (-13%) in stage 2 complaint volume. There has also been a reduction in the volumes of complaints for F&R (HB, CT & Business Rates).
- 3.7. **Response Times** – 13% of stage 2 complaints were responded to in target response time against 25% in the preceding year. The slowing down in meeting target response is attributed to the overall increase in the volume of complaints and the number of complex investigations, and services have generally been slower in replying to requests for information.
- 3.8. **Complaint Escalation Rate** – Across all services the escalation rate from stage 1 to stage 2 is 11% and this is considered a good performance.

### **Local Government and Social Care Ombudsman (LGSCO)**

- 3.9. No formal published reports finding maladministration with injustice for 2019/2020 were issued against the Council in 2019/20.
- 3.10. The Council received 25 first time enquiries in 2019/20 (+8) on the preceding year.
- 3.11. **Compensation** - Was offered in 10 cases in 2019/20 and a total of £5024.00 offered. This is less than the preceding year (-£4,706.00).

### **LGSCO Annual letter 2019/20**

- 3.12. **Complaint Outcomes** – 73% of all LGSCO complaints and enquiries received in 2019/20 were either referred back by the Ombudsman to the Council's complaints procedure or the Ombudsman closed the case after initial enquiries were made.
- 3.13. **Complaint Learning from the Annual Letter** - The below is a summary of the main learning issues for the Council coming out of the Annual letter:
- Ensure that all agreed LGSCO remedies are completed within the time indicated
  - It is the responsibility of the relevant service to make the necessary arrangements to make payment of any agreed compensation, and this should be started when the service receives a copy of the final decision
  - To consider whether an early resolution remedy could be made either when answering formal detailed enquiries or if the complaints team notify the service of this opportunity before the case is allocated to a LGSCO investigator

### **Leader and Cabinet Member Correspondence**

- 3.14. The volume of correspondence is down on the previous year (-178). This is in the main due to departments responding to the correspondence directly rather than the Cabinet Member's office issuing the response.

## **4. Complaint Volumes- Across all Stages and Directorates**

- 4.1. As indicated in **Table 1** a total of **1804** complaints (1628 at stage 1 and 176 at stage 2) have been recorded across both stages (withdrawn complaints not included).
- 4.2. The increase in volume across both stages is attributed to the return Housing Management Services to the Council (previously known as CityWest Homes). The service previously operated their own complaints procedure and since their return on 1 April 2019, all complaints are now considered under the Council's corporate complaints procedure. As indicated in item 1.6, this is the first year of their return and it may take a couple of years to see the effect of their improvement plan on complaint handling.

**Table 1 – Complaints across Stage 1 and Stage 2 for 2019/20**

Directorate/ Division	Stage 1 Total for 2019/20	Stage 2 totals
<b>Finance and Resources</b>	<b>274</b>	<b>24</b>
<i>Housing Benefit</i>	66	7
<i>Council Tax</i>	180	15
<i>Business Rates</i>	28	2
<b>City Management and Communities</b>	<b>349</b>	<b>42</b>
<i>Waste and Parks</i>	118	5
<i>Public Protection and Licensing</i>	82	13
<i>Parking Services</i>	91	14
<i>Highways and Public Realm</i>	21	4
<i>Libraries and Archives</i>	12	0
<i>Community Services (Sports &amp; Leisure)</i>	25	6
<b>Growth, Planning and Housing</b>	<b>922</b>	<b>100</b>
<i>Development Planning</i>	62	7
<i>Housing Solution Services</i>	178	31
<i>Housing Mgt (was CityWest Homes)</i>	682	62
<b>Chief Executives</b>	<b>9</b>	<b>0</b>
Electoral Services	9	0
<b>Policy, Performance and Communications</b>	<b>9</b>	<b>2</b>
<b>Children's Services</b>	<b>62</b>	<b>8</b>
<b>Total</b>	<b>1628</b>	<b>176</b>

- 4.3. **Table 2** (Section A) indicates the overall complaint volumes across all services has increased (+41%). If the data for Housing Management Services is removed (Section B) this indicates that there has been an overall decrease (-17%) in complaint volumes when compared with the preceding year.

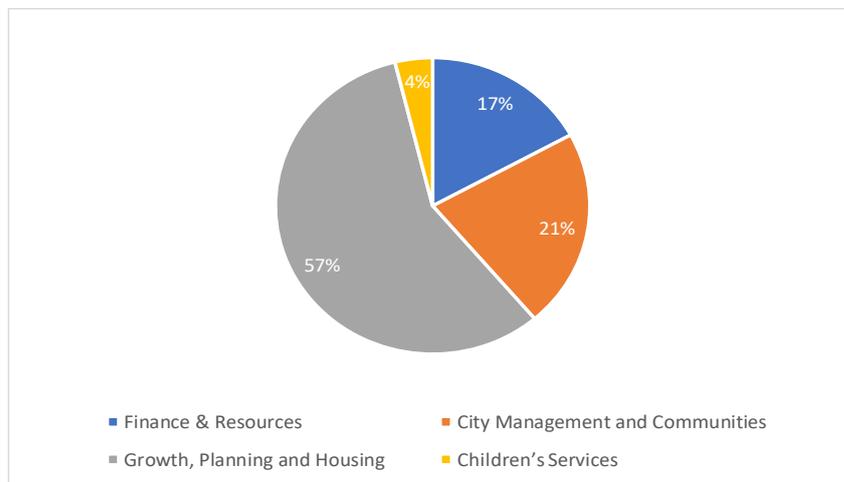
**Table 2 - A Comparison of complaint volumes 2018/19 and 2019/20 across all services with data for Housing Management Services included (A) and (B) if this data is not included**

Calculations <b>include</b> 2019/20 totals for Housing Management Services				
A		2018/19	2019/20	% Difference
	Stage 1	1149	1628	42%
	Stage 2	131	176	34%
	<b>Totals</b>	<b>1280</b>	<b>1804</b>	<b>41%</b>
Calculations <b>without</b> 2019/20 totals for Housing Management Services				
B		2018/19	2019/20	% Difference
	Stage 1	1149	946	-18%
	Stage 2	131	114	-13%
	<b>Totals</b>	<b>1280</b>	<b>1060</b>	<b>-17%</b>

## 5. Stage 1 Complaints over 2019/20

Total number of Stage 1 Complaints received by directorate (withdrawn complaints not included) - **1628**

Chart 1 - Profile of complaints made by directorate in 2019/20



- 5.1. As seen in **Chart 1** three Directorates deal with complaints in significant volumes. Growth Planning and Housing (GPH) received 57% of all stage 1 complaints and the situation was similar in 2018/19.
- 5.2. **Table 3** (below), compares the volume of complaints received in 2018/19 and 2019/20. No comparison data in Table 3 is shown for Housing Management Services as this is the first year of their return but the information is included (682 stage 1 complaints) in the totals for 2019/20. **Table 2** and **item 4.3** indicates the position with this data included and the overall performance if it is removed.
- 5.3. **Table 3** also indicates that F&R (HB/CT/NNDR) has seen an overall reduction of (-238) stage 1 complaints when compared with the preceding year. The reduction in HB complaints (-166) is due to various factors which include:
  - Improved communication levels between Corporate Services, Contracts Performance Team and Capita management and improvement in training, turn-around times to responses, quality of those responses etc
  - Further training and guidance given to staff, and the reviewing of all Stage 1 complaint response letters to ensure standards are met has improved the quality of the Stage 1 responses and this has helped to reduce the number of complaints escalating to Stage 2.
  - Guidance given to staff on what to classify as a complaint, and what should be considered a request for a 'revision of benefit', for example a customer who 'complains' about the amount of their weekly HB award is not considered as a complaint, and it is dealt with as a request for a review of their award to ensure that it is accurate. The customer receives an explanation of how the figures used have been calculated and invites them to provide evidence to support a different amount if they feel these figures are incorrect. The customer can formally appeal if they still disagree. A complaint is recorded when there has been a "failure of service", for example the service failed to assess a customer's benefit claim in the time limits given or failed to call a customer back when having agreed to do so.

**Table 3 - Comparison of Stage 1 totals by Divisions within Directorates for 2018/19 & 2019/20**

Directorate/ Division	Total for 2018/19	Total for 2019/20	Variance
<b>Finance &amp; Resources</b>	<b>512</b>	<b>274</b>	<b>-238</b>
<i>Housing Benefit</i>	232	66	-166
<i>Council Tax</i>	253	180	-73
<i>Business Rates</i>	27	28	1
<b>City Management and Communities</b>	<b>421</b>	<b>349</b>	<b>-72</b>
<i>Waste and Parks</i>	125	118	-7
<i>Public Protection and Licensing</i>	84	82	-2
<i>Parking Services</i>	84	91	7
<i>Highways and Public Realm</i>	61	21	-40
<i>Libraries and Archives</i>	24	12	-12
<i>Community Services (Sports)</i>	42	25	-17
<i>Residential Services</i>	1	0	0
<b>Growth, Planning and Housing</b>	<b>163</b>	<b>922</b>	<b>759</b>
<i>Development Planning</i>	50	62	12
<i>Housing Solution Services</i>	113	178	65
<i>Housing Mgt (was CityWest Homes)*</i>		682	682
<b>Chief Executives</b>	<b>3</b>	<b>9</b>	<b>6</b>
<i>Electoral Services</i>	3	9	6
<b>Policy, Performance and Communications</b>	<b>4</b>	<b>9</b>	<b>5</b>
<i>Campaigns / Engagement</i>	1	4	3
<i>City Promotions, Events and Filming</i>	3	5	2
<b>Westminster Adult Education Service (WAES)</b>	<b>1</b>	<b>3</b>	<b>2</b>
<b>Children's Services</b>	<b>44</b>	<b>62</b>	<b>18</b>
<i>Children's Services</i>	44	62	18
<b>Total</b>	<b>1149</b>	<b>1628</b>	<b>479</b>

\*No comparable data for 2018/19 available

## 6. Stage 1 Response Time by Directorate

### Speed of response for all Directorates

- 6.1. The target response time for replying to a stage 1 complaint is 10 working days. Performance is therefore measured by:
- Complaints completed in target response time (0 to 10 days)
  - Those completed in 11 to 20 days
  - Those complaints that took over 20 days.
- 6.2. As indicated in **Table 4** below the average response time for stage 1 complaints responded to in 2019/20 is 77%. This is comparable with the overall response time for the preceding year. An average response time of 80% or above is considered a very good performance.

**Table 4 - % of Stage 1 complaints completed in target response for 2019/20 & 2018/19**

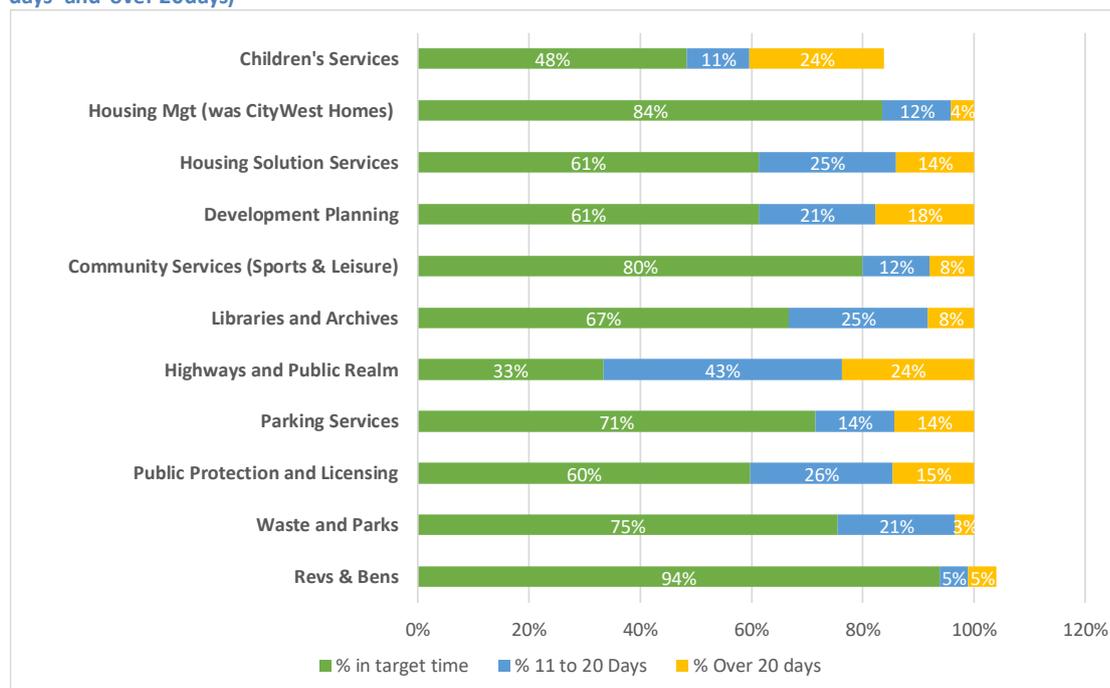
Percentage Total for 2019/20	77%
Percentage Total for 2018/19	78%

- 6.3. **Table 5** below provides a breakdown of response times for all directorates, and **Figure 1** shows the percentage of complaints completed in response time, between 11 to 20 days and over 20 days.

**Table 5 - A breakdown of response times for all directorates -2019/20**

Directorate/ Division	% in target time
<b>Finance and Resourses</b>	<b>94%</b>
<i>Housing Benefit</i>	100%
<i>Council Tax</i>	93%
<i>Business Rates</i>	82%
<b>City Management and Communities</b>	<b>68%</b>
<i>Waste and Parks</i>	75%
<i>Public Protection and Licensing</i>	60%
<i>Parking Services</i>	71%
<i>Highways and Public Realm</i>	33%
<i>Libraries and Archives</i>	67%
<i>Community Services (Sports &amp; Leisure)</i>	80%
<b>Growth, Planning and Housing</b>	<b>78%</b>
<i>Development Planning</i>	61%
<i>Housing Solution Services</i>	61%
<i>Housing Mgt (was CityWest Homes)</i>	84%
<b>Chief Executives</b>	<b>89%</b>
Electoral Services	89%
<b>Policy, Performance and Communications</b>	<b>44%</b>
<i>Campaigns / Engagement</i>	25%
<i>City Promotions, Events and Filiming</i>	60%
<b>Westminster Adult Education Service (WAE)</b>	<b>67%</b>
<b>Children's Services</b>	<b>48%</b>

**Figure - 1 time taken to respond at Division level (in working response time, between 11 to 20 days and over 20days)**



## 7. Complaint Outcomes

- 7.1. Each complaint response should indicate what is the complaint outcome (finding), explain if the Council considers that anything went wrong and if it did what has/will be done to put it right. Complaint outcomes are usually expressed as Upheld, Not Upheld or Partially Upheld.
- 7.2. An Upheld decision indicates that we accept that there was fault. A Partially Upheld complaint decision is reached if the majority of the complaint concerns are Not Upheld, but there are some minor lapses in service delivery which did not have a significant impact in reaching the complaint decision. A Not Upheld complaint indicates that there has been no fault.
- 7.3. It is generally accepted that at Stage 1 there will be a higher percentage of complaints that are upheld or partially upheld as the main purpose in investigating a complaint is try and find any mistakes and put right any wrongs. This should then prevent the need for the complainant to escalate to the final stage of the complaint procedure.
- 7.4. As seen in **Table 6** below across all directorates the percentage of Not Upheld has reduced and the number of Partially Upheld complaints has increased. It is difficult to make comparisons as the data for 2018/19 does not include complaints from Housing Management Services. **Table 7** shows how the performance looks if Housing Management Services data for 2019/20 is removed. This indicates that overall complaint decisions are similar to the performance in the preceding year which is an indication that the standard of stage 1 complaint investigations remains the same. What is also of interest is the escalation rate from stage 1 to stage 2, as if the percentage of upheld complaints is small at stage 2 this is an indicator that service faults found have been rectified at stage 1. This issue is addressed in Item 12.

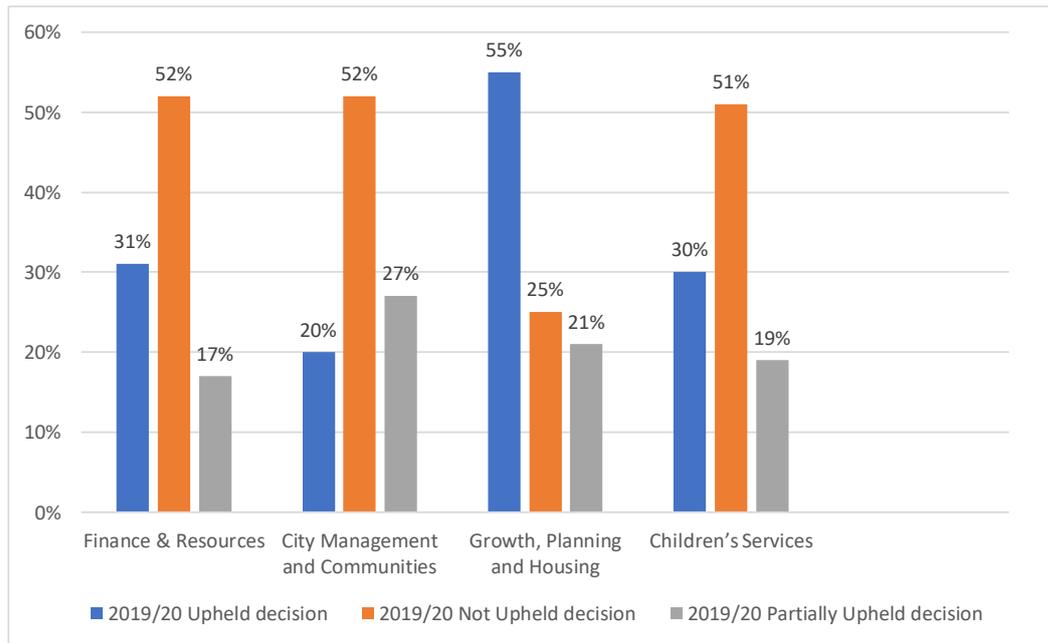
Table 6 – A comparison of Stage 1 Outcomes for 2018/19 and 2019/20 across all services

	2018/19		2019/20
Not Upheld	55%		40%
Partially Upheld	21%		38%
Upheld	24%		22%

Table 7 - A comparison of Stage 1 Outcomes for 2018/19 and 2019/20 across all services (Data for Housing Management Services Removed)

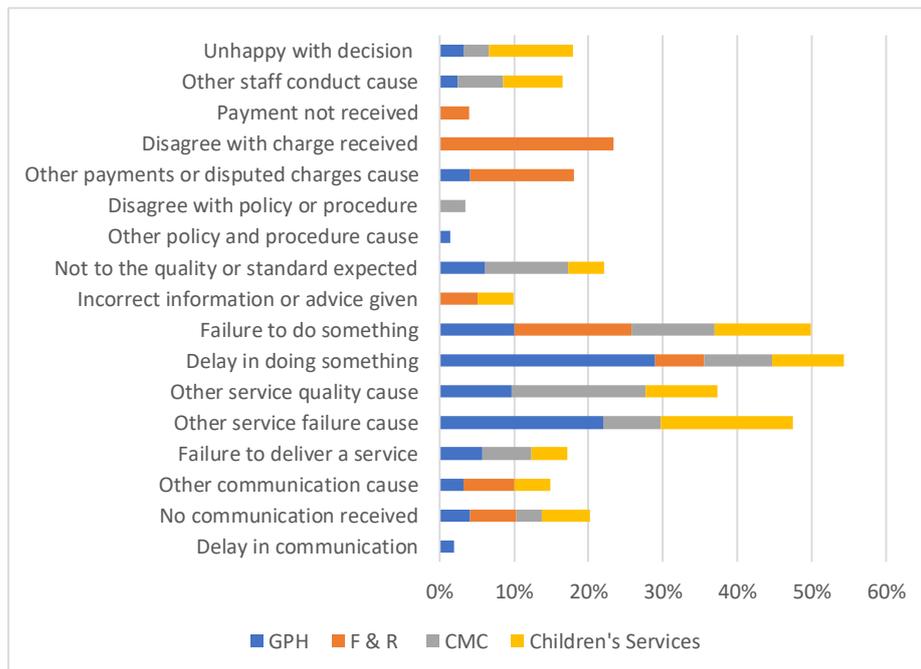
	2018/19		2019/20
Not Upheld	55%		54%
Partially Upheld	21%		20%
Upheld	24%		26%

Figure 2 - Outcomes by Directorate



## 8. Reasons for Complaining

Figure 3 - Cause of complaint by Directorate



8.1. In view of complexity of all the different services offered by each directorate generic causes are used so we can track at a corporate level the overarching cause of complaint. As seen in **Figure 3** failure to do something, a delay in doing something or other service failure cause are the most common cause of complaint.

## 9. Complaints Learning

9.1. With the volume of complaints it is difficult to capture all complaint learning. The below highlights that complaint data is being analysed and provides some examples of complaint learning coming out of this.

- 9.2. **Parking Services** - All stage 1 complaint data was analysed with a view to identify the trend of the top 3 complaint areas within a period and then case studies were undertaken as part of ongoing training of staff to showcase what learning/training has been taken from the investigations incorporating Stage 1 recommendations.
- 9.3. Parking Services is currently building a new tracking app specifically for complaints data to allow them to capture all feedback, concerns and recommendations in one central location. It will contain the outcomes, actions and will link back to any additional training, studies and process changes that are implemented.

### **Revenues and Benefits**

- 9.4. **Business Rates** The Stage 1 complaint volume is small (total of 29 complaints) when compared with 39,063 commercial properties and 39,070 live accounts. However, following the analysis a review identified that the complaint decision was being omitted from some stage 1 responses. Therefore, staff have been reminded to ensure that that:
- A stage 1 complaint response should confirm that the matter is being addressed at stage 1 of the procedure
  - They should either summarise or make clear the issues of concern and answer each of these concerns, offering a remedy if there has been fault.
  - The response should also make it clear if the complaint finding is Upheld, Not Upheld or Partially upheld
  - If there is more than one aspect to the complaint that the response makes clear whether the service has acted accordingly in each aspect.
- 9.5. The quality of responses is monitored closely, and it is envisaged that Stage 2 complaints for the business rates service will reduce further following the introduction of the Stage 1 response template which has been successfully implemented.
- 9.6. **Council Tax** -The trend in number of complaints against the Council Tax service was increasing at the start of 2019/20. A review was undertaken to identify the causes of complaints but no one service area identified as being responsible. However, the number of stage 1 complaints has reduced from a peak of approximately 30 per month down to approximately 10 per month during 2020/21. To put this into context there are around 128,000 Council Tax properties and 181 stage 1 complaints have been recorded. The quality of stage 1 responses was kept under review and the contractors understanding of the complaints process has been updated and subsequent quality reviews reported an improvement in the overall quality of responses. This is still being monitored.
- 9.7. **Housing Benefits** - An analysis of complaints data revealed the complaints received tend to reflect the pressure of staff to process items to tight timescales. Nevertheless, service dealt with 2374 new claims and 53,549 reported changes of circumstance so the proportion of claimants complaining is low. The cause for complaints and the quality of responses is under constant review reflecting the need for accurate and timely communication with our customers, and item 5.2 explained some of measures taken which have reduced the overall volume of complaints received across both stages.
- 9.8. **Children's Services** – Analysis of complaint data suggested that

communication between the service users and the Social worker was a theme and included service users complaining that they have not been kept up to date on matters to do with their children, or where they do not get responses to emails or phone calls. The Children's Services Customer Rations Team organised lunch and learn sessions to highlight this issues with the various team manager, and the issue has also been raised at senior managers meetings.

- 9.9. **Housing Management Services** - Over the last year the Housing Complaints team has been working to embed and align with the corporate complaints process after coming back in house. The most significant area is the work being undertaken in readiness for the new Housing Ombudsman Code. In addition, key learning from complaints highlighted problems in how they managed leaks and communication with residents and in particular, residents affected by a leak. A leak detection unit was set up to better manage leaks and a new process was designed and implemented October 2020.

## 10. STAGE 2 COMPLAINTS

### Volume of Complaints by Directorate

- 10.1. Total number of Stage 2 Complaints in 2019/2020 – **176** (withdrawn cases not included). There were 131 stage 2 complaints received in the preceding year and therefore we have seen a percentage increase of 34% in stage 2 volumes compared with 2018/19.
- 10.2. As with stage 1 volumes the increase in stage 2 volumes also attributed to the return of Housing Management Services complaints. If the stage 2 complaints for or Housing management Services is removed (**Table 2 item 4.3**) this indicates that overall 114 stage 2 complaint were received, and this represents a reduction (-13%) on the previous year. There has also been reductions in the volumes of complaints from F&R (HB, CT & Business Rates), and the reasons is the general improvement of complaint handling at stage 1 as explained in **Item 5.2**.

**Table 8 - A comparison of stage 2 volumes by Divisions within each directorate for 2019/20 & 2018/19**

Directorate/ Division - Stage 2	Total for 2018/19	Total for 2019/20	Variance
<b>Finance &amp; Resources</b>	<b>56</b>	<b>24</b>	<b>-32</b>
<i>Housing Benefit</i>	23	7	-16
<i>Council Tax</i>	24	15	-9
<i>Business Rates</i>	9	2	-7
<b>City Management and Communities</b>	<b>39</b>	<b>42</b>	<b>3</b>
<i>Waste and Parks</i>	8	5	-3
<i>Public Protection and Licensing</i>	11	13	2
<i>Parking Services</i>	13	14	1
<i>Highways and Public Realm</i>	1	4	3
<i>Libraries and Archives</i>	2	0	-2
<i>Community Services (Sports)</i>	3	6	3
<b>Growth, Planning and Housing</b>	<b>33</b>	<b>100</b>	<b>67</b>
<i>Development Planning</i>	9	7	-2
<i>Housing Solution Services</i>	24	31	7
<i>Housing Mgt (was CityWest Homes)</i>	*	62	62
<b>Chief Executives</b>	<b>2</b>	<b>9</b>	<b>7</b>
Electoral Services	2	9	7
<b>Children's Services</b>	<b>2</b>	<b>8</b>	<b>6</b>
<b>Total</b>	<b>131</b>	<b>176</b>	<b>45</b>

\* No data as CityWest Homes operated its own complaints procedure in 2018/19

## Stage 2 – Responses times

- 10.3. As indicated in **Table 9** below response times have slowed when compared with 2018/19, and overall the target response was met in 13% of complaints. The reduction in meeting the target response time is due in part to the increase in the volume of stage 2 complaints, the number of complex investigations, and services have generally been slower in replying to requests for information. The delays and the poor responses to some requests for information is being monitored.

**Table 9 - Response Time to Complaints by Directorate**

Stage 2 - Within Target Response Times	2018/19	2019/20
	25%	13%

## 11. Stage 2 Outcomes

- 11.1. As with stage 1 each stage 2 complaint response should indicate what the complaint outcome is.
- 11.2. It is generally accepted that at stage 1 there will be a higher percentage of complaints that are upheld or partially upheld as the purpose of the investigation is to determine if there has been fault (service failure) and to put right any wrongs. This should then prevent a complaint from escalating to the final stage of the complaint procedure.
- 11.3. **Table 10** below, indicates that that the percentage of Not Upheld decision for 2019/20 has fallen when compared with 2018/19 and there has been an increase in overall percentage of complaints that have been Upheld and Partially Upheld. At first glance it may appear that more fault is being identified in the stage 2 responses than in the preceding year, however no firm conclusion can be drawn as the table includes data from Housing Management Services, and no comparable data is included for GPH in 2018/19. **Table 11** shows what the Council's overall performance on decision looks if data for Housing Management Services is not included in the calculations, and this indicates that performance is comparable.

**Table 10 - A comparison of % Complaint decision by Directorate and overall % totals for 2018/19 and 2019/20**

	2018/19 Upheld decision	2018/19 Not Upheld decision	2018/19 Partially Upheld decision		2019/20 Upheld decision	2019/20 Not Upheld decision	2019/20 Partially Upheld decision
Finance & Resources	4%	35%	3%		4%	5%	5%
City Management and Communities	2%	24%	6%		1%	16%	6%
Growth, Planning and Housing	0%	20%	4%		11%	22%	24%
Children's Services	0%	2%	0%		1%	2%	3%
<b>Totals</b>	<b>6%</b>	<b>82%</b>	<b>13%</b>		<b>17%</b>	<b>45%</b>	<b>38%</b>

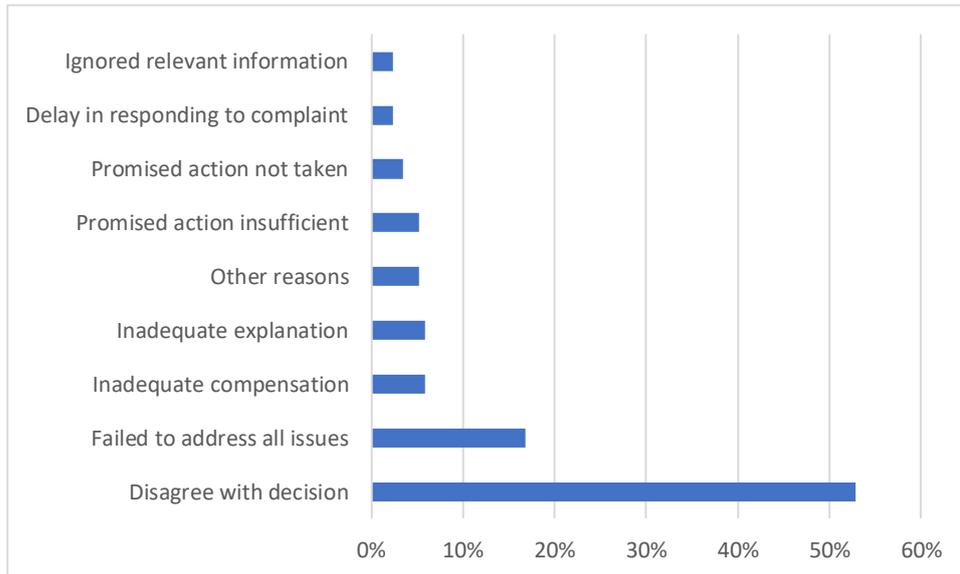
**Table 11 - Comparison of complaint decision for 2018/19 and 2019/20 with 2019/20 (no data for Housing management included)**

	2018/19	2019/20
Not Upheld	55%	60%
Partially Upheld	21%	31%
Upheld	24%	10%

### Reasons for complaint escalation

- 11.4. The Council has an open complaints procedure and welcomes complaints even if the complainant does not fully explain their dissatisfaction with the stage 1 response. The **Figure 4** below indicates that 53% of stage 2 complaints provided no specific reason(s) for escalating their complaint other than to generally disagree with the stage 1 finding. Of those complainants who did cite per specific reasons for escalating their complaint 37% said that the stage 1 response failed to address all the issues raised in the complaint.
- 11.5. **Table 12** indicates that the escalation rate from stage 1 to stage 2 across all directorates, is 11%. This is a good performance given that there are only two stages in the complaints procedure, and you would expect that more complainants would want to escalate their concern to the next stage especially if the stage 1 complaint was not upheld. This is a therefore a reasonable indicator that stage 1 complaint handling is effective, and faults are being identified and rectified at this stage.

**Figure 4 Reasons complaint escalation**



**Table 12 – The Escalation rate from stage 1 to stage 2 across all directorates for 2019/20**

Directorate/ Division	Stage 1 Total for 2019/20	Stage 2 Totals for 2019/20	% escalated to Stage 2
<b>Finance and Resources</b>	<b>274</b>	<b>24</b>	<b>9%</b>
<i>Housing Benefit</i>	66	7	11%
<i>Council Tax</i>	180	15	8%
<i>Business Rates</i>	28	2	7%
<b>City Management and Communities</b>	<b>349</b>	<b>42</b>	<b>12%</b>
<i>Waste and Parks</i>	118	5	4%
<i>Public Protection and Licensing</i>	82	13	16%
<i>Parking Services</i>	91	14	15%
<i>Highways and Public Realm</i>	21	4	19%
<i>Libraries and Archives</i>	12	0	0%
<i>Community Services (Sports &amp; Leisure)</i>	25	6	24%
<b>Growth, Planning and Housing</b>	<b>922</b>	<b>100</b>	<b>11%</b>
<i>Development Planning</i>	62	7	11%
<i>Housing Solution Services</i>	178	31	17%
<i>Housing Mgt (was CityWest Homes)</i>	682	62	9%
<b>Chief Executives</b>	<b>9</b>	<b>0</b>	<b>0%</b>
Electoral Services	9	0	0%
<b>Policy, Performance and Communications</b>	<b>9</b>	<b>2</b>	<b>22%</b>
<i>Campaigns / Engagement</i>	4	0	0%
<i>City Promotions, Events and Filming</i>	5	0	0%
<b>Westminster Adult Education Service (WAES)</b>	<b>3</b>	<b>0</b>	<b>0%</b>
WAES	3	0	0%
<b>Children's Services</b>	<b>62</b>	<b>8</b>	<b>13%</b>
<i>Children's Services</i>	62		0%
<b>Total</b>	<b>1628</b>	<b>176</b>	<b>11%</b>

## 12. Local Government and Social Care Ombudsman (LGSCO)

### First Time Inquiries

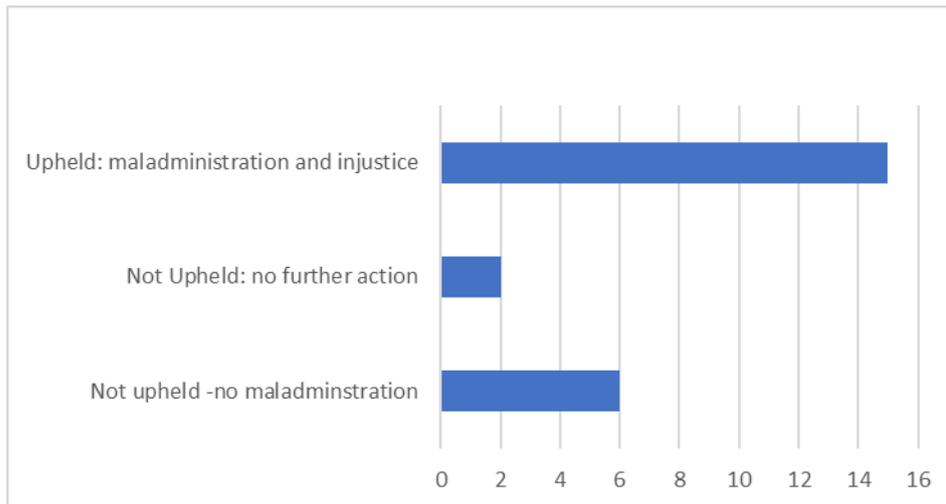
- 12.1. When the LGSCO decide that they wish to investigate a complaint about council services they can do so by simply reviewing the information the complainant has provided and/or use information from various web sites or set out in legislation. If they want to obtain specific information from a local authority, such as asking questions or requesting copies of correspondence to assist in an investigation they will write to the relevant council with their request. This is known as first time inquiries.
- 12.2. As shown in **Table 13** there is has been an increase (+8) in the number in the number of first time enquiries when compared with the preceding year. It should also be noted that the first time enquiries include 5 cases from Adults Social Care which were not investigated under the Council's Corporate Complaints Procedure as they were dealt with under the Adult's Services statutory procedure.

**Table 13 - LGSCO total First Time Enquiries for the years 2018/19 & 2019/20**

	First Time enquiries Totals 2018/19	First Time enquiries Totals 2019/20	Variance
F&R - HB	2	0	-2
F&R- CT	1	2	1
F&R- NNDR	2	1	-1
GPH - HSS	4	8	4
GPH - Planning	0	1	1
CMC - Parking	2	1	-1
CMC - Highways & Infrastructure	0		0
CMC-Public Protection & Licensing	0	2	2
CMC - Waste & Parks	0		0
CMC - Physical Activity, Leisure & Sport		1	1
Adult's	3	5	2
Children's Services	3	4	1
<b>Totals</b>	<b>17</b>	<b>25</b>	<b>8</b>

- 12.3. No formal published reports finding maladministration with injustice were issued against the Council in 2019/20. The last formal maladministration report was issued in September 2013.
- 12.4. While the Council has received 25 first time enquiries in 2019/20 to date there has been 23 decisions made. **Figure 5** below provides a breakdown of the decision made on first time enquiries received in 2019/20

**Figure 5 - Decision made on first time enquiries for 2019/20**



### Compensation

- 12.5. The LGSCO can award financial payments as part of a remedy for the complaint. The term “injustice remedied” is used to describe decisions where the council remedied or agreed to remedy any injustice to the LGSCO’s satisfaction during the investigation so allowing the complaint to be closed. These remedies can include the payment of financial settlements.
- 12.6. A comparative breakdown of LGSCO financial remedies for 2018/19 and 2019/209 can be found below (**Table14**).

**Table 14 – Comparison of LGSCO compensation settlements**

Financial Local settlements	2018/19	nos of complaints offering compensation		2019/20	nos of complaints offering compensation
GPH - HSS	£7,900.00	4		£900.00	3
F&R - CT	£100.00	1			0
F&R - NNDR	£1,230.00	2			0
Adults Services	£500.00	1		£250.00	1
Children's Services		0		£2,050.00	3
CMC- Sports & Leisure		0		£100.00	1
CMC- PPI		0		£1,400.00	1
CMC- Parking Services		0		£324.00	1
<b>Totals</b>	<b>£9,730.00</b>	<b>8</b>		<b>£5,024.00</b>	<b>10</b>

- 12.7. Where applicable compensation is usually paid by the relevant contractor/provider and not from the Council's purse.
- 12.8. It is difficult to make performance comparisons between financial years as each complaint is dealt with on its merits although **Table 14** indicates that compensation was offered in 10 complaints. Although compensation was awarded in more complaints the total amount awarded for 2019/20 is less than the preceding year (-£4,706.00).
- 12.9. The majority of each single award are for payments of £300.00 or less. A single award of £1,050.00 made in a Children's Services complaint. This involved a complaint made on behalf of child saying that the Council failed to provide him with suitable education after he arrived in the country as an unaccompanied asylum-seeking child. The Ombudsman found that we delayed completing the child's personal education plan and failed to ensure he received suitable education between September 2017 and March 2018. Compensation of £800 awarded to use for the benefit of the child's education and a further £250 for the uncertainty caused by the delay in handling the complaint.
- 12.10. An award of £1,400.00 involved a PPI -noise complaint saying the Council failed to properly consider noise complaints she made. The Ombudsman found there were failings in the actions the Council took in response the complaints which included failing to keep proper records, a failing to investigate the source of the noise properly, and that we failed to issue an abatement notice after officers witnessed a statutory nuisance. At the time the decision was made the Council had already confirmed that a restructure had occurred, and a number of new processes and procedures had been implemented to improve its processes.

#### **LGSCO – Annual Letter 2019/20**

- 12.11. Attached as **Appendix 1** is the Local Government Ombudsman and Social Care Ombudsman Annual Letter for 2019/20.
- 12.12. The Annual letter explains that the data in their report will not match the data held by the local authority as they capture all contacts/enquiries/complaints made to them about the individual authority. Many of the total complaints and enquiries received (102) were not investigated by the Ombudsman as these are returned to the authority to answer within their own complaints procedure or are closed after initial enquiries. In addition, the LGSCO report on all

decisions made in 2019/20 and some of these cases were received in the preceding year.

- 12.13. The LGSCO annual letter also refers the reader to the statistical information available via a tool on the LGSCO web site. The Council’s complaints manager has access to this tool and can arrange for Members or managers to have access.

**Table 15 – a comparison of all LGSCO Complaint decisions & Enquiries for 2018/19 and 2019/20**

	<b>2018/19</b>	<b>2019/20</b>
<b>Total number of complaints and enquiries</b>	<b>110</b>	<b>107</b>
<b>Cases referred back to Council or advice given or cases not completed for valid reasons</b>	54 (49%)	<b>58 (54%)</b>
<b>Cases closed after initial enquiries made</b>	38 (34%)	<b>20 (19%)</b>
<b>Cases Upheld</b>	9 (8%)	<b>21 (19%)</b>
<b>Cases Not Upheld</b>	9 (8%)	<b>8 (7%)</b>

- 12.14. As indicated in the **Table 15** above 73% of complaints and enquiries made were referred back to the Council or the case was closed after initial enquiries were made.

- 12.15. The below is a summary of the main learning issues for the Council coming out of the Annual letter:

- Ensure that all agreed LGSCO remedies are completed within the time indicated
- It is the responsibility of the relevant service to make the necessary arrangements to make payment of any agreed compensation, and this should be started when the service receives a copy of the final decision
- To consider whether an early resolution remedy could be made either when answering formal detailed enquiries or if the complaints team notify the service of this opportunity before the case is allocated to a LGSCO investigator

- 12.16. The focus in the annual letter is on those cases decided in 2019/20, our compliance with agreed recommendations and satisfactory remedies provided by the authority.

- 12.17. The LGSCO either finds a complaint is Upheld or Not Upheld. When a complaint is Upheld the Ombudsman will decide if there was injustice or no injustice caused by the fault(s) they have found. To uphold a complaint some fault must be found, and this means that if a stage 2 complaint has been either upheld or partially upheld then the LGSCO decision will also find the complaint to be upheld.

**Table 16: Comparison of the total number of LGSCO cases received, decided and upheld decision for 2019/20 and 2018/19**

Nos LGSCO complaints and Enquiries received	Nos cases decided	Nos detailed investigations	Nos Upheld Decisions	Upheld decision as %	Average % of Upheld decisions for other similar local authorities
2019/20	107	102	29	72%	70%
2018/19	116	111	18	50%	63%

## Compliance

- 12.18. When a case is closed, and a remedy agreed the LGSCO will track whether the local authority completes the remedy, and if this was done in time. As indicated in **Table 17** below the Council has delivered on all the agreed remedies, although 5 were late. This is disappointing as a written apology was the remedy in three of the five remedies delivered late, and in the other two complaints the service was late in paying the agreed compensation. When a copy of the final complaint decision is sent to the service if there is/are any remedies which require action, the complaints team remind that these actions should be completed within the time scales indicated in the Ombudsman decision statement.

**Table 17: Compliance on agreed remedies**

% of cases complainant with LGSCO recommendations	% of complaints not undertaken within agreed time	Average % compliance in other similar authorities
100% (13/13)	38% (5/13)	99%

## Early resolution

- 12.19. The LGSCO encourage the early resolution of complaints. They recognise cases where an authority has taken steps to put things right before the complaint came to them and in which the authority upheld the complaint and the LGSCO agreed with how it offered to put things right.

**Table 18: Early resolution of complaints**

% of upheld cases where a satisfactory remedy was provided before the complaint reached the LGSCO	Average % of upheld cases where a satisfactory remedy was provided before the complaint reached the LGSCO for other similar authorities
14% (3/29)	15%

## 13. Leader and Cabinet Members Correspondence

### 14. Members Correspondence

- 14.1. Correspondence addressed to the Leader, Cabinet Members (specifically in their capacity as an Executive portfolio-holder rather than as a Ward Councillor), and backbench Members, will often take the form of a complaint or issue with a service that is provided by the City Council. For the purposes of this report the majority of this

correspondence is considered as part of this team and not as part of the formal complaints procedure.

- 14.2. As can be seen from **Table 19** the figures are down from last year (-198). This is in the main due to departments responding to the correspondence directly rather than the Cabinet Member's office issuing the response.
- 14.3. Over the next year, the iCasework system and associated processes will be reviewed to see how they can be improved including closer collaboration with other Council departments which are using the same system and whether the system is still fit for purpose for the team.
- 14.4. Over the past year the Cabinet Secretariat and Member Services teams have found that the individual services and sign off from Members has in most cases been timely however there are on occasion long delays in responses which means that this skews the average turnaround time to 15 days, which is not representative across the board.
- 14.5. The main themes of correspondence/enquiries over the last year have been under the Housing Services and Environment and Highways (including parking) portfolios. It should be noted that correspondence relating to the Covid-19 pandemic and the Council's response are not included in the figures as the lock-down came into force only a week before the end of the year on which these figures are based.
- 14.6. The data provided in **Table 19** shows the breakdown of correspondence by Cabinet portfolio. It should be noted that correspondence that has been addressed to the Leader but relates to other portfolios, apart from her own, have been counted under that portfolio; therefore, this does not represent the high volume of correspondence the Leader received throughout the year.

**Table 19: A breakdown of correspondence totals received by Cabinet Portfolio**

Portfolio	2019/20	2018/19
<b>Leader</b>	<b>8</b>	<b>7</b>
<b>Finance, Property and Regeneration</b>	<b>19</b>	<b>73</b>
<b>Adult Social Care and Public Health</b> (2018/19 figures also include Children's Services)	<b>18</b>	<b>31</b>
<b>Community Services &amp; Digital</b> (renamed from Customer Services and Digital in 2019 and figures from 2018 combined)	<b>10</b>	<b>8</b>
<b>Public Protection and Licensing</b>	<b>33</b>	<b>54</b>
<b>Children's Services</b> (this was split from Family Services in 2020 – and therefore figures only represent this year)	<b>8</b>	<b>-</b>
<b>Business and Planning</b> (figures have been combined from Place Shaping and Planning and Economic Development in previous years)	<b>31</b>	<b>40</b>
<b>Housing Services</b>	<b>78</b>	<b>129</b>
<b>Environment and Highways</b>	<b>66</b>	<b>127</b>
<b>Totals</b>	<b>271</b>	<b>469</b>

\* As portfolios have combined over the past year it should be noted that the figures for 2018-19 have been combined as below so that comparisons can be made:

Community Services, Sports and Leisure (2018/19) have been added to the Community Services and Digital Portfolio

Family Services previously included Children and Adult Services; for 2019/20 this has been split across both portfolios

Business & Planning figures for 2018/19 now include those from Place Shaping and Planning and Economic Development

**Sue Howell**  
**Complaints and Customer Manager**

**Appendix A : Local Government and Social Care Ombudsman Annual Report  
2019/20**



**City of Westminster**

**Audit and Performance Committee**

<b>Committee date:</b>	<b>17 February 2021</b>
<b>Report Of:</b>	<b>Neil Wightman, Director of Housing</b>
<b>Portfolio:</b>	<b>Cabinet Member for Housing Services</b>
<b>Report Author and Contact Details:</b>	<b>Andrea Luker, Housing innovation &amp; improvement</b> <a href="mailto:aluker@westminster.gov.uk">aluker@westminster.gov.uk</a>

## **General Update**

- 1.1** This report provides an overview of management of the Council's housing stock for the current financial year. A full suite of performance information is provided at Appendix A. All figures provided are for the year to date, April to December 2020 (Quarter 3).
- 1.2** Most housing services have continued to be delivered as normal, with good performance seen in the KPIs across the services and incremental improvements in some services. The COVID19 pandemic has however impacted on our ability to deliver certain services, notably repairs and income collection. Targets were reviewed at the mid-year point but with little knowledge of the trajectory that the pandemic would take, most were left unchanged.
- 1.3** When COVID19 lockdown was imposed at the start of the year, housing services were restricted to ensure the safety of residents, staff and the wider public. Services were gradually reinstated in an adjusted, safe, and sustainable way over Q2 and Q3 and are now again restricted in the light of the current lockdown.
- 1.4** The repeated restriction and reintroduction of the repairs services has impacted on both demand for services and on customer satisfaction. Peaks and troughs in demand have been experienced over the course of the year with pressure on contact centre, repairs and antisocial behaviour management.
- 1.5** The virus has impacted on housing services in a variety of ways.
  - Antisocial behaviour (ASB) reporting has increased by 33% this year compared with 2019/20. This service has been provided throughout the pandemic and customer satisfaction with ASB case handling has increased to 65% for the year to date, with performance at 71% in December 2020.
  - Call volumes to the contact centre have fluctuated with both the highest and lowest call volumes being recorded this year. Call volumes peaked during Q3 and

performance dipped, but the minimum standard of 65% calls answered within 30 seconds has been achieved for the year to date.

- Over the course of the year, the repairs service has been drastically reduced to comply with lockdown requirements and remobilised through a phased approach. Whilst residents report good levels of satisfaction with the quality of work completed (85%), overall satisfaction with the repairs service is at the minimum performance standard of 82%.
- The economic impact of COVID19 has affected residents directly, with an increase in the number of tenants claiming Universal Credit and a reduction in rent collection.

**1.6** The COVID19 pandemic has resulted in ongoing changes to service delivery arrangements to keep residents and everyone involved as safe as possible. The housing service continues to respond with speed, care and consideration to the needs of residents, with a range of innovations to ensure service delivery continues in a safe and effective manner. In addition to simple changes in practice, digital solutions have been found to enable services to be maintained or re-started where appropriate. Initiatives are described alongside the performance update.

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

**2.1** The Housing Contact Centre remains 'virtual' with staff working from home. Call handling performance over the first half of the year was very strong with 75% of calls answered within 30 seconds but dropped to 65% for the year to date following high call volumes over Q3.

**2.2** During Q3 a total of 71,432 calls were received, an increase of 20% on the previous quarter. October saw c30,000 calls into the contact centre – the highest volume received to date. During October the final parts of the repairs service that had been suspended since March were taken off hold, and this combined with annual communal heating switch-on and posting of leaseholder service charge actual accounts, generated a higher volume of calls. In addition to high call volumes, five members of staff were redeployed from the contact centre to support Westminster Connects; sickness levels were above normal and the wet weather led to an increase in calls relating to leaks. Call volumes reduced in December to 19,643 and 86% of calls were handled.

**2.3** Actions to reduce the impact of high call volumes over the remainder of the financial year include:

- extension of the contract with Agilisys to provide additional resource for longer
- staff re-deployed from the contact centre have returned to service delivery
- having housing staff ready to pass calls on to and reduce initial call duration

**2.4** Actions to reduce the likelihood of high call volumes over the remainder of the financial year include:

- restrictions to non-essential campaigns that generate contact/calls from residents
- clear communications to residents on service restrictions (sent by email) during this current lockdown to reduce the need to call

**2.5** Planning is underway to contact residents to re-book repairs, when the current lockdown is eased. This should reduce the need for residents to call the contact centre in large numbers.

**2.6** Despite the challenges, customer satisfaction with the contact centre service remains high and year to date satisfaction is above target at 89%, with empathy and engagement levels above 90%, based on surveys of 4,857 customers. This has been achieved through developing a coaching culture with training for both customer service advisors and team managers in product knowledge and soft skills, supplemented by external training on customer service, letter writing and coaching skills.

**2.7** All staff have been educated on the quality framework and adherence to the expected standards are monitored daily. This has resulted in a significant uplift in all satisfaction measures. Empathy has improved by 4% in the last six months to 93% (using Bright UK industry standards) which is over 10% above the industry norm.

**2.8** A number of digital projects are underway to improve the contact centre service as follows:

- Roll-out of a new integrated communications platform
  - Phase 1 completed during Q3:
    - new telephony and email management software for communications between staff and residents
    - IVR messages can now be amended quickly to advise residents of wait times and residents can request a call-back rather than waiting in a queue
  - Phase 2&3 roll-out during Q4
    - text messaging and chat facilities
    - contact centre workforce management tools
    - PCI compliant payment solution
- Development of CRM (Microsoft Dynamics)
  - Building a knowledge base to provide the contact centre with easier access to information to resolve enquiries at the first point of contact, including estate based information
  - Designing a general enquiry process integrated with the main housing management database with proof of concept scheduled for delivery at the end of January
- Online services
  - a new on-line housing application form for the housing register has been developed and is being tested.
  - development of self-help videos on the website for residents to reduce the need to call or email the contact centre. The first for lessees has gone live (see 9.5 of

this report), and three further videos are in development with animations produced and now being scripted.

- On-line appointment bookings for lessee and housing management surgeries (further details are provided at 7.6 and 9.4 of this report).

### **3 Complaints and Member Enquires**

**3.1** 208 complaints were responded to during Q3, with 88% resolved within the 10-day target for the year to date. 11% of complaints escalated from stage 1 to stage 2, a slight drop on the first half of the year (15%).

**3.2** 158 members' enquiries have been received year to date with 96% responded to in target.

**3.3** Work to comply with the Housing Ombudsman's new complaints code is now complete. The code aims to improve complaint handling and reduce the time taken for resolution. Actions undertaken include:

- A review of policies and processes to ensure they comply with the requirements of the Code
- A review of the role of the Complaint Officers, with changes proposed as part of the housing restructure which is currently underway.
- A new framework for learning from complaints

**3.4** In addition, complaints management and reporting requirements have been prioritised as part of the CRM for Housing project.

### **4 Repairs**

**4.1** During the first lockdown the repairs service was restricted to health and safety related repairs including responsive emergencies, planned inspections and servicing programmes. A full service was gradually phased in from June – October to control the number of new repairs raised whilst clearing the works put on hold at the start of lockdown. The service was again reduced broadly in line with the first lockdown on 6 January 2021.

**4.2** Performance has been good across the repairs service:

- Tenant satisfaction with repairs: 82% (minimum target 82%)
- Tenant satisfaction with the quality of repairs: 85% (target 85%)
- Completion within target time:
  - Emergency repairs - 98.6% (target 98%)
  - Urgent repairs - 92% (target 95%)
  - Routine repairs – 93% (target 90%)
- Appointments made and kept: 90% (target 95%)

- 4.3** Repairs satisfaction is based on a random sample of 1697 tenants, with a confidence interval of +/-2%. It has not been possible to carry out in-flat post inspections, but any issues have been picked up through satisfaction monitoring and calls to the contact centre. 50% of communal repairs have been inspected with issues found on 5% of work.
- 4.4** Initiatives to improve the repairs service have focussed on leaks which generate the greatest volume of calls and include:
- Leaks protocol panel to work with residents to improve on the areas that impact them when experiencing or affected by a leak.
  - A case management system for leaks to improve communication with residents and improved visibility for the contact centre of the work in progress of the leaks detection team.
  - Improved the questions within the repairs diagnostic tool used by contact centre staff to better understand and triage initial calls in regards leaks
- 4.5** Resident's wellbeing and safe-guarding is always a main priority and all work is carried out in line with HM Government guidance and appropriate PPE and risk assessments.
- 4.6** All repairs in sheltered accommodation have a specific risk assessment produced and signed off prior to the commencement of works. Housing staff continue to work closely with colleagues in Adult Social Care to ensure homes remain well maintained whilst protecting the health of residents. Void works and lettings in sheltered accommodation has been paused during this current lockdown.

## **5 Void properties and lettings**

- 5.1** Following Government guidance, lettings were initially suspended during Q1 which has resulted in increased re-let times for the year to date. The number of lettings carried out increased over Q3 to clear the backlog of voids. Void turnaround time in December was an average of 75 days and year to date performance is an average of 84 days.
- 5.2** Lettings continue to take place with the benefit of a digital lettings process, including virtual viewings and electronic signup to minimise contact.

## **6 Health and Safety Compliance**

- 6.1** Statutory testing and inspections of services including gas appliances, water tanks, asbestos and fire risk assessments continued throughout the year, with staff taking additional health and safety precautions as appropriate. Compliance across the five areas of gas, electricity, water, asbestos and fire is good.
- 6.2** Gas servicing performance at the end of Q3 was at 99.54% with 30 properties without a current gas safety certificate (the oldest having expired in August 2020). A concerted effort has been made across the housing team to reassure residents of the safety

precautions that are taken to protect all involved and a very small number of residents remain cautious and reluctant to allow access to their homes.

- 6.3** A new asbestos inspection contract commenced in Q3 and a programme is in place to survey all communal areas by the end of the financial year. Delivery of the plan is on schedule. The high-risk asbestos remediation works have progressed slowly with delays but are on track to complete by the end of the financial year. There is a risk that extended leaseholder consultation may push some of the work beyond the end of March and regular liaison between the leasehold operations team and health and safety team is ensuring all questions are resolved quickly and this risk is mitigated.
- 6.4** Planned major works were put on hold during lockdown and spend is reduced accordingly. Work has now commenced again, with the support of communications to residents to address the queries residents may have about the safety of the works restarting. We have received a small number of queries and the cautious approach has been received well.

## **7 Neighbourhood services**

- 7.1** The housing management teams continue to deliver virtually all core services to residents using new ways of working, including virtual viewings and digital lettings, issuing parking permits, providing support and advice and responding to enquiries.
- 7.2** Our Housing Area Service Centres continue to operate with measures such as reception and interview room screens, hand sanitiser stations and intercom systems in place. It has however recently been necessary (from 11 January) to support the reception service with contract staff, due to reduced numbers of available housing staff as a result of self-isolation or illness. Staff have continued to be available to respond to emergencies or urgent matters if required.
- 7.3** The enhanced estate cleaning regime has continued, and standards remain high, despite cleaning and estate services staff also being affected by self-isolation and illness. Grounds maintenance services are also continuing to operate. Resident satisfaction scores for these services remain high. The compliance team have also continued to conduct health and safety inspections and provide an out of hours response service in cases of emergency.
- 7.4** Welfare calls to vulnerable Housing residents have been incorporated into the wider Council automated 'Connects' service, which involves the resident receiving an automated call with a range of options to select if they need further support.
- 7.5** Housing Operations meet weekly with colleagues in Public Health and chair the joint Westminster Housing Outbreak Management Team to ensure the monitoring and escalation of outbreaks of the virus among the City's own and private residential stock is responsive and to agree consistent and targeted communication lines.

- 7.6** A new digital surgery pilot has commenced for Soho residents, replacing a physical surgery. By using the online booking system, residents can book a telephone or online video meeting with a Housing Service Officer to discuss any issues. The service is being promoted to residents and if successful, it will be rolled out to other areas of the city.
- 7.7** The estate parking project to implement the Traffic Management Order is reaching completion, with amendments being made to a small number of locations in response to requests from residents. Changes include relocation and addition of visitor and motorcycle bays. Areas included in this final phase are: Gloucester Terrace (rear of Housing blocks), Dorchester House, Heather Walk, Blandford Estate, Luxborough Tower, Cherwell House and Blackwater House.

## **8 Antisocial Behaviour**

- 8.1** 843 reports of ASB have been received to the end of Q3, compared with 633 to the same point in 2019/20, a 33% increase. 31% of cases were related to noise, 26% to verbal abuse and 17% to misuse of drugs/drug dealing (top 3 categories).
- 8.2** Resident satisfaction with ASB case handling remains at the ideal target level of 65% and satisfaction for December reached 71%.
- 8.3** Following the latest national lockdown restrictions, the ban on evictions has been extended until 21 February 2021. Notices can be served to initiate possession action by the landlord but there are lengthy queues for court hearings to obtain possession cases. For possession orders already in place, bailiffs' warrants can be enforced only where a possession order was granted on a mandatory ground for serious cases of ASB.
- 8.4** The ASB team are currently (Jan 2021) in the process of serving six notices seeking possession and making applications for four civil injunctions. Injunctions are currently being heard in court however there is a wait for hearing dates.
- 8.5** Other legal tools continue to be used to provide residents with some protection from ongoing ASB, including:
- civil injunctions to prohibit behaviours with the power of arrest attached.
  - solicitor's letter before action warning of the action to be taken.
  - Premises Closure Orders – to close a property for a period of three months.
  - Partial Premises Closure Orders – to close a property for three months in exception of the resident / named person(s).
- 7.6** Other tools that remain in use include:
- Acceptable Behaviour Agreements - a non-legal agreement in place for six months made with the perpetrator of low-level continued nuisance
  - Acceptable Behaviour Contracts - as above but for those under 18 and in partnership with local police teams

- Mediation. A virtual mediation service is being offered and this has been very effective during the Covid-19 outbreak period.
- Enforcement interviews and warning letters
- Non-legal banning letters – a letter asking the person to refrain from entering an area they have been identified to be causing low level nuisance in
- Working closely with the police to conduct patrols for specific hotspots and properties

**8.6** Following continued lockdown restrictions, the service has also increased its contact with residents who are living with ASB from neighbours to ensure they are supported. This includes:

- increased electronic contact with victims through teams calls, phone calls and update emails
- large scale “virtual” door knocks to blocks affected by ASB – this has seen a high response rate compared to in person door knocks as residents feel more comfortable to discuss their concerns on the phone
- making wide use of one to one conflict coaching with a professional mediator
- working with the communications team to ensure online resident frequently asked questions are continually updated to reflect current reports and trends in ASB

**8.7** We have seen an increase in mediation being accepted as an early intervention tool during lockdown. The virtual setting may be seen as less confrontational by residents as opposed to normal face to face meetings.

**8.8** Noise continues to be the most reported source of ASB and has increased this year. In December 2020 the ASB team started to trial a ‘Noise App’. This enables residents to record anti-social noise coming from their neighbour’s property and send in recordings to their case manager via the app. The app is being tested with longstanding noise cases across the borough and if its use proves positive it will be offered more widely.

**8.9** The housing ASB team continue to work with colleagues in Environment and City Management to streamline processes and are currently working on a borough wide ASB strategy as part of the City for all plan. The ASB team are also strengthening their joint work with the noise service to ensure that any housing resident served with a noise abatement notice, will automatically receive a notice seeking possession.

**8.10** The ASB team have been working in partnership with the integrated gangs and exploitation unit (IGXU) on gang issues that affect communities. The ASB team regularly meet with IGXU case workers to share important information regarding estates affected by gangs. Where there are specific locations affected by large groups of individuals causing ASB, this is shared with gang workers who engage with young people who could be in a gang or targeted by a gang.

**8.11** The Autumn Nights campaign delivered in partnership between council services the police and local colleges ran from 28th October to 8th November 2020 to address ASB related to Halloween and Bonfire night. Proactive preventative work was successful in

reducing the occurrence of ASB reported with a 38% reduction in fireworks related CAD calls in 2020.

## **9 Rent Collection**

- 9.1** The service priority is to support and protect residents, particularly in times of uncertainty, to sustain their tenancies. COVID-19 has created challenging conditions for many households financially and rent collection performance is at 97.59% at the end of December 2020 compared with 98.57% at December 2019.
- 9.2** The number of tenants claiming Universal Credit (UC), has increased 74% since January 2020 and 57% since March 2020. There is a 5 week wait for the first payment which is made in arrears, putting severe pressure on an increasing number of households.
- 9.3** Government advice regarding rent arrears remains that landlords should offer support and understanding to tenants who may start to see their income fluctuate. Eviction restrictions apply to possession orders on the grounds of rent arrears and presently the courts are only considering instances of substantial rent arrears incurred prior to COVID-19 for action. There are now large backlogs in some areas. Two evictions have been carried out this year due to rent arrears.
- 9.4** The income team has moved away from a traditional patch-based approach to be able to use resources more effectively to respond to new arrears cases as they arise. A core of 1,500 accounts that represent the more complex cases have been allocated across the income team, to provide more time and assistance to residents who require a higher degree of support to sustain their tenancy.
- 9.5** The approach to rent collection remains support focused, with payment reminders but no references to court or evictions. Tenants have been supported with referrals Westminster Citizens Advice, local charities and food banks and the business and enterprise team. The income team has helped to promote energy advice offered by Morgan Sindall which includes support to reduce energy consumption, switch provider and offers of vouchers for qualifying tenants using pre-payment meters. For residents who require the most support the team have liaised with Adult and Children's Services.
- 9.6** Work continues to promote Discretionary Housing Payments (DHP) to a targeted audience working in conjunction with colleagues in the housing benefit service.

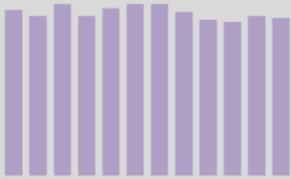
## **10 Leasehold service charge collection**

- 10.1** Lessee service charge collection performance has been steady, but with an increase in debt forecast for year-end. At the end of March 2020, service charge arrears totalled £470k and an additional £313k is forecast for 2021, bringing the total forecast debt to £783k.

- 10.2** All service charge accounts are monitored and a log of any references to COVID19 kept which may impact on leaseholders' ability to pay the service charge. Once again, no standard debt recovery action is being taken at this time. Payment reminders are being sent with an emphasis on support and assistance.
- 10.4** Virtual surgeries were held in October 2020 after issuing the actualised annual service charge accounts. Uptake was tenfold that of the physical surgeries held in March 2020, with residents able to book a 20-minute appointment with a leasehold adviser, and able to submit information in advance of the call. Following this success, virtual surgeries have been extended and are available to book on-line every Wednesday between 9am-8pm. Once booked, an email is sent confirming the upcoming booking. Residents can manage their own booking, and can reschedule or cancel their appointment at any time.
- 10.5** The first on-line self-help video guide 'Your Lease Explained' has been very well received and will be followed up with 'Ways to Pay Your Service Charge' and 'How to Extend Your Lease'.
- 10.6** A 'virtual' leasehold conference was held on 17 October 2020. A number of sessions were offered with presentations from the Leasehold Advisory Service and Citizens Advice. Attendance at the all-day conference was high, with all 200 available places booked. Attendees heard presentations on how Westminster is tackling short lets and how leaseholders can kick off the process of extending their lease.

## Appendix A. Housing performance, April-December 2020

Customer service - contact centre				Year to date	Target	Trend	Year end 19/20	Housemark upper quartile
Number of calls received				172,910			221,514	-
% of calls answered within 30 seconds				 65%	minimum 65% ideal 70% aspirational 75%		72%	-
% of calls abandoned				 12%	≤8%		7%	8%
% of calls resolved on the first contact				 69%	60%		73%	-
Resident satisfaction with call handling %				 89%	80%		84%	95%
Resident satisfaction with complaint handling (stage 1)				35%	TBC		29% (Sep-Mar)	60%
% stage 1 complaints responded to in target				 88%	80%		90%	90%
% of member enquiries responded to in target				 93%	95%		89%	-
Repairs				Year to date	Target	Trend	Year end 19/20	Housemark upper quartile

Overall tenant satisfaction with repairs		82%	minimum 82% ideal 84% aspirational 86%		83%	-
Tenant satisfaction with quality of repairs		85%	85%		83%	-
% of routine repairs completed within target		93%	90%		86%	-
% of urgent repairs completed within target		87%	95%		94%	-
% of emergency repairs completed within target		99%	98%		99%	-
% of responsive repair appointments kept		90%	95%		93%	96%
Number of works in progress		1550			-	-
% of communal repairs post inspected		51%	-		51%	-
<b>Void properties &amp; lettings</b>		<b>Year to date</b>	<b>Target</b>	<b>Trend</b>	<b>Year end 19/20</b>	<b>Housemark upper quartile</b>
Routine voids keys in to re-let (calendar days)		84	70 (forecast)		38	21
Number of voids longer than six months (excluding new builds and regeneration)		38	25		15	-
New tenant satisfaction		83%	90%		86%	-

Health and safety compliance	Year to date	Target	Trend	Year end 19/20	Housemark upper quartile
% of properties with valid gas safety certificates	🟡 99.54%	100%		99.95%	100%
Water tank testing	🟢 100%	100%		98.83%	-
Electrical testing - communal	🟢 100%	100%		99.58%	-
% of fire risk assessments (FRAs) in target	🟢 100%	100%		-	-
Asbestos survey compliance - communal areas	🔴 35%	100%		52%	-
Asbestos remediation actions - communal (high risk only)	🟡 79%	100%		66%	-

Neighbourhood services				Year to date	Target	Trend	Year end 19/20	Housemark upper quartile
Unlawfully occupied properties recovered		0	10			26	-	
Resident satisfaction with ASB case handling		65%	ideal 64%			63%	49.0%	
Tenant satisfaction with cleaning of communal areas		81%	85%			83%	-	
Leaseholder satisfaction with cleaning of communal areas		76%	85%			77%	-	
Tenant satisfaction with grounds maintenance		88%	85%			88%	-	
Leaseholder satisfaction with grounds maintenance		85%	85%			83%	-	
Income collection				Year to date	Target	Trend	Year end 19/20	Housemark upper quartile
Rent collected as a proportion of rent due		97.59%	98.50%			98.91%	97.2%	
Rent arrears as a % of rent roll		2.12%				1.11%	-	
Former tenant arrears collection		£181,987	£177,600			£256,253	-	
Lessee service charge collection		95.34%	98.00%			96.60%	90.5%	



## Audit and Performance Committee Report

<b>Date:</b>	17 February 2021
<b>Classification:</b>	General Release
<b>Title:</b>	Maintaining High Ethical Standards at the City Council
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	N/A
<b>Report of:</b>	Tasnim Shawkat, Bi-Borough Director of Law and Monitoring Officer.
<b>Author:</b>	Hazel Best Principal Lawyer, Bi-Borough Legal Services Email: <a href="mailto:hbest@westminster.gov.uk">hbest@westminster.gov.uk</a>

### 1. Executive Summary

- 1.1 This annual report to the Audit and Performance Committee is submitted in accordance with the Committee's term of reference as follows:

*"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 Director of Law".*

The Director of Law also serves as the Council's Monitoring Officer which is a statutory appointment under the provisions of Section 5 of the Local Government and Housing Act 1989. One of the roles of the Monitoring Officer is to advance good governance and ensure the highest standards of ethical behaviour are maintained through the effective discharge of their statutory duties.

- 1.2 'Ethical governance' lies at the very heart of the way in which an organisation is run, how its business is transacted and how its decisions are taken. In January 2019 the Committee on Standards in Public Life published a report following its review of ethical standards in local government. The covering letter to the report by the Chair stated that local government impacts the lives of citizens every day providing essential services to those it serves. Its decisions directly affect the quality of lives of local people. High standards of conduct in local government are

needed to demonstrate that those decisions are taken in the public interest and to maintain public confidence. The recommendations of the review have been discussed at Standards Committee

1.3 At the City Council we recognise that ethical governance is not simply a matter for the 'decision-makers at the top' but is applicable to all those who work for or in conjunction with the organisation – our elected Members, our staff and our contractors are all expected to adhere to the highest standards of conduct and behaviours. In this context the report will detail how we maintain ethical governance in each case. In compiling this report the Director of Law relies on information provided by or on behalf of Directors of a number of services. The areas covered in this year's report are the following:

- Tri-Borough Internal Audit Service;
- Ethical governance complaints monitoring
- Ethical governance at Member-level;
- Ethical governance in relation to staff and service areas
- Ethical governance in relation to the Council's contractors and procurement.

## **2. Recommendations**

- 2.1 That the annual report and actions taken to maintain high standards of ethical governance throughout the authority be noted
- 2.2 That the Committee suggest any areas of ethical governance which have not been addressed in this report, for inclusion in the next annual report

## **3. Tri-Borough Internal Audit Service**

3.1 The Council's Internal Audit & Corporate Anti-Fraud Service reviews policies, procedures and governance arrangements across the Council's Services and promotes a culture of zero tolerance in respect of fraud, corruption and mismanagement. Fraud awareness training is available to service areas where a need has been identified and a fraud internet page informs staff of emerging fraud risks, encourages fraud reporting and to maintains awareness ([Fraud page](#)).

### **How Ethical Governance Complaints are dealt with**

3.2 The [Council's Anti-Fraud & Corruption Strategy 2020-23](#) sets out the Council's overall policy on fraud and corruption and states that if fraud, corruption or any misconduct directed against the Council is suspected, this should be reported immediately. The Council's strategy aligns to the national strategy published by the Local Government Association (LGA).

- 3.3 The Officers' Code of Conduct reinforces the requirement for all staff to be vigilant and describes how they should raise any concerns they may have. Further guidance is also provided in the Council's Whistleblowing at Work policy and the Fraud Response Plan.
- 3.4 Support from members of the public is also important in combating fraud and corruption, and facilities are provided to enable them to report their concerns, including an electronic "Report a Fraud" facility on the internet and a more traditional Fraud Hotline. The majority of referrals via these channels provide information regarding unlawful subletting, the abuse of residents' or disabled parking badges. Fraud referrals in respect of welfare benefits are redirected to the Department for Work and Pensions.
- 3.5 The Council's Fraud Response Plan provides guidance on the action to be taken when a fraud or corruption complaint is received, and details action to be taken to ensure the Council can;
- Minimise and recover losses
  - Establish and secure evidence necessary for criminal and disciplinary action
  - Take disciplinary action against those involved
  - Review the reasons for the incident and ensure that actions are implemented to strengthen procedures and prevent recurrence.
- 3.6 Any suspicion of fraud will be treated seriously and will be investigated in accordance with the Council's procedures and the relevant legislation including the Fraud Act 2006.

#### **4. Ethical Governance Complaint Monitoring**

- 4.1 As part of the arrangements in place for maintaining high ethical standards throughout the Authority, on 15 March 2007 the Standards Committee endorsed a definition of what constitutes an ethical governance complaint so that Departments can identify and refer any ethical governance complaints to the appropriate persons, and consistently record such complaints.

The definition of an ethical governance complaint as endorsed by the Standards Committee is as follows:

*"An alleged breach of the high standards of ethical conduct set out in the codes of conduct for officers and Members"*

- 4.2 As the Tri-Borough Internal Audit Service investigate allegations of fraud, bribery and corruption, it is not appropriate for such ethical governance complaint issues to be investigated under the Council's normal complaints procedure. However, if such a complaint is raised under the complaint's procedure, the complainant will

be advised that the matter will be referred to the Fraud Investigation Team to take the appropriate action.

- 4.3 The Corporate Complaints Team is a distinct service to that of the Fraud Investigation Team and is based within the Corporate Services Department. The team has overall responsibility for the management and development of the Corporate Complaints procedure and for the compilation of the Annual Complaints Review. There is a separate report presented to the Audit and Performance Committee in relation to Annual Complaints for 2019/2020. This report does not identify any ethical governance complaints. Adults and Children Social Care Services each have their own separate statutory complaints procedure. Neither have received any complaints which meet the definition of an ethical governance complaint.
- 4.4 As part of monitoring ethical governance complaints service areas are reminded on a quarterly basis what constitutes an ethical governance complaint, and they are also asked if any ethical governance complaints have been dealt with under the Council's complaint procedure. It is not unusual for Departments to report that no ethical governance complaints have entered the complaints procedure and as already explained it is a matter of general practice that allegations of this nature are usually referred to Internal Audit for investigation as appropriate.

## **5. Ethical governance at Member-level**

- 5.1 The Council's Standards Committee usually meets three times per annum. Last year the Committee met twice, 10 March 2020 and 19 October 2020.
- 5.2 At its meeting on 10 March 2020 the committee considered the Bi-annual report standards committee report which set out the work the committee had achieved over the last two years, namely, changes made to the Councillors Code of Conduct, introduction of a social media policy for Councillors and summarised the training sessions provided for Councillors. In addition, the Leader attended the committee for a question and answer session on ethical standards. Members were also told of the review of the model code of conduct by the Local Government Association (LGA). This follows the recommendation by the Committee on Standards in Public Life (CSPL) for the LGA to create an updated model code of conduct in consultation with representative bodies of councillors and officers of all tiers of local government.
- 5.3 At its meeting on 19 October the Committee reviewed the Monitoring Officers response to the LGA consultation. Since this committee meeting the LGA has published a model code of conduct. This will be reviewed at the next Standards Meeting on 8 April 2021. The Council is not obliged to adopt the LGA model code of conduct. In addition, the Committee considered a report on the Council's progress in relation to 15 best practice recommendations of the CSPL published in January 2019. The CSPL describe the best practice recommendations as representing a benchmark for ethical guidance. The Council has already adopted the majority of the recommendations, for example, including prohibitions on

bullying and harassment and including definitions within the code of conduct, review the code of conduct each year, publish the code on their website, update and publish Councillors gifts and hospitality register, have access to two independent persons. The Council has three Independent Persons. They attend and contribute at meetings of the Standards Committee.

- 5.4 The Monitoring Officer has considered six complaints alleging a breach of the Members Code of conduct. The monitoring Officer, or her deputies consulted the independent persons. In relation to three of the complaints the matters complained of did not meet the criteria set out in the Councils arrangements for dealing g with complaints alleging a breach of the Members' Code of Conduct, to warrant further investigation criteria was not met in consultation with one of the Independent Persons decided that the criteria was not met to investigate four of the complaints. In relation to the other two complaints the Councillors offered an apology to the complainant and therefore the complaints were not investigated. There was not a pattern of vexatious complaints or general theme as to the nature of the complaints.
- 5.5 Ethical standards are included in the Members' Development Programme. On 29 October 2013 Councillors attended a training session on diversity facilitated by an outside organisation.

## **6. Ethical Governance in relation to staff and service areas**

- 6.1 The public is entitled to expect the highest standards of conduct from all Westminster City Council employees.
- 6.2 The law, the Council's Constitution, Code of Governance, Terms and Conditions of Employment, policies and procedures all bear on the way Council employees carry out their duties. The main provisions are summarised in the Council's Code of Conduct for employees. The employee guide to the Code of Conduct details source documents such as HR Policies where more comprehensive information can be found.
- 6.3 Breaches of the Code may result in action under the Council's Disciplinary Code. The Code is published on the Council's intranet and forms part of corporate induction for all new starters

## **People Services**

### **Details of Staff Disciplinary Cases and Whistleblowing / Grievance issues**

- 6.4 Details of staff disciplinary cases, grievance cases and whistleblowing issues throughout the authority, excluding schools, categorised by issue, are set out below. Details of all cases are monitored by People Services who review these and flag up any issues arising. The level of disciplinary cases are regarded as normal in an organisation the size of the City Council.

An overall three-year trend:

	2017 - 2018		2018 - 2019		2019 - 2020		Trend
	Closed	Open	Closed	Open	Closed	Open	
Disciplinary	9	8	11	15	16	16	Increased (as expected given increased headcount)
Staff employed	1869		1890		2461		

- The council concluded 16 disciplinary cases in total in the 2019/2020 financial year (this included 4 cases which were brought forward from 2018/2019)
- There were 4 cases opened in 2019/2020 that remained open going forward to the new financial year. These are all now concluded.
- The increase in cases can be attributed to the transfer of City West Home staff, resulting in an increase in the overall staffing headcount.
- The outcome of those disciplinary matters closed in 2019/20 were:

<u>Outcome</u>	No Case to answer	Formal Written Warning	Final Written Warning	Dismissal	Resigned	Left by mutual agreement
<u>Closed Cases</u>	2	2	3	6	2	1

- 6.5 There have been 4 cases which would fall under the remit of ethical conduct, these centred around an allegation of fraud, fraudulent claiming of shift pay, failure to declare on the gifts and hospitality register and the mismanagement of spends resulting in a significant loss of money. Although this equates for 25% of all of the disciplinary cases, it is not felt that there is a concern of poor ethical behaviour across the Council The right safeguards are in place to ensure that our employees maintain and uphold good ethical behaviour. In regard to the wider disciplinary cases, the issues included: allegations of gross negligence, safeguarding concerns, unauthorised absence, inappropriate use of social media, sexual harassment and bullying and harassment.
- 6.6 The disciplinary cases have occurred in a number of services across the Council. Given the relatively small number of cases there is no evidence that there are systemic

weaknesses or problems of unethical conduct in the Council or in any particular department.

- 6.7 In 2019 / 2020 there was 1 whistleblowing matter raised. This case was linked to a grievance matter that was also raised and related to an external body to Westminster Council. The case was concluded and partially upheld. The Council took the appropriate action in addressing the concerns raised.
- 6.8 There were 24 individual grievance cases opened within the stated period and 3 brought forward from the previous year, 18 cases in total were closed and 9 remained open going forward to the next financial year. These cases have all now been concluded.

The outcome of those cases closed within 2019/2020 were;

Outcome	Not Upheld	Upheld	Partially Upheld	Dealt with Informally	Withdrawn
Closed Cases	8	0	9	0	1

- The general themes to the grievances do not highlight any concerns of unethical conduct.
- Although a greater number of cases were partially upheld we do not deem there to be a widespread cultural issue of harassment and bullying across Westminster's management. For these cases there were management learnings highlighted and implemented. We continually monitor this important matter in our annual staff survey so that any area of concern can be highlighted to senior officers.
- The below table shows the response for Respect and Dignity (Bullying and Harassment). As can be seen the number of respondents who said that they had personally experienced bullying and/or harassment has declined. Although it should be noted that there was a 1% increase on those who preferred to not say.

In the last year while working for the council, I have personally experienced bullying and/or harassment	2017	2018	2019	2020	Trend
Yes	11%	9%	12%	9%	-3%
No	81%	81%	80%	81%	+1%
Prefer not to say	8%	10%	8%	9%	+1%

### Staff Declarations of Interest and Receipt of Gifts and Hospitality

- 6.9 The Council requires all employees to disclose any interests which may conflict with their public duty by completing a [Declarations of Interests Form](#). The form is accessible from the Council's intranet, The Wire. The Council also requires all employees in specified [designated](#)<sup>[1]</sup> [posts](#) to complete a Declarations of Interests Form on taking up the post and on any change in personal circumstances.
- 6.10 ELT members or their nominated officer will use the information on Declaration of Interests Forms to compile and maintain a register of pecuniary and personal interests for their area of responsibility. Each ELT member will review their register and consider whether any steps need to be taken to avoid conflict when relevant employees complete and resubmit forms. The register is not available for public inspection and there is no statutory requirement to make them available. However, subject to any exemptions which may apply, information contained within the register will be disclosed in accordance with the Freedom of Information Act 2001.
- 6.11 Every endeavour is made to keep the registers up to date but the onus is on employees to ensure that their registration details are accurate and up to date. Information will be maintained and held on the register during the employees' employment and for six years thereafter. In addition to completion of the declaration of interests' form, employees must also declare any interests at meetings as appropriate. Failure to disclose such interests may lead to disciplinary action under the council's policies.

### **Staff Receipt of Gifts and Hospitality**

- 6.12 The Council also provides managers and employees with guidance as to when they can legitimately receive or give gifts and hospitality during the course of their duties. Without exception all gifts and hospitality given and received, whether accepted or declined, must be entered in the designated corporate register immediately after the offer is made. Given that the Council is a public body it is essential that all such items are recorded in an easily accessible and efficient way. To this end, an online Gifts and Hospitality Register has been implemented and been used since 19 December 2006. The corporate Gifts and Hospitality Register is maintained and reviewed by the designated monitoring officer on a regular basis. This is currently the Audit Manager.

## **7. Ethical Governance guidance and safeguards in relation to the Council's contractors and procurement**

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### **[1] Designated Posts**

- all posts at Band 5 or above level or their non-Reward equivalent
- any post referred to on a Directorate / Unit Scheme of Delegation for contract purposes; and
- any other post as determined by the EMT member or their nominated officer where the post holder has a significant involvement in contract matters or other work which requires a high level of transparent probity.

- 7.1 The Council's Standing Orders and the Procurement Code set out the requirements which must be followed in respect of all procurement and contract management activity. The Code states that the Council expects all officers involved in procurement activity to ensure they are aware of and comply with all legislation, corporate strategies and policy; to take the necessary action to formally disclose situations of potential, perceived or actual conflict of interest; to behave with the highest levels of probity and integrity, making specific reference to the Bribery Act 2010 and the Council's Code of Conduct.
- 7.2 The Code informs officers of the appropriate governance and procurement assurance processes to be followed, as well as the approvals that must be obtained to ensure good business practices are applied and risks are minimised.
- 7.3 Procurement Services support officers with best practice advice, guidance through the stages of the procurement and contract management lifecycle and will lead on all procurement activity valued at £100,000 or more.
- 7.4 The Procurement & Commercial Services department has undergone a significant transformation in 2020, which continues into 2021 and will strengthen the service and the support it provides to business areas. This includes:
- 7.5 An entirely new Leadership team has been recruited, with extensive experience from a diverse range of backgrounds; A 'Business Partner' approach is being implemented, which will enable closer alignment with business areas and better visibility of the commissioning and procurement pipeline across the Council; The Procurement Code has been updated to better reflect the Council's priorities, and the new Code will be published in early 2021, with supporting education and communications; Measures and reporting are being developed to give Council Members visibility and oversight of procurement & contract performance across the council, and of the contribution made by Procurement and the Council's supply chain to the City for All aims.

## **8. Conclusion**

- 8.1 This report provides the Committee with an overview of the arrangements in place across the Council to maintain high standards of ethical governance and highlights the work which has been undertaken in this respect during the 2019-2020. As detailed in this report, action has been taken to ensure the Council is fully compliant with legislation relating to ethical governance and to ensure Officers' and Members' responsibilities in this context are communicated accordingly. Appropriate systems are in place to facilitate the reporting of ethical governance complaints and defined mechanisms and procedures exist to ensure any such complaints are dealt with in the correct way.

If you have any queries about this Report or wish to inspect any of the  
Background Papers please contact: Hazel Best  
hbest@westminster.gov.uk

**BACKGROUND PAPERS:**

[Report to Standards Committee October 2020 Update on review of model code of conduct by LGA](#)

[Council's response to consultation on LGA model code of conduct](#)

[Council's response to CSPL on implementation of best practice points](#)

[Table of best practice recommendations](#)



City of Westminster

## Audit & Performance Committee Report

<b>Date:</b>	<b>17 February 2021</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>No direct financial implications arising from this report</b>
<b>Report of:</b>	<b>Head of Committee and Governance Services</b>
<b>Report Author:</b>	<b>Artemis Kassi Senior Committee and Governance Officer</b>

### **1. Executive Summary**

- 1.1 The Committee is invited to review its Work Programme for the remainder of 2020/21 municipal year attached at **Appendix 1**, and to confirm the agenda items for its next meeting on 27 April 2021.
- 1.2 The Committee is asked to note the actions which arose from its meeting on 2<sup>nd</sup> December 2020, as detailed in **Appendix 2**.

### **2. Recommendations**

It is recommended that the Committee:

- 2.1 agree the agenda items for its next meeting on 27 April 2021, as set out in Appendix 1 to the report;
- 2.2 note the actions which arose from the last meeting, as detailed in at Appendix 2 to the report; and
- 2.3 consider items for the future Work Programme for 2021/2022.

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

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

- 3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee (attached as **Appendix 3**,) which may assist the Committee in identifying issues to be included in the Work Programme.
- 3.3 The Work Programme will be reviewed at each meeting of the Committee and items can be removed or added as necessary.
- 3.4 A report on the findings from the certification of 2019/20 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 will be brought by the Council's officers and auditors to the meeting in April 2021.

#### **4. Task Groups**

- 4.1 There are no Task Groups operating at present.

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

- 5.1 The actions arising from each meeting are recorded in the Action Tracker attached as Appendix 2. Members are invited to review the work undertaken in response to those actions.

#### **6. Resources**

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

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

**Artemis Kassi, Senior Committee and Governance Officer**

**Tel: 078 1705 4991 or email: [akassi@westminster.gov.uk](mailto:akassi@westminster.gov.uk)**

#### **APPENDICES:**

Appendix 1 – Work Programme 2020/21

Appendix 2 – Committee Action Tracker

Appendix 3 – Terms of Reference

**BACKGROUND PAPERS:** None

# Work Programme 2020/21

## Audit and Performance Committee

**27 May 2020**

	<b>CANCELLED</b>	
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**18 June 2020**

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

**15 July 2020**

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

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

### 10 September 2020

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
<b>Statement of Accounts 2019 / 2020</b>	To receive and review the audited Statement of Accounts for the Council and the Pension Fund following a public inspection period of the accounts from 19th May 2020 to 1st July 2020	Gerald Almeroth (Finance)
<b>Audit Findings Report 2019-2020 for the General Fund and Pension Accounts</b>	To receive the report by Grant Thornton	Gerald Almeroth (Finance) / Grant Thornton

## 23 September 2020

Agenda Item	Reasons & objective for item	Lead Officer
<b>Immunisations</b>	To review immunisation rates in Westminster	NHSE / Public Health
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	<p>To monitor the City Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.</p> <p>To monitor Quarter 1 performance results against the 2020/21 business plans</p>	<p>Gerald Almeroth (Finance)</p> <p>Mo Rahman / Annelie Drabu / Marine Andre (Performance)</p>
<b>Annual Contracts Review 2019/20 and Procurement Update</b>	To review the City Council's contracts, including details of contracts awarded, waivers and performance. Also to review progress and key performance indicators for the new operating model.	<p>Kevin Goad (Procurement)</p> <p>Annabel Saunders Etiene Steyn Simon Sluys (Commissioning)</p>
<b>Update on HRA Capital Programme</b>	To consider a report on the HRA Capital Programme outturn against forecast and mitigation measures to address any underspend.	<p>Gerald Almeroth (Finance)</p> <p>Debbie Jackson (GPH)</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.	<p>David Hughes Moirra Mackie (Internal Audit)</p>
<b>Internal Audit Charter</b>	To review the City Council's Internal Audit Charter which is maintained by the Shared Services Director for Internal Audit, Fraud, Risk and Insurance in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS)	<p>David Hughes Moirra Mackie (Internal Audit)</p>

<b>CityWest Homes Performance</b>	To receive a report from the City Council's Housing Directorate and CityWest Homes on operational performance.	Debbie Jackson/ Neil Wightman (Housing)
<b>Work Programme 2020/21</b>	To review the work programme for the remainder of the 2020/21 municipal year	Artemis Kassi

## 2 December 2020

Agenda Item	Reasons & objective for item	Lead Officer
<b>Progress and Update on 2020/21 Audit</b>	To consider an update on the 2020/21 Audit and key information on accounting changes and emerging issues for local government	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Finance and Performance Monitoring Report</b>	To monitor the Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.	Gerald Almeroth (Finance)  Annelie Drabu /Mo Rahman/Marine André
<b>Mid-Year Counter Fraud Monitoring Report</b>	To oversee and monitor the success of the Counter Fraud Service.	Andy Hyatt (Anti-Fraud)
<b>Review of Anti-Fraud Policies</b>	To review and approve the following which are maintained by the Corporate Anti-fraud Service: <ul style="list-style-type: none"> <li>• Fraud Response Plan</li> <li>• Anti-bribery Policy</li> <li>• Anti-money Laundering Policy (including procedures)</li> </ul>	Andy Hyatt (Anti-Fraud)

<b>Treasury Management Strategy Mid-Year Review</b>	To receive an update on the delivery of the 2020/2021 Treasury Management Strategy and to approve the Annual Treasury Strategy Mid-Year Review 2020/21, including any cases of non-compliance	Phil Triggs
<b>Strategic Review of school finance in Westminster</b>	To consider a report of a strategic review of school finance in Westminster  Invite ISOS partnership to attend	Andrew Tagg (Children's Services)
<b>Work Programme 2020/21</b>	To review the work programme for the remainder of the municipal year 2020/21	Artemis Kassi

### 17 February 2021

<b>Agenda Item</b>	<b>Reasons &amp; objective for item</b>	<b>Lead Officer</b>
<b>Grant Thornton Annual Audit Letter 2020/2021</b>	To consider Grant Thornton's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>Grant Thornton Annual Audit Plan 2020/2021</b>	To set out the audit work proposed by Grant Thornton for the audit of the financial statements and the value for money (VFM) conclusion for 2020/2021.	Paul Jacklin Paul Dossett (Grant Thornton)
<b>UK Local Authority Credit Risk Report</b>	To report on counterparty risk, necessary due diligence and credit checks on local authority names in the current Treasury counterparty list and accompanying consultant report about the statutory backdrop and an assessment of the current Treasury practices.	Phil Triggs Mathew Dawson (Treasury)
<b>Finance &amp; Performance Business Plan</b>	To monitor Westminster City Council's financial position including revenue forecast outturn, revenue expenditure	Gerald Almeroth (Finance)

<b>Monitoring Report</b>	including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 2 performance results against the 2020/21 business plans.	Mo Rahman / Damian Highwood (Performance)
<b>Internal Audit Monitoring Report</b>	To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	David Hughes Moira Mackie (Internal Audit)
<b>Internal Audit Plan 2020/21</b>	To review and comment on the draft audit plan for 2020/21	David Hughes Moira Mackie (Internal Audit)
<b>Corporate Complaints 2020/2021</b>	To report on the volume and details of complaints received by Westminster City Council in 2020/2021.	Sue Howell (Complaints)
<b>Westminster Housing Service</b>	To receive a report on performance from Westminster City Council's Housing Directorate.	Debbie Jackson / Neil Wightman (Housing)
<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 City Council.	Tasnim Shawkat (Monitoring Officer) Hazel Best
<b>Draft Annual Report and Work Programme</b>	To consider a draft Annual Review and to review the work programme for the remainder of the 2020/2021 municipal year	Artemis Kassi

**20 April 2021**

Agenda Item	Reasons & objective for item	Lead Officer

<b>Draft Annual Statement of Accounts and Outturn 2020/2021</b>	To review the draft 2020-2021 Annual Statement of Accounts and outturn.	Gerald Almeroth (Finance)
<b>Draft Audit Findings Report 2020/2021</b>	To review the reports from the City Council's external auditors on the key findings arising from their audit of the City Council's 2020-2021 financial statements (Council and Pension Fund)	Paul Dossett Paul Jacklin (Grant Thornton)
<b>Grant Thornton Certification of Claims and Returns Annual Report (Audit 2020/21)</b>	To report the findings from the certification of 2019/20 claims and the messages arising from the assessment of the City Council's arrangements for preparing claims and returns and information on claims that were amended or qualified.	Paul Jacklin Paul Dossett (Grant Thornton) Martin Hinckley (Finance)
<b>Finance &amp; Performance Business Plan Monitoring Report</b>	To monitor the City Council's financial position including revenue forecast outturn, revenue expenditure including key risks and opportunities, capital expenditure and HRA revenue and capital expenditure and reserves.  To monitor Quarter 3 performance results against the 2020/21 business plans	Gerald Almeroth (Finance)  Mo Rahman / Damian Highwood (Performance)
<b>Annual Report and Work Programme 2021/22</b>	To finalise the Annual Report and consider the Work Programme for the forthcoming municipal year 2021/2022	Artemis Kassi

### Unallocated Work Programme Items

Agenda Item	Reasons & objective for item	Lead Officer
<b>Metropolitan Police Basic Command Unit</b>	To monitor and review the performance of the Metropolitan Police Service Basic Command Unit for Westminster.	Metropolitan Police Service / WCC officer tbc

<b>Immunisations</b>	To monitor and review progress since the previous report to the Committee of 23 September 2020	NHSE/ Natalia Clifford/Jeffrey Lake/Sarah Crouch
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**COMMITTEE ACTION TRACKER**  
**ACTIONS: 2 December 2020**

ACTION	OUTCOME	LEAD OFFICER
<b>FINANCE AND PERFORMANCE BUSINESS PLAN MONITORING</b>		
1. The Committee to receive details concerning projects in Bayswater, including the Brunel Estate	Information received on 25 January 2021	Debbie Jackson Neil Wightman
2. The Committee to receive more detailed information about Ashbridge and Ebury	Information received on 25 January 2021	Debbie Jackson
3. The Committee to receive a report concerning levels of uncertainty around commercial shortfall	Items to go to scrutiny as part of the Budget Scrutiny Task Group (25, 26 and 28 January 2021) before coming to APC	Gerald Almeroth
4. The Committee to receive more details about electric vehicles (including the ease with which residents can secure resident bays, cost and how they work)	Information provided on 13 January 2021	Raj Mistry Kevin Goad Twila Grower Damon Budds
5. The Committee to be provided with details about the Brexit Board	Information received on 18 January 2021	Debbie Jackson Pedro Wrobel Ezra Wallace
6. The Committee to receive more information about the Westminster Employment Service (including the report which went to scrutiny in November 2020)	Information provided on 4 January 2021	Debbie Jackson Greg Ward
7. Committee Members to receive information about the Registrars Service		Andrew Tagg/Annabel Saunders
8. The Committee to receive an update on immunisations, including the roll out of the Covid19 Vaccine		Bernie Flaherty Jeff Lake
9. The Committee to be provided with more information concerning increases in local gang-related activity		Bernie Flaherty Andrew Tagg
10. Future reports to provide linkage between risk scores and performance indicators	In progress subject to comment by Committee members	Pedro Wrobel Annelie Drabu/Sophie Shore Mo Rahman
11. The Committee to receive a briefing on rough sleeping, street populations and addressing crime		Raj Mistry
<b>TREASURY MANAGEMENT STRATEGY MID-YEAR REVIEW</b>		
1. The Committee to receive a report on	Report features in the agenda	Gerald Almeroth

lending to other local authorities, due diligence processes, how these processes compare to those of financial institutions and overall lending strategy	items for the meeting on 17 February 2021	Phil Triggs
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**AUDIT AND PERFORMANCE COMMITTEE TERMS OF REFERENCE**

**CONSTITUTION**

Four Members of the Council, three Majority Party Members and one Minority Party Member, but shall not include a Cabinet Member.

**TERMS OF REFERENCE**

Audit Activity

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

Regulatory Framework

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

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

#### Accounts

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

#### Performance Monitoring

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

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

#### Staffing

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

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